

# Elektroimportøren AS

Quarterly report Q4 2024



elektroimportøren



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[#QuarterlyreportQ42024](#) [#elektroimportøren](#)

# To our shareholders

Q4 is our most important quarter, and I am therefore very pleased to share that we continued to improve our results in Q4, a much anticipated and strong continuation of the positive trend from Q3. Sales increased in both countries and all channels, and the team has at the same time managed to increase gross margins and decrease operating expenses.

The quarter started well with growth in October. November is always exciting, as it is the largest sales month during the year. The team managed to increase sales also this month. December delivered double-digit growth, ending the year on a positive note.

A mild winter always poses challenges for heating product sales, but despite that, we achieved growth across all major categories. Cables and smart home products contributed with the highest growth rates, but I am also pleased to see that our two major categories, electro material and lighting, are performing well.

Throughout the quarter we continued to carefully manage our gross margins. Margin is always a challenge during black week, but otherwise, our gross margin increased slightly in all categories in both countries.

In Norway, customer visits continued to increase. Together with the opening of a new store in Oslo, this contributed to growth in the B2C segment. B2B sales had a minor decline, but for the full year we increase total sales in a declining wholesale market and gained market shares.

In Sweden, the team successfully attracted more B2B customers to our Veddesta store, leading to a doubling of B2B sales in Q4. In addition, we experienced a very positive development in online sales in Sweden. The trend in Sweden is positive, our Swedish operation is moving in the right direction, and performance is improving month by month.

In November we opened store number 29 at Skøyen in Oslo, an appreciated location we have high expectations for. The opening, and the following weeks, have showed very good results, attracting both private consumers and professionals to the new store.

Based on our performance of the last two quarters, we look forward to 2025 with cautious optimism. Q4 is all about delivering on sales, logistics and customer service and our team has made a very good delivery in a challenging time. I want to extend my heartfelt thanks to all colleagues for your outstanding work in this period.



Yours sincerely  
Andreas Niss, CEO Elektroimportøren

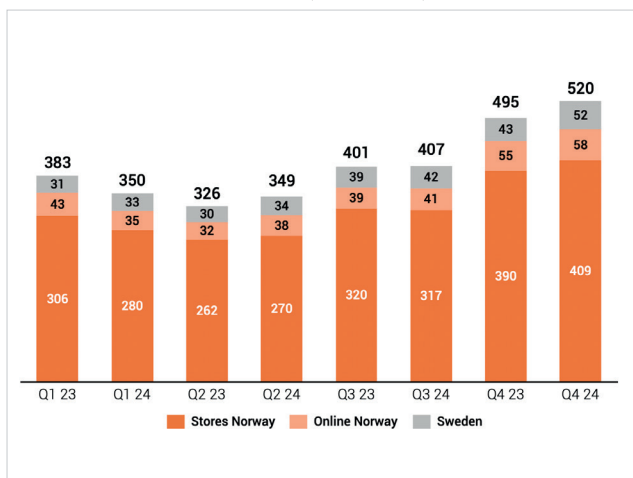
# Summary of key financials in Q4

- ⚡ Total revenue in Q4 was NOK 520 million, up 5.2 per cent from NOK 495 million last year:

  - Like-for-like revenue increased by 1.8 per cent
  - B2B revenue increased by 1.1 per cent
  - B2C revenue increased by 8.6 per cent
  
- ⚡ Gross margin in Q4 was 34.8 per cent, up from 32.8 per cent last year:

  - Increase driven by increase in B2C share of business. In addition, there was inventory counting and provisions of NOK 7 million last year.
  
- ⚡ OPEX were NOK 114 million in Q4, down from NOK 117 million last year. The decline is driven by strong cost focus and cost reductions implemented during last year, which is coming through.
  
- ⚡ Reported EBITDA in Q4 was NOK 66 million, up from NOK 46 million last year. EBITDA margin of 12.7 per cent, up from 9.2 per cent last year.

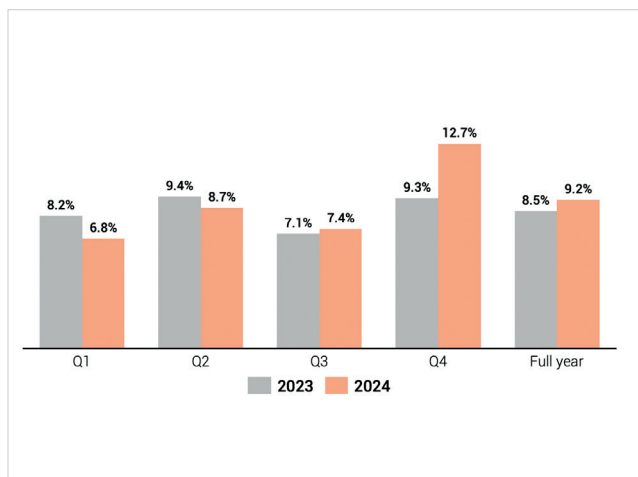
Revenue (NOK million)



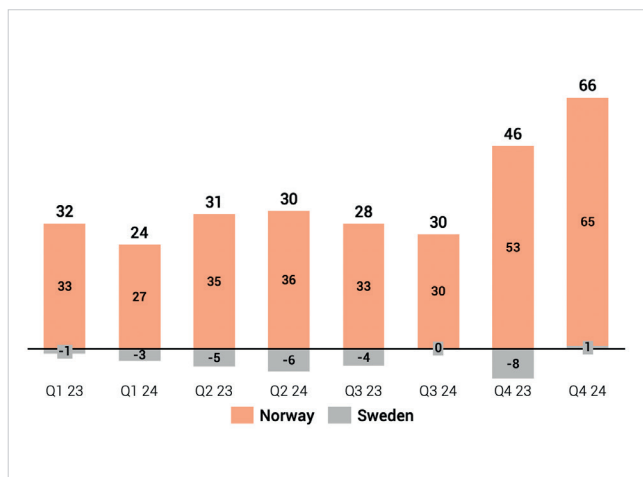
# of physical stores



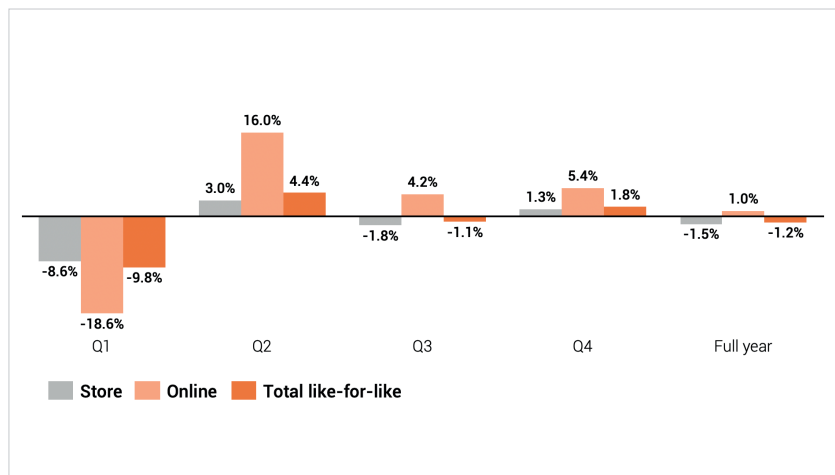
Reported EBITDA margin (%)



Reported EBITDA (NOK million)



Like for Like growth %



# Alternative performance measures Q4 2024 – Group

Amounts in NOK million	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	520	495	1627	1604
Cost of goods sold	-339	-332	-1062	-1051
Gross profit	181	162	565	553
Gross margin (%)	34.8 %	32.8 %	34.7 %	34.5 %
Operating expenses in sales channels	-67	-68	-226	-242
Other operating expenses	-47	-49	-169	-174
OPEX	-114	-117	-396	-416
OPEX to sales margin (%)	-22.0 %	-23.6 %	-24.3 %	-25.9 %
Adjusted EBITDA	67	46	170	137
Adjusted EBITDA margin (%)	12.8 %	9.2 %	10.4 %	8.5 %
Adjustments	-1	0	-20	-1
EBITDA reported	66	46	150	136
EBITDA reported margin (%)	12.7 %	9.2 %	9.2 %	8.5 %
Depreciation	-28	-19	-108	-95
Adjusted EBIT	38	26	56	41
Adjusted EBIT margin (%)	7.3 %	5.2 %	3.4 %	2.5 %
Adjustments	-1	0	-17	-1
Amortisation intangible assets	0	0	-3	-1
EBIT reported	37	26	39	40
EBIT reported margin (%)	7.1 %	5.2 %	2.4 %	2.5 %
Net financial expenses	-5	-18	4	-55
Profit before tax	32	8	43	-16
Net profit	23	7	40	-12
Liabilities to financial institutions	-220	-307	-220	-307
Leasing liabilities	-453	-411	-453	-411
Cash and bank deposits	139	9	139	9
Net interest bearing debt incl. IFRS	-533	-709	-533	-709
Net interest bearing debt excl. IFRS	-108	-310	-108	-310

# Financials



# Financial review Q4 2024 - Group

## Revenues

Total revenue in the fourth quarter was NOK 520 million, corresponding to an increase of 5.2 per cent compared to last year. The increase was driven by both stores and online revenue in both Norway and Sweden. Other revenue decreased due to lower delivery of Solar projects in the period compared to last year.

B2C revenue increased by 8.6 per cent, while B2B revenue increased by 1.1 per cent. The like-for-like revenue growth in Norway was 1.8 per cent in the quarter.

The number of visits to physical stores in Norway was up compared to last year by 6.0 per cent, while hit rate is down by 1.0 per cent and basket is up by 1.6 per cent.

Online revenue in Norway increased by 5.4 per cent in Q4 2024 compared to last year.

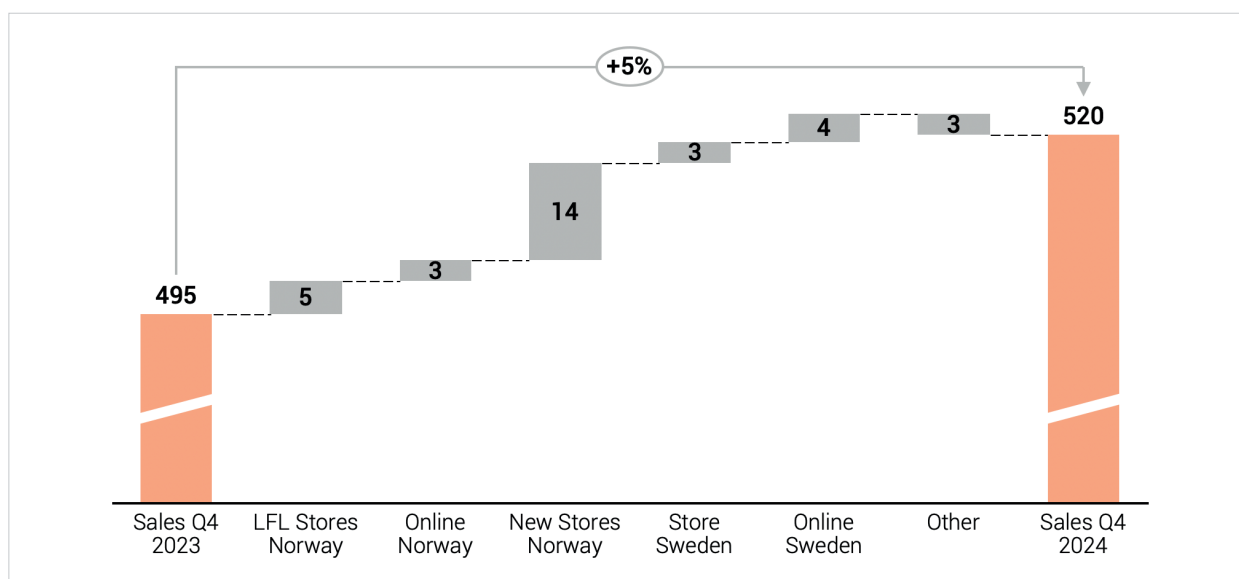
Revenue from Spoton of NOK 14 million in the quarter, compared to NOK 11 million last year.

Solar orders were NOK 4 million in Q4 2024, down from NOK 8 million last year. Invoiced solar projects in the quarter were NOK 5 million. Order backlog of NOK 1 million end of December 2024.

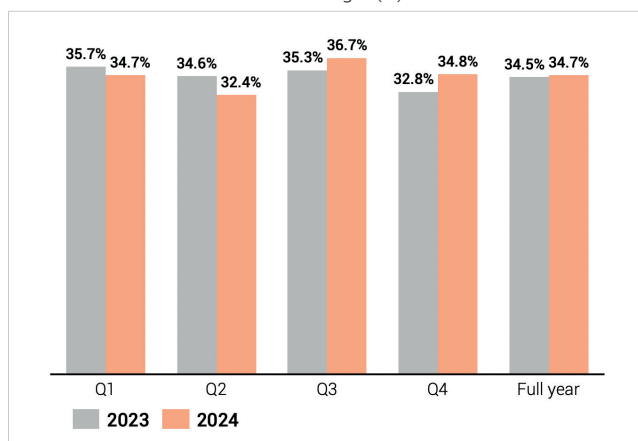
The store in Elbutik contributed with NOK 10 million in revenue for the quarter, while online revenue in Elbutik was NOK 40 million. B2B revenue in Sweden in the quarter is included with NOK 9 million.

Other revenue is mainly solar projects invoiced from our project department and not sold through our stores.

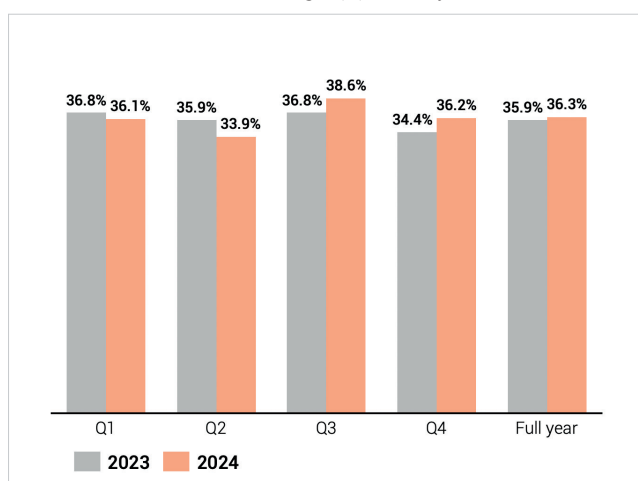
Revenue bridge Q4 2023 to Q4 2024



Gross margin (%)



Gross margin (%), Norway



### Gross margin

Gross profit for the quarter was NOK 181 million, up from NOK 162 million last year. This translated into a gross margin of 34.8 per cent, compared with 32.8 per cent in the same period of 2023. Overall, margins were impacted by shift towards B2C with higher margin. In addition, gross profit in 2023 were impacted by inventory counting and provisions of NOK 7 million.

The margin in Sweden is 22.4 per cent, compared to 16.1 per cent last year. Margin on both B2C and B2B continuous to increase in Sweden. Gross profit in 2023 were impacted by inventory counting and provisions of NOK 2 million.

In Norway, the gross margin was 36.2 per cent (34.4 per cent). The margin has increased because of shift towards B2C with higher margin. The exchange rate and freight costs continue to keep pressure on the margin. Gross profit in 2023 were impacted by inventory counting and provisions of NOK 5 million.

### Operating expenses

Operating expenses are reduced with NOK 2 million compared to last year, even with general salary increase, inflation adjustment of costs and two new stores. The group continues to maintain a rigid cost control, but the comparable will be tougher going forward due to the cost savings during the last year. OPEX to sales ratio at 22.0 per cent compared to 23.6 per cent last year.

### Adjusted EBITDA

Adjusted EBITDA for the quarter was NOK 67 million, up from NOK 46 million last year. The improvement is driven by improved gross profit of NOK 19 million together with cost reductions of NOK 2 million.

### EBITDA reported

Reported EBITDA for the quarter was NOK 66 million, up from NOK 46 million last year.

EBITDA (excluding IFRS 16) for the quarter was NOK 41 million, up from NOK 25 million last year

### EBIT reported

EBIT for the quarter was NOK 37 million compared to NOK 26 million last year.



### **Net financial expenses**

Net financial expenses of NOK 5 million relate to net interest expenses of NOK 5 million, gain on fair value movements on derivatives of NOK 3 million, net other financial revenue of NOK 3 million and IFRS 16 interest expenses of NOK 6 million. The average interest rate is 9.0 per cent in the quarter.

### **Net profit**

Net profit for the quarter was NOK 23 million, up from NOK 7 million last year.

### **Liquidity and borrowings**

The group had cash of NOK 139 million at end of Q4 2024, in addition to an unused overdraft facility of NOK 120 million.

Excluding IFRS 16 effects, net interest-bearing debt was NOK 108 million at the end of the quarter, corresponding to 1.5x of the LTM NGAAP EBITDA (NOK 70 million) excluding IFRS16 effects (NOK 94 million) and adjusted for the write-down of Solar (NOK 13 million). The loan facilities have a NIBD/ EBITDA covenant of 4.0x in Q4 2024.

# Alternative Performance Measures Q4 2024 - Norway

Amounts in NOK million	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	469	451	1466	1462
Cost of goods sold	-299	-296	-934	-937
Gross profit	170	155	532	524
Gross margin (%)	36.2 %	34.4 %	36.3 %	35.9 %
Operating expenses in sales channels	-63	-63	-212	-229
Other operating expenses	-41	-39	-146	-141
OPEX	-104	-102	-359	-370
OPEX to sales margin (%)	-22.2 %	-22.6 %	-24.5 %	-25.3 %
Adjusted EBITDA	65	53	173	154
Adjusted EBITDA margin (%)	14.0 %	11.8 %	11.8 %	10.5 %
Adjustments	0	0	-15	0
EBITDA reported	65	53	158	154
EBITDA reported margin (%)	13.9 %	11.8 %	10.8 %	10.5 %
Depreciation	-25	-18	-95	-88
Adjusted EBIT	41	35	76	66
Adjusted EBIT margin (%)	8.7 %	7.9 %	5.2 %	4.5 %
Adjustments	0	0	-15	0
Amortisation intangible assets	0	0	-2	0
EBIT reported	40	35	61	66
EBIT reported margin (%)	8.6 %	7.8 %	4.2 %	4.5 %
Net financial expenses	-4	-15	-34	-52
Profit before tax	36	20	27	14
Net profit	25	16	17	11

# Alternative Performance Measures Q4 2024 - Sweden

Amounts in NOK million	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	52	43	160	142
Cost of goods sold	-40	-36	-127	-114
Gross profit	12	7	34	29
Gross margin (%)	22.4 %	16.1 %	21.0 %	20.2 %
Operating expenses in sales channels	-4	-5	-14	-13
Other operating expenses	-6	-10	-23	-33
OPEX	-10	-15	-37	-46
OPEX to sales margin (%)	-19.8 %	-33.9 %	-22.8 %	-32.3 %
Adjusted EBITDA	1	-8	-3	-17
Adjusted EBITDA margin (%)	2.5 %	-17.8 %	-1.8 %	-12.1 %
Adjustments	-1	0	-5	-1
EBITDA reported	1	-8	-8	-18
EBITDA reported margin (%)	1.5 %	-17.8 %	-4.8 %	-12.8 %
Depreciation	-4	-2	-14	-7
Adjusted EBIT	-3	-9	-19	-25
Adjusted EBIT margin (%)	-4.9 %	-21.8 %	-12.0 %	-17.7 %
Adjustments	-1	0	-2	-1
Amortisation intangible assets	0	0	0	-1
EBIT reported	-3	-9	-21	-26
EBIT reported margin (%)	-5.9 %	-21.8 %	-13.3 %	-18.4 %
Net financial expenses	-1	-2	-5	-1
Profit before tax	-4	-12	-27	-27
Net profit	-3	-9	-21	-23

# Group Figures Q4



# Consolidated statement of profit and loss

Amounts in NOK million	Note	Unaudited		Audited	
		Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue		520	495	1627	1 604
Cost of goods sold		-338	-332	-1073	-1 051
Employee benefits expenses		-79	-77	-266	-273
Depreciation and amortisation expenses	7	-29	-19	-111	-95
Other operating expenses		-38	-40	-138	-145
<b>Total operating expenses</b>		<b>-483</b>	<b>-468</b>	<b>-1588</b>	<b>-1 564</b>
<b>Operating profit</b>		<b>37</b>	<b>27</b>	<b>39</b>	<b>40</b>
Net financial income (+)/expenses (-)	9	-5	-18	4	-56
<b>Profit before tax</b>		<b>32</b>	<b>9</b>	<b>43</b>	<b>-16</b>
Income tax expense		-9	-2	-3	4
<b>Net profit (loss) for the period</b>		<b>23</b>	<b>7</b>	<b>40</b>	<b>-12</b>
<b>Basic and diluted earnings per share (EPS)</b>		<b>0.45</b>	<b>0.26</b>	<b>0.87</b>	<b>-0.49</b>

## Other comprehensive income

Amounts in NOK million	Note	Q4 2024	Q4 2023	FY 2024	FY 2023
<b>Profit for the period</b>		<b>23</b>	<b>7</b>	<b>40</b>	<b>-12</b>
Items that may be reclassified to profit or loss in subsequent periods		0	0	0	0
Items that will not be reclassified to profit or loss in subsequent periods		0	0	0	0
Other comprehensive income for the year, net of tax		-3	0	4	20
<b>Total comprehensive income for the period net of tax</b>		<b>20</b>	<b>7</b>	<b>45</b>	<b>8</b>
Attributable to:					
<b>Non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>-1</b>	<b>0</b>
<b>Equity holders of the parent</b>		<b>20</b>	<b>7</b>	<b>46</b>	<b>8</b>

# Consolidated statement of financial position

Amounts in NOK million	Note	Unaudited	Audited
		FY 2024	FY 2023
Goodwill	7	456	452
Trademark and other intangible assets	7	58	22
Deferred tax asset		21	19
Other non-current assets		2	0
<b>Total intangible assets</b>		<b>537</b>	<b>492</b>
<b>Property, plant and equipment</b>	<b>7</b>	<b>489</b>	<b>493</b>
Inventories	8	339	357
Trade receivables		53	75
Other current assets		16	27
Cash and bank deposits		139	9
<b>Total current assets</b>		<b>547</b>	<b>466</b>
<b>TOTAL ASSETS</b>		<b>1572</b>	<b>1452</b>
Total paid-in-equity		369	195
Retained earnings		298	252
Non-controlling interests		1	2
<b>Total Equity</b>		<b>668</b>	<b>449</b>
Non-current lease liabilities		368	343
Non-current liabilities to financial institutions	4	180	255
Other non-current liabilities	9	0	44
<b>Total non-current liabilities</b>		<b>548</b>	<b>641</b>
Current lease liabilities		85	68
Liabilities to financial institutions	4	40	52
Trade creditors		122	136
Taxes payable		4	5
Public duties payable		61	54
Other current liabilities		44	47
<b>Total current liabilities</b>		<b>356</b>	<b>361</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1572</b>	<b>1452</b>

# Consolidated statement of cash flows

Amounts in NOK million	Note	Unaudited		Audited	
		Q4 2024	Q4 2023	FY 2024	FY 2023
Profit before income taxes		32	9	43	-16
Taxes paid		1	5	-6	-22
Depreciation and impairment	7	29	19	111	95
Interest		5	18	39	56
Change in inventory		16	53	18	-37
Change in trade receivables		33	30	22	-4
Change in trade creditors		-47	-70	-14	-18
Change in other current assets and liabilities		7	31	-29	22
<b>Net cash flow from operations</b>		<b>76</b>	<b>95</b>	<b>184</b>	<b>76</b>
<b>Cash flow from investments</b>					
Purchase of fixed assets		-7	-7	-21	-27
<b>Net cash flow from investments</b>		<b>-7</b>	<b>-7</b>	<b>-21</b>	<b>-27</b>
<b>Cash flow from financing</b>					
Repayment of long-term borrowings	4	0	-40	-75	-40
Change in liabilities to financial institutions	4	0	-5	-12	8
Proceeds from issue of shares		0	0	175	117
Change in non-controlling interest share purchase		0	3	0	3
Net interest paid		-5	-16	-39	-56
Lease payments for the principal portion of lease liability		-20	-21	-82	-63
Dividends paid to equity holders of the parent		0	0	0	-11
<b>Net cash flow from financing</b>		<b>-26</b>	<b>-79</b>	<b>-32</b>	<b>-42</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>97</b>	<b>0</b>	<b>9</b>	<b>3</b>
<b>Net change in cash and cash equivalents</b>		<b>42</b>	<b>9</b>	<b>131</b>	<b>6</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>139</b>	<b>9</b>	<b>139</b>	<b>9</b>

# Consolidated statement of changes in equity

<i>Amounts in NOK million</i>	<i>Note</i>	<b>Paid in Equity</b>	<b>Other Equity</b>	Total majority shares	Non- controlling interests	<b>Total Equity</b>
January 1st. 2023		78	254	331	0	<b>331</b>
Profit for January-December 2023		0	-12	-12	0	<b>-12</b>
Other comprehensive income		0	20	20	0	<b>20</b>
Issue of share capital		117	0	117	0	<b>117</b>
Change in non-controlling interest purchase		0	1	1	2	<b>3</b>
Approved dividend		0	-11	-11	0	<b>-11</b>
<b>Balance at 31 December 2023</b>		<b>195</b>	<b>252</b>	<b>447</b>	<b>2</b>	<b>449</b>
Balance at 1st. January 2024		195	252	447	2	449
Profit for January-December 2024		0	41	41	-1	40
Other comprehensive income		0	4	4	0	4
Issue of share capital		178	0	178	0	178
Transaction costs related to issue of share capital		-4	0	-4	0	-4
<b>Balance at 31 December 2024</b>		<b>369</b>	<b>298</b>	<b>667</b>	<b>1</b>	<b>668</b>



# Events after the period and outlook

Market conditions continue to be challenging, especially in the B2B market in Norway. Consumers show positive reactions to good campaigns but are otherwise still selective about their spending. However, so far in the 1st quarter we have managed to grow sales in both countries.

We have signed an agreement for store number 30 in Lillehammer Norway. Expected to open in April 2025.

From 1st of January Peter Aslan was appointed Managing Director for our Swedish operation.

In a challenging market environment, we have been seeking a suitable partner for Spoton to roll-out the system in other craftsman areas. As we end 2024 with no strategic partner, the Spoton organisation have been reorganised to reduce cost and achieve stronger integration with Elektroimportøren and its core business to continue to deliver professional electrician services to our customers. Cost savings are expected to come through in second half of 2025.

Oslo, 12th February 2025

The board of Elektroimportøren AS



Karin Bing Orgland




Kjersti Helen Krokeide Hobøl



Eirik Westvig Rogstad



Arvid Helstedt Tennefoss



Anders Jakobsson

# Notes and Definitions



# Notes

## Note 1 Corporate information

Elektroimportøren AS and its subsidiaries ('the Group') sell electrical installation products through wholly owned stores and on internet. The group has 29 physical stores in Norway and 1 in Sweden as of 31 December 2024.

Elektroimportøren AS is a Norwegian limited liability company and the Group's head office is at Nedre Kalbakkvei 88b, 1081 Oslo.

All amounts in the financial statements are presented in NOK million unless otherwise stated. Due to rounding's, there may be smaller differences in the summation columns.

## Note 2 Basis of preparation and accounting policies

The Q4 2024 report has been prepared in accordance with IFRS® Accounting Standards and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union as well as the requirements in the Norwegian accounting act.

The financial statements have been prepared under the historical cost convention except for the revaluation of financial assets and financial liabilities (derivative instruments) at fair value through profit or loss. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from its

involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The group applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent

## Note 3 Estimates, judgements and assumptions

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, sales and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31st December 2023.

#### Note 4 Liabilities to financial institutions

Elektroimportøren has an overdraft facility of NOK 120 million.

Liabilities to financial institutions are NOK 220 million as of Q4 2024.

NOK 40 million in yearly amortization will be reinstated from December 2025. The facilities have a maturity of three years from 18th March 2024 and are secured by inventory, receivables and operating equipment in Elektroimportøren.

#### Note 5 Related party transactions

The Group's related party transactions include key management, members of the Board and majority shareholders. None of the Board members have been granted loans or guarantees in the current year. None of the Group Board members are included in the Group's bonus or pension plans.

#### Note 6 Earnings per share

Amounts in MNOK	Q4 2024	Q4 2023	FY 2024	FY 2023
Number of ordinary shares	50 782 200	26 782 200	50 782 200	26 782 200
Net profit	23	7	40	-12
Earnings per share	0.45	0.26	0.87	-0.49

#### Note 7 Fixed assets and intangible assets

(amounts in NOK 1000)	Right of use asset	PPE	Other intangibles	Goodwill
Balance 30.09.23	317 724	132 421	21 210	432 406
Additions, disposals and adjustments	55 289	7 528	0	0
Depreciation and amortization	-9 938	-7 887	-253	0
Foreign exchange	844	600	0	19 378
<b>Balance 31.12.23</b>	<b>363 920</b>	<b>132 662</b>	<b>20 957</b>	<b>451 784</b>

(amounts in NOK 1000)	Right of use asset	PPE	Software and other intangibles	Goodwill
Balance 30.09.24	408 275	119 446	18 219	459 181
Additions, disposals and adjustments	22 975	5 926	1 942	0
Depreciation and amortization	-20 990	-5 104	-2 598	0
Reclassification	0	-40 713	40 713	0
Foreign exchange	-1 059	-106	0	-3 106
<b>Balance 31.12.24</b>	<b>409 200</b>	<b>79 449</b>	<b>58 276</b>	<b>456 075</b>

#### Impairment tests for trademark and goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets and assumptions approved by senior management covering a five-year period.

The group has one CGU, and goodwill is tested for impairment at this level, which represents the lowest level in the entity at which goodwill is monitored for internal management purposes.

The key assumptions related to future cash flow are sales growth and gross margin percentage development. These key assumptions are based on historical performances. Based on budget for 2025 and business plan for coming years the Group has a significant headroom compared to capitalised goodwill in the statement of financial position, and a reasonably possible change in any of the key assumptions used, will not cause impairment.

The Groups establishment in Sweden has not been immune to market fluctuations such as the overall decline in electric installation material industry after the Groups acquisition of Elbutik in March 2022. Despite these challenges, the management are optimistic about the long-term prospect of the investment and the impairment assumptions are based on further investments in Sweden. Despite this, the management believe it is essential to acknowledge the existing risk that may pose challenges to the Groups goodwill related to the Swedish establishment.

Key assumptions 31 December 2023:

- Budget figures for 2024, and business plan for 2025-2028
- Compound annual growth in sales in budget period of 14.7% (lower than historical growth)
- Marginal reduction in gross margin percentages driven by category mix
- Discount rate 10.2% after tax
- Long term growth rate of 1.8%

Key assumptions 31 December 2024:

- Budget figures for 2025, and business plan for 2026-2029
- Compound annual growth in sales in budget period of 10.6% (lower than historical growth)
- Marginal increase in gross margin percentages driven by category and country mix
- Discount rate 10.0% after tax
- Long term growth rate of 1.7%

### Note 8 Inventories

(amounts in NOK 1000)	31.12.2024	31.12.2023
Inventory at purchase cost	360 562	366 219
Inventory write-downs to net realisable value	-21 651	-9 630
Inventories	338 911	356 588

The increase in inventory write-downs compared to last year is primarily due to the write-down of solar inventory in Q3 2024, where NOK 13 million was recognised as an expense for inventories carried at net realisable value. In Q4 2024, NOK 1.5 million of the initial write-down was reversed following a reduction in solar inventory levels.

### Note 9 Deferred and contingent consideration (Earn-out)

The Group has an earn-out consideration in relation to the acquisition of the Elbutik-group in 2022. The Group held a balance of NOK 44 MNOK at year end 2023 which has been released in Q3 2024. The release is recognised in net financial income/expenses.

The earn-out is contingent on the performance of the Elbutik ecommerce business against earnings growth targets for four years, from 2022 to 2025. Expected cash outflows are estimated based on the terms of the purchase contract and the entity's knowledge of the Elbutik ecommerce business and how the current economic environment is likely to impact it. Revised forecasts for 2025 indicate that growth targets are unlikely to be met within the remaining earn-out period that expires 31.12.2025.

# Definitions

**Like-for-like** revenue are revenues from stores that were in operation from the start of last fiscal year all through the end of the current reporting period.

**Revenue growth** represents the growth in revenue for the current reporting period compared to the comparative period the previous year. Revenue growth is an important key figure for Elektroimportøren AS, and the user of financial statements as it illustrates the underlying organic revenue growth.

**Gross profit** is defined as revenue minus the cost of goods sold (COGS). The gross profit represents sales revenue that the group retains after incurring the direct costs associated with the purchase and distribution of costs (including distribution costs to central warehouse and net distribution costs to our online customers).

**Gross margin** is defined as Gross profit divided by Revenue. The gross margin reflects the percentage margin of the sales revenue that the Group retains after incurring the direct costs associated with the purchase and the distribution of the goods. Gross margin in APM and Key figures is adjusted for solar inventory write-down. As such this is an important KPI for Elektroimportøren.

**Operating expenses in sales channels** includes employee benefit expenses, rent costs and other operating expenses in Physical stores, B2B organization and our Online operation.

**OPEX to sales margin** is the sum of Operating expenses in sales channels and Other operating expenses divided

by Revenue. The OPEX to revenue margin measures operating cost efficiency as percentage of Revenue and is an important KPI for Elektroimportøren.

**EBITDA** is earnings before tax, interests, depreciation and write down of fixed assets and amortisation of intangible assets.

**Adjusted EBITDA** is defined as EBITDA less items defined as other income and expenses not considered as part of ordinary operations. EBITDA and adjusted EBITDA are important key figures for Elektroimportøren, and considered useful to the users of financial statements when evaluating operational profitability.

**EBITDA margin** is EBITDA divided by total Revenue. The adjusted EBITDA margin is Adjusted EBITDA divided by total Revenue. These performance measures are important key figures for Elektroimportøren, and are considered useful to the users of financial statements when evaluating operational efficiency.

**EBIT** (earnings before interest and tax) is operating profit.

**EBIT margin** is EBIT divided by Total revenue.

**Net capital expenditure** represent the cash flow from the investment spending in fixtures and fittings, machinery and other intangibles less sales proceeds for such assets.

**Net profit** is profit (loss) for the period.

# Elektroimportøren AS

Quarterly report Q4 2024

