

# Elektroimportøren

Andreas Niss CEO and Petter Bjørnstad CFO

# 1.st quarter presentation

Elektroimportøren AS 5th. May 2021

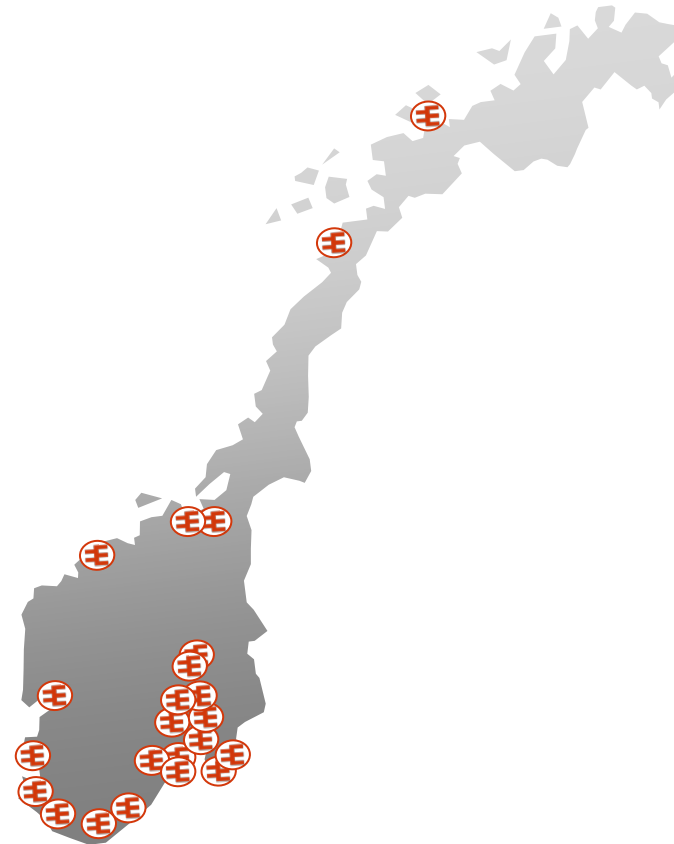
Andreas Niss CEO, Petter Bjørnstad CFO

# An introduction to Elektroimportøren

## Elektroimportøren in brief

- Provider of electrical equipment to B2B and B2C customers
- Disrupts the traditional value chain and distributes directly to end-customers
- Successful development and sourcing of own brand, Namron
- Proven omnichannel concept with a market leading online store and 23 stores across Norway
- Unique service offering through Spoton which connects private customers and installers

## Nationwide network of stores



# Key financials Q1 - 2021

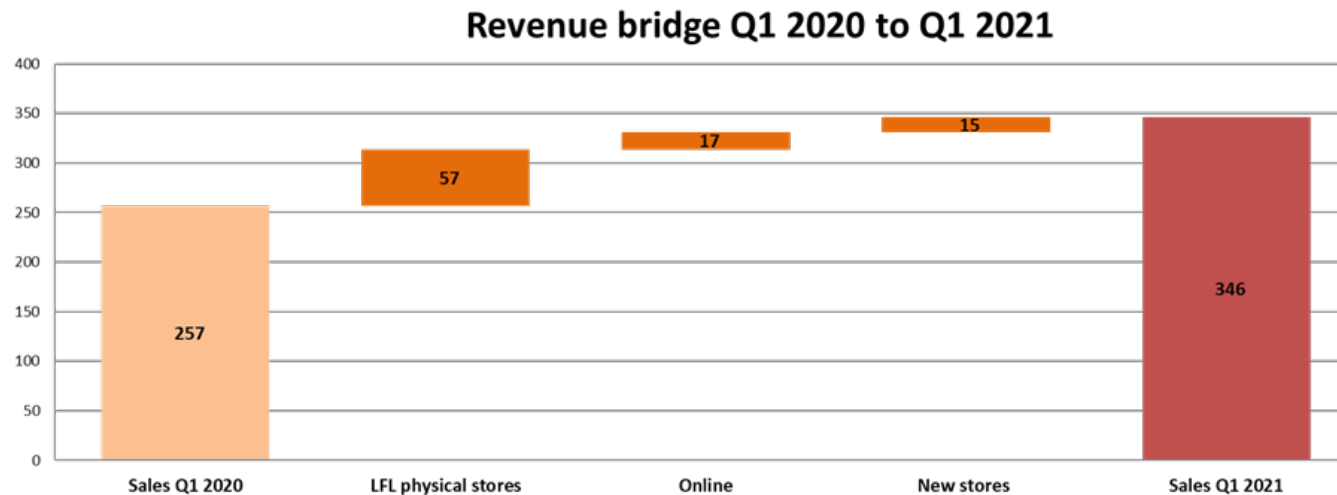
- ⚡ Revenue of 345.7 MNOK (256.7 MNOK) up 34.7%
- ⚡ Online share of total sales (excluding pick up in store) 14.8% (13.2%)
- ⚡ Strong sales growth in the B2B segment and share of sales have increased compared to last year to 47.9% (44.4%). Sales to B2C 52.1% (55.6%).
- ⚡ Total like for like sales growth 28.1% driven by 51.8% online and 25.2% physical stores.
- ⚡ Gross margin for Q1 was 37.3%, down from 38.8% (Q1 2020). Key drivers for reduced margin percentage year on year are strong growth in sales to B2B, negative effect on B2C sales in stores that are closed for this customer group (because of Covid 19 restrictions), and strong sales growth on EV chargers (significantly lower margin compared to other product categories).
- ⚡ Increase in operational efficiency OPEX to sales ratio 27.9% (32.6%).
- ⚡ Adjusted EBITDA of 32.3 MNOK (15.7 MNOK). Adjusted EBITDA margin percentage is 9.4% (6.1%)

# Summary of Q1 - Operations

- ⚡ Even though we had to close down 13 of our 23 stores for B2C in March, we managed to grow revenues in all product categories, sales channels and customer segments.
- ⚡ Throughout the quarter all stores have been open for sales to B2B.
- ⚡ Electrical vehicle chargers continue to be the fastest growing category, but we see double digit growth across all product categories.
- ