# Elektroimportøren AS

Quarterly report Q2 2023

# To our shareholders

Total sales in the second quarter of NOK 326 million, which is down 9% from last year. Gross profit for the quarter was NOK 113 million, down from NOK 126 million in Q2 2022. EBITDA of NOK 31 million down from NOK 49 million last year.

The second quarter has been more challenging than we expected going into the quarter, but better than communicated in the relations with the private placement in June 2023. The largest deviation from last year comes from decrease in sales of EV chargers. We have been able to replace some of the lost sales with solar, but not fully.

Energy saving products continue to grow. Smart home devices that allow customers to better control their energy consumption and home security products are increasingly growing sales year on year.

Sales of solar products continues to increase but a major part of sales in Q2 have been to projects that will be delivered later this year.

We opened our first store in Sweden end of April. Both professional customers and consumers are giving us great feedback on assortment, price and the competence of our employees. Sales have so far been lower than expected, but we have a positive trend week by week, and expect sales to continue to increase as we move into peak season.

In June we signed our first franchise agreements with two new partners. These partners will establish Elektroimportøren stores in smaller cities across Norway. First franchise store opening is expected within 9 to 12 months.

Given the decline in sales we have seen the need for further cost reductions. In May we made reductions in our staff both in administrative and sales positions. The effect of these reductions will be effective from September and onwards.

We believe that the market will continue to be challenging in the months to come. However, with the private placement that took place in June and the cost reductions we have made, we are now better positioned to handle these rougher conditions going forward.

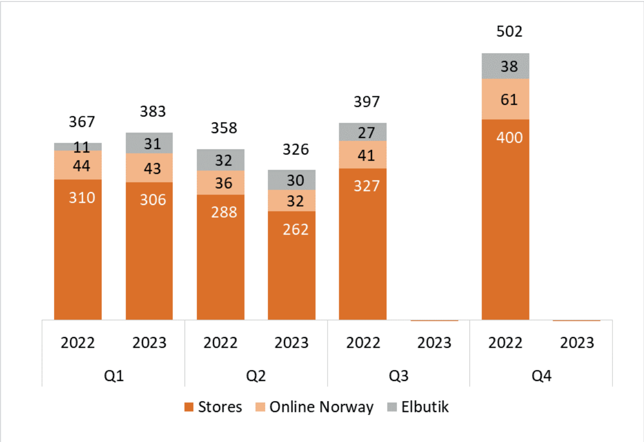
I would like to thank all our employees in both Norway and Sweden for their dedication and hard work. In a challenging market you keep delivering the best customer service in the most professional way, to all our customers, thank you for that.

Yours sincerely
Andreas Niss, CEO Elektroimportøren

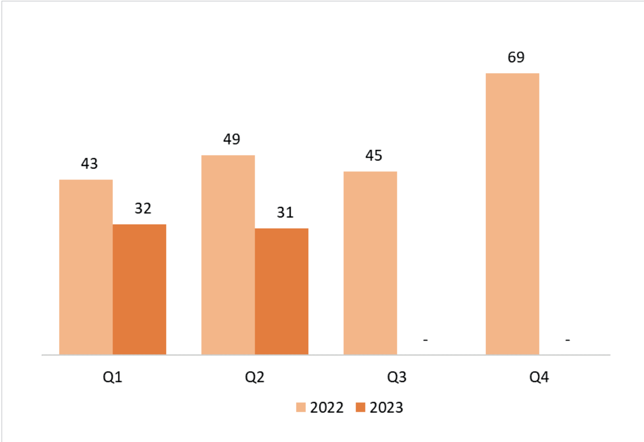
# Summary of key financials in Q2

- Revenue of NOK 326 million (NOK 358 million), down 9.0%. Like-for-like sales have declined by 10.7%. Revenue excluding EV chargers is NOK 305 million (NOK 310 million).
- B2B sales decreased by 8.8% compared to last year while B2C sales decreased with 9.3%.
- Gross margin percentage is 34.6% (35.1%). The gross margin in Norway is 35.9% (36.0%). Margin percentage in Elbutik is significantly lower than for the Norwegian operation with 21.8%.
- Reported EBITDA of NOK 31 million (NOK 49 million). EBITDA margin percentage is 9.4% (13.6%).

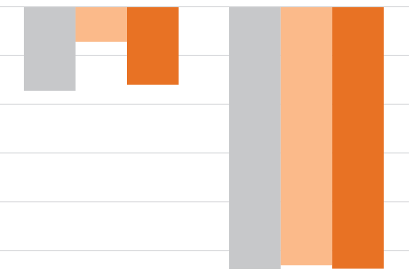
Revenue (NOK million)




Reported EBITDA (NOK million)

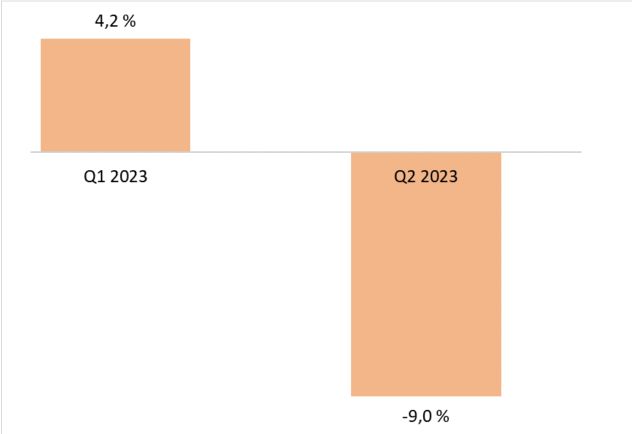


Like for Like growth %

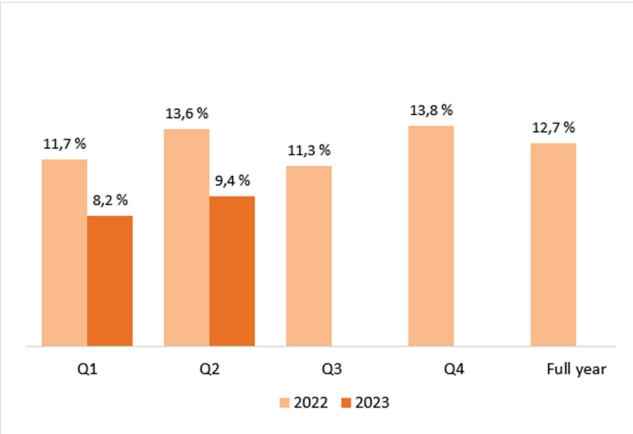


| | Q1 2023 | Q2 2023 |
|---|---|---|
| Store | -3,5 % | -10,8 % |
| Online | -1,4 % | -10,6 % |
| Total like-for-like | -3,2 % | -10,7 % |

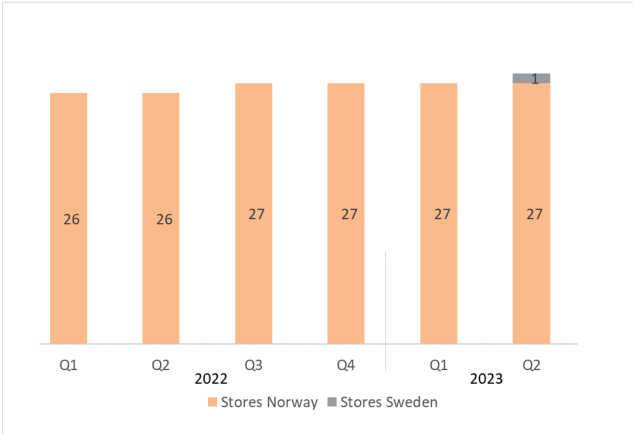
Revenue growth (YOY)




Reported EBITDA margin (%)




# of physical stores



# Alternative performance measure Q2 2023 – Group

| *Amounts in NOK million* | **Q2 2023** | **Q2 2022** | **H1 2023** | **H1 2022** | **FY 2022** |
|---|---|---|---|---|---|
| Revenue | **326** | 358 | **709** | 726 | **1626** |
| Cost of goods sold | **-213** | -232 | **-459** | -463 | **-1019** |
| Gross profit | **113** | 126 | **250** | 263 | **607** |
| *Gross margin (%)* | ***34,6 %*** | *35,1 %* | ***35,2 %*** | *36,2 %* | ***37,3 %*** |
| Operating expenses in sales channels | **-46** | -49 | **-106** | -109 | **-257** |
| Other operating expenses | **-37** | -28 | **-81** | -61 | **-143** |
| OPEX | **-82** | -77 | **-187** | -170 | **-400** |
| *OPEX to sales margin (%)* | ***-25,2 %*** | *-21,5 %* | ***-26,4 %*** | *-23,4 %* | ***-24,6 %*** |
| Adjusted EBITDA | **31** | 49 | **62** | 93 | **207** |
| *Adjusted EBITDA margin (%)* | ***9,4 %*** | *13,6 %* | ***8,8 %*** | *12,8 %* | ***12,7 %*** |
| Adjustments | **0** | 0 | **0** | -1 | **-1** |
| EBITDA reported | **31** | 49 | **62** | 92 | **206** |
| *EBITDA reported margin (%)* | ***9,4 %*** | *13,6 %* | ***8,8 %*** | *12,6 %* | ***12,7 %*** |
| Depreciation | **-26** | -23 | **-50** | -46 | **-91** |
| Adjusted EBIT | **5** | 26 | **12** | 47 | **116** |
| *Adjusted EBIT margin (%)* | ***1,4 %*** | *7,3 %* | ***1,7 %*** | *6,5 %* | ***7,1 %*** |
| Adjustments | **0** | 0 | **0** | -1 | **-1** |
| Amortisation intangible assets | **0** | 0 | **0** | 0 | **-1** |
| EBIT reported | **4** | 26 | **12** | 46 | **114** |
| *EBIT reported margin (%)* | ***1,4 %*** | *7,2 %* | ***1,6 %*** | *6,3 %* | ***7,0 %*** |
| Net financial expenses | **-14** | -8 | **-26** | -17 | **-46** |
| Profit before tax | **-10** | 18 | **-15** | 29 | **67** |
| Net income | **-8** | 14 | **-12** | 23 | **50** |
| | | | | | |
| Liabilities to financial institutions | **-335** | -421 | **-335** | -421 | **-339** |
| Leasing liabilities | **-391** | -349 | **-391** | -349 | **-378** |
| Cash/Overdraft facility | **22** | 0 | **22** | 0 | **3** |
| Net interest bearing debt | **-704** | -770 | **-704** | -770 | **-714** |

# Financials

# Financial review Q2 2023 - Group

**Revenues**

The market continues to be challenging in both Norway and Sweden, resulting in a decrease in sales of NOK 32 million for the Group in Q2 2023 compared to Q2 2022.

In our like-for-like stores in Norway we had a decline of 10.8% in the quarter. The main reason for this negative development is the reduction seen in the EV charger product category due to the sales ban on Easee chargers in Sweden, and a negative impact on the total basket because of that. The footfall to physical stores is in line with last year, but the hit rate and basket is lower. Hit rate is affected by the customers being more conservative in terms of their spending.

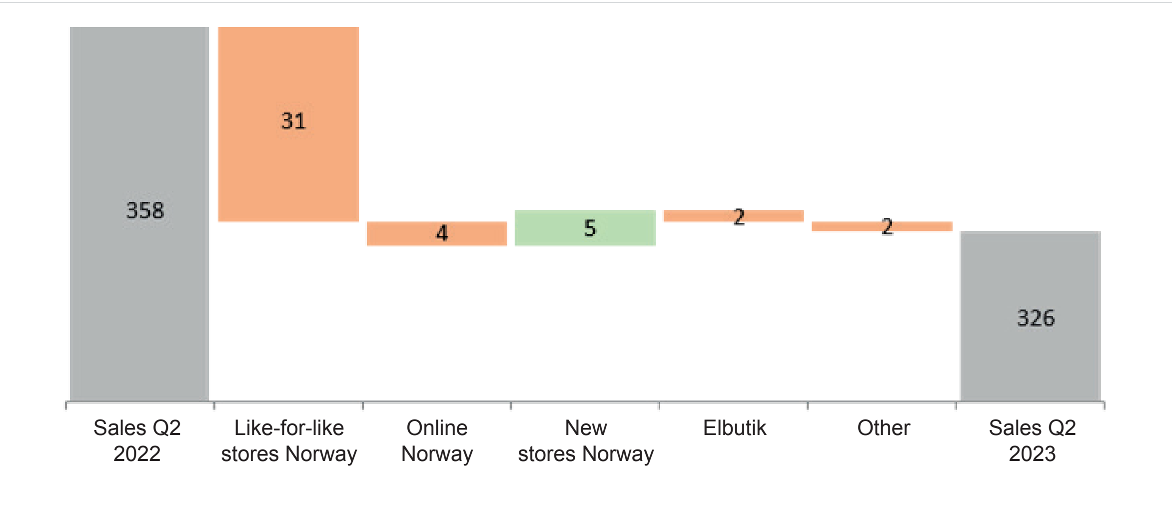
Online sales in Norway declined by 10.6% in Q2 2023 compared to last year with the same explanation as above.

In Q2 2023 sales of EV chargers declined by NOK 27 million compared to last year with a reduction in sales both to B2B (NOK 20 million) and B2C (NOK 7 million). Reduction in sales is due to the sales ban on Easee chargers in Sweden which have led to uncertainty among Norwegian customers. NKOM has stated that they will await the final judgement from Sweden before they conclude. We have started to sell Amina and increasing our stock of Zaptec, however, not able to compensate fully for the loss of sales on Easee. Zaptec is not able to deliver the quantity we want, because of the sudden increase in demand.

Sales of Spoton of NOK 7 million in the quarter is in line with Q2 last year.

We have started to sell solar products, but most of the projects are not delivered yet, hence minor effect in the Q2 figures.

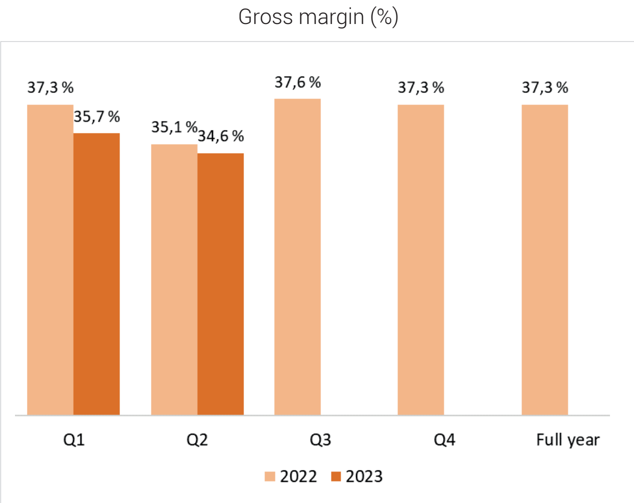
Revenue bridge Q2 2022 to Q2 2023

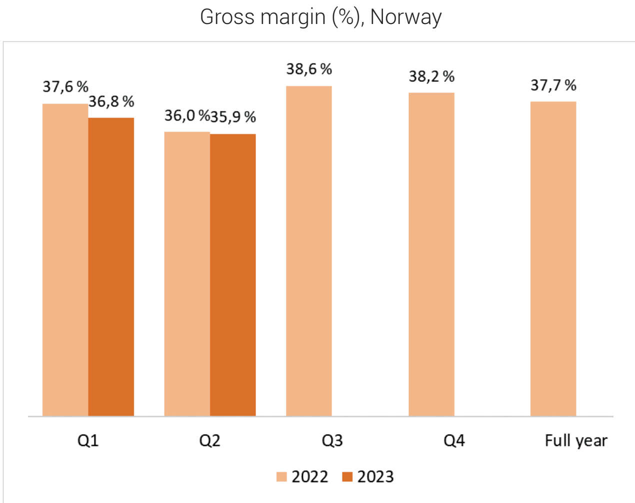


### Gross margin

Gross margin percentage is 34.6% in Q2 2023 which is somewhat lower than last year. However, the deviation is less than in Q1. Main driver for lower margin year on year is lower margin in Elbutik. We need to continue to work on implementing Namron into the Swedish market and train our employees, so they can guide the sales more to Namron products with higher product margin. We do see a considerably higher Namron share of business in our physical store in Sweden than in our online sales.

Product margin in Norway in Q2 2023 are in line with last year. The freight costs on Namron products are still high on the products being sold. However, the freight rates have declined during 2023, so we expect to see better product margin on Namron products going forward, given a more stable NOK towards USD.




### Operating expenses in sales channels

Operating expenses in sales channels decreased from last year, including two new stores in Norway and one in Sweden. We continue with a rigid cost control and have made further cost reductions during Q2 2023.

### Other operating expenses

Other operating costs increased by NOK 9 million, whereof NOK 7 million relates to Elbutik and opening of our new store. We have also increased costs to support our growth in solar and to increase our efficiency through implementation of new logistics and IT systems.

### EBITDA reported

EBITDA reported decreased by NOK 18 million due to lower activity in the market, sales ban of Easee and higher operating expenses in Sweden as described above.

### Cash, cash equivalents and borrowings

Cash and cash equivalents are impacted positively by the NOK 120 million private placement completed during June 2023.

# Alternative Performance Measures, Norway

| *Amounts in NOK million* | Q2 2023 | Q2 2022 | H1 2023 | H2 2022 | FY 2022 |
|---|---|---|---|---|---|
| Revenue | **296** | 327 | **648** | 683 | **1517** |
| Cost of goods sold | **-190** | -209 | **-412** | -431 | **-945** |
| Gross profit | **106** | 118 | **236** | 252 | **572** |
| *Gross margin (%)* | ***35,9 %*** | *36,0 %* | ***36,4 %*** | *36,9 %* | ***37,7 %*** |
| Operating expenses in sales channels | **-43** | -44 | **-102** | -103 | **-232** |
| Other operating expenses | **-28** | -27 | **-66** | -59 | **-134** |
| OPEX | **-71** | -71 | **-168** | -162 | **-366** |
| *OPEX to sales margin (%)* | ***-24,0 %*** | *-21,7 %* | ***-25,9 %*** | *-23,7 %* | ***-24,1 %*** |
| Adjusted EBITDA | **35** | 47 | **68** | 90 | **206** |
| *Adjusted EBITDA margin (%)* | ***11,9 %*** | *14,4 %* | ***10,5 %*** | *13,2 %* | ***13,6 %*** |
| Adjustments | **0** | 0 | **0** | -1 | **-1** |
| EBITDA reported | **35** | 47 | **68** | 89 | **204** |
| *EBITDA reported margin (%)* | ***11,9 %*** | *14,4 %* | ***10,5 %*** | *13,0 %* | ***13,5 %*** |
| Depreciation | **-24** | -22 | **-47** | -45 | **-89** |
| Adjusted EBIT | **12** | 25 | **21** | 45 | **117** |
| *Adjusted EBIT margin (%)* | ***4,0 %*** | *7,5 %* | ***3,3 %*** | *6,6 %* | ***7,7 %*** |
| Adjustments | **0** | 0 | **0** | -1 | **-1** |
| Amortisation intangible assets | **0** | 0 | **0** | 0 | **0** |
| EBIT reported | **12** | 24 | **21** | 44 | **116** |
| *EBIT reported margin (%)* | ***3,9 %*** | *7,5 %* | ***3,2 %*** | *6,4 %* | ***7,6 %*** |

# Alternative Performance Measures, Sweden

| *Amounts in NOK million* | Q2 2023 | Q2 2022 | H1 2023 | H2 2022 | FY 2022 |
|---|---|---|---|---|---|
| Revenue | **30** | 32 | **61** | 42 | **108** |
| Cost of goods sold | **-23** | -23 | **-47** | -31 | **-74** |
| Gross profit | **6** | 8 | **14** | 11 | **34** |
| *Gross margin (%)* | ***21,8 %*** | *25,7 %* | ***22,4 %*** | *26,1 %* | ***31,9 %*** |
| Operating expenses in sales channels | **-3** | -5 | **-4** | -7 | **-26** |
| Other operating expenses | **-8** | -1 | **-15** | -1 | **-6** |
| OPEX | **-11** | -6 | **-20** | -8 | **-33** |
| *OPEX to sales margin (%)* | ***-37,7 %*** | *-19,7 %* | ***-32,4 %*** | *-19,5 %* | ***-30,3 %*** |
| Adjusted EBITDA | **-5** | 2 | **-6** | 3 | **2** |
| *Adjusted EBITDA margin (%)* | ***-15,8 %*** | *6,0 %* | ***-10,0 %*** | *6,6 %* | ***1,5 %*** |
| Adjustments | **0** | 0 | **0** | 0 | **0** |
| EBITDA reported | **-5** | 2 | **-6** | 3 | **2** |
| *EBITDA reported margin (%)* | ***-15,8 %*** | *6,0 %* | ***-10,0 %*** | *6,6 %* | ***1,5 %*** |
| Depreciation | **-2** | -1 | **-3** | -1 | **-3** |
| Adjusted EBIT | **-7** | 1 | **-9** | 2 | **-1** |
| *Adjusted EBIT margin (%)* | ***-24,1 %*** | *3,7 %* | ***-15,4 %*** | *4,7 %* | ***-1,1 %*** |
| Adjustments | **0** | 0 | **0** | 0 | **0** |
| Amortisation intangible assets | **0** | 0 | **0** | 0 | **-1** |
| EBIT reported | **-7** | 1 | **-9** | 2 | **-2** |
| *EBIT reported margin (%)* | ***-24,1 %*** | *3,7 %* | ***-15,4 %*** | *4,7 %* | ***-1,8 %*** |

# Financial review Sweden

**Key points**

Main focus for Q2 2023 has been the opening of the first physical store in Veddesta which opened end of April. The sales in the store have been slower than what we expected, but we still believe there is a significant growth potential both in our online operation and in our newly opened store.

Further, the organisation in Sweden has been structured to handle the business in a more professional way and are now ready for the growth in the business going forward.

We will also continue to improve Namron product's share of business, to improve the profitability.

Note that there is a change of classification between operating expenses in sales channels and operating expenses from Q2 2022 to Q2 2023. The classification in Q2 2023 is in line with same department classification as in Norway.

# Consolidated statement of profit and loss

| | Unaudited | | | | Audited |
|---|---|---|---|---|---|
| *Amounts in NOK million* | **Q2 2023** | **Q2 2022** | **H1 2023** | **H1 2022** | **FY 2022** |
| Revenue | **326** | *358* | **709** | *726* | *1 626* |
| Cost of goods sold | **-213** | *-232* | **-459** | *-463* | *-1 019* |
| Employee benefits expenses | **-52** | *-47* | **-121** | *-111* | *-255* |
| Depreciation and amortisation expenses | **-26** | *-23* | **-51** | *-46* | *-92* |
| Other operating expenses | **-30** | *-30* | **-67** | *-60* | *-146* |
| **Total operating expenses** | **-321** | *-333* | **-697** | *-680* | ***-1 512*** |
| **Operating profit** | **4** | *26* | **11** | *46* | ***114*** |
| Net financial income (+)/expenses (-) | **-14** | *-8* | **-26** | *-17* | *-46* |
| **Profit before tax** | **-10** | *18* | **-15** | *29* | ***67*** |
| Income tax expense | **2** | *-4* | **3** | *-6* | *-15* |
| **Net profit (loss) for the period** | **-8** | *14* | **-12** | *23* | ***52*** |
| **Basic and diluted earnings per share (EPS)** | **-0,31** | *0,64* | **-0,46** | *1,07* | ***2,41*** |

# Other comprehensive income

| *Amounts in NOK million* | **Q2 2023** | **Q2 2022** | **H1 2023** | **H1 2022** | **FY 2022** |
|---|---|---|---|---|---|
| **Profit for the period** | **-8** | ***14*** | **-12** | ***23*** | ***52*** |
| Items that may be reclassified to profit or loss in subsequent period | **0** | *0* | **0** | *0* | *0* |
| Items that will not be reclassified to profit or loss in subsequent per | **0** | *0* | **0** | *0* | *0* |
| Other comprenhensive income for the year, net of tax | **0** | *0* | **0** | *0* | *0* |
| **Total comprehensive income for the period net of tax** | **-8** | ***14*** | **-12** | | ***52*** |
| Attributable to: | | | | | |
| **Equity holders of the parent** | **-8** | ***14*** | **-12** | | ***52*** |

# Consolidated statement of financial positon

| | Unaudited | | | | Audited |
|---|---|---|---|---|---|
| *Amounts in NOK million* | **Q2 2023** | **Q2 2022** | **H1 2023** | **H1 2022** | **FY 2022** |
| Goodwill | **432** | *395* | **432** | *395* | *432* |
| Trademark and other intangible assets | **22** | *7* | **22** | *7* | *22* |
| Deferred tax asset | **11** | *6* | **11** | *6* | *8* |
| **Total intangible assets** | **465** | ***407*** | **465** | ***407*** | ***463*** |
| **Property, plant and equipment** | **473** | ***473*** | **473** | ***473*** | ***463*** |
| Inventories | **356** | *312* | **356** | *312* | *319* |
| Trade receivables | **79** | *86* | **79** | *86* | *70* |
| Other current assets | **32** | *50* | **32** | *50* | *40* |
| Cash and bank deposits | **22** | *0* | **22** | *0* | *3* |
| **Total current assets** | **489** | ***447*** | **489** | ***447*** | ***432*** |
| **TOTAL ASSETS** | **1427** | ***1328*** | **1427** | ***1 328*** | ***1 358*** |
| | | | | | |
| Total paid-in-equity | **196** | *13* | **196** | *13* | *78* |
| Retained earnings | **229** | *289* | **229** | *289* | *253* |
| **Total Equity** | **425** | ***302*** | **425** | ***302*** | ***331*** |
| Non current lease liabilities | **355** | *319* | **355** | *319* | *306* |
| Non current liabilities to financial institutions | **295** | *335* | **295** | *335* | *295* |
| Other non current liabilities | **41** | *25* | **41** | *25* | *42* |
| **Total non current liabilities** | **691** | ***679*** | **691** | ***679*** | ***643*** |
| Current lease liabilities | **36** | *30* | **36** | *30* | *72* |
| Liabilitites to financial institutions | **40** | *86* | **40** | *86* | *44* |
| Trade creditors | **155** | *117* | **155** | *117* | *154* |
| Taxes payable | **-7** | *12* | **-7** | *12* | *21* |
| Dividends payable | **11** | *30* | **11** | *30* | *0* |
| Public duties payable | **41** | *42* | **41** | *42* | *46* |
| Other current liabilities | **35** | *30* | **35** | *30* | *47* |
| **Total current liabilities** | **311** | ***347*** | **311** | ***347*** | ***383*** |
| **TOTAL EQUITY AND LIABILITIES** | **1427** | ***1328*** | **1427** | ***1328*** | ***1358*** |

# Consolidated statement of cash flows

| | Unaudited | | | | Audited |
|---|---|---|---|---|---|
| *Amounts in NOK million* | **Q2 2023** | **Q2 2022** | **H1 2023** | **H1 2022** | **FY 2022** |
| Profit before income taxes | **-10** | *18* | **-15** | *29* | *68* |
| Taxes paid | **-8** | *-13* | **-25** | *-27* | *-30* |
| Depreciation and impairment | **26** | *23* | **51** | *46* | *92* |
| Interest | **14** | *8* | **26** | *17* | *46* |
| Change in inventory | **-21** | *15* | **-37** | *-35* | *-55* |
| Change in trade receivables | **1** | *-6* | **-9** | *-23* | *-6* |
| Change in trade creditors | **28** | *-20* | **1** | *-37* | *4* |
| Change in other current assets and liabilities | **-26** | *-53* | **-9** | *-41* | *-16* |
| **Net cash flow from operations** | **4** | ***-29*** | **-16** | ***-72*** | ***105*** |
| **Cash flow from investments** | | | | | |
| Purchase of fixed assets | **-6** | *12* | **-18** | *-15* | *-30* |
| Acquisition of Elbutik | **0** | *0* | **0** | *-153* | *-153* |
| **Net cash flow from investments** | **-6** | ***12*** | **-18** | ***-168*** | ***-183*** |
| **Cash flow from financing** | | | | | |
| Proceeds from long term borrowings | **0** | *0* | **0** | *190* | *130* |
| Increase in Equity | **117** | *0* | **117** | *0* | *0* |
| Change in liabilities to financial institutions | **-68** | *46* | **-4** | *46* | *21* |
| Net interest paid | **-10** | *-7* | **-19** | *-11* | *-22* |
| Lease payments | **-18** | *-16* | **-38** | *-31* | *-67* |
| Dividend payment to shareholders | **0** | *-30* | **0** | *-30* | *-60* |
| **Net cash flow from financing** | **23** | ***-7*** | **56** | ***164*** | ***2*** |
| | | | | | |
| **Cash and cash equivalents at the beginning of the period** | **0** | ***24*** | **0** | ***76*** | ***76*** |
| **Net change in cash and cash equivalents** | **22** | ***-24*** | **22** | ***-77*** | ***-76*** |
| **Cash and cash equivalents at the end of the period** | **22** | ***0*** | **22** | ***0*** | ***0*** |

# Consolidated statement of changes in equity

| *Amounts in MNOK* | Paid in Equity | Other Equity | | | Total Equity |
|---|---|---|---|---|---|
| January 1st. 2022 | 13 | *261* | | | *274* |
| Profit for January-June 2022 | 0 | *23* | | | *23* |
| Increase in shares - market value acquisition of Elbutik | 65 | *0* | | | *65* |
| Approved dividend | 0 | *-60* | | | *-60* |
| **Balance at 31st. March 2022** | **78** | ***224*** | | | ***302*** |
| Balance at 1st. January 2023 | 78 | *253* | | | *331* |
| Profit for January-June 2023 | 0 | *-12* | | | *-12* |
| Increase in Equity | 117 | *0* | | | *117* |
| Approved dividend | 0 | *-11* | | | *-11* |
| **Balance at 30th. June 2023** | **195** | ***230*** | | | ***425*** |

# Events after the period and outlook

We expect market conditions to be challenging going forward. We do believe that consumers will continue to look for cost efficient ways to upgrade their homes and that our concept stands strong in that aspect.

Our greatest challenge is to replace the decline in sales of EV chargers. We are working on different solutions to compensate for this. Solar and energy saving products will make up for some of the drop in sales and we will continue to launch new products and solutions in this space in the months to come. We are in constructive dialogue with Easee to find solutions for products we have in stock.

Price increases to professional customers were made in July and we expect that and the lower freight costs on Namron products to be reflected in our margin in Q3 and Q4.

Trading in July has been better than expected both in Norway and Sweden. We have probably got some help from the poor summer weather, but we have also increased our product availability in stores, and we have executed some good campaigns throughout July.

We will move our Swedish operation into a new warehouse in Q3. This is a new warehouse with Autostore automation which will increase our delivery and warehouse efficiency going forward.

**Oslo, 15th August 2023**
**The board of Elektroimportøren AS**

Amund Skarholdt

Gaute Gillebo

Robert Ingberg Iversen

Kjersti Helen Krokeide Hobøl

# 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 27 physical stores in Norway and 1 in Sweden as of 30th June 2023.

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 Q2 2023 report have been prepared in accordance with International Financial Reporting Standards (IFRS) 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 liabilities assumed in a business combination.

**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 2022.

### Note 4 Liabilities to financial institutions

Elektroimportøren have a revolving credit facility with NOK 120 million and a facility to support expansion in Sweden of NOK 60 million.

Loan facilities is NOK 335 million as of Q2 2023, but has not used the facility to support expansion in Sweden (NOK 60 million), or the revolving credit facility (120 MNOK).

The Yearly instalments are NOK 40 million due at 31st December every year. The facilities have a maturity of three years from 3rd March 2022 and are secured by inventory, receivables and operating equipment in Elektroimportøren.

In Q2 2023 Liabilities to financial institutions was NOK 335 million and positive net cash with NOK 20 million.

### 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* | Q2 2023 | Q2 2022 | H1 2023 | H1 2022 | FY 2022 |
|---|---|---|---|---|---|
| Number of ordinary shares | 26 782 200 | 21 582 200 | 26 782 200 | 21 582 200 | 21 582 200 |
| Net profit | -8 | 14 | -12 | 23 | 52 |
| **Earnings per share** | **- 0,31** | **0,64** | **- 0,46** | **1,07** | **2,41** |

### Note 7 Fixed assets and intangible assets

| *(amounts in NOK 1000)* | Right of use asset | PPE | Other intangibles | Goodwill |
|---|---|---|---|---|
| Balance 31.03.22 | 330 539 | 157 615 | 6 669 | 413 179 |
| Additions, disposals and | 1 108 | 6 828 | 0 | -18 025 |
| Depreciation and amortization | -15 585 | -7 408 | -139 | 0 |
| **Balance 30.06.22** | **316 062** | **157 035** | **6 530** | **395 154** |

| *(amounts in NOK 1000)* | Right of use asset | PPE | Other intangibles | Goodwill |
|---|---|---|---|---|
| Balance 31.03.23 | 332 230 | 138 197 | 22 415 | 432 168 |
| Additions, disposals and | 21 876 | 7 025 | | |
| Depreciation and amortization | -16 448 | -9 405 | | |
| **Balance 30.06.23** | **337 658** | **135 817** | **22 415** | **432 168** |

# 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. 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 income** is profit (loss) for the period.

# Elektroimportøren AS

Quarterly report Q2 2023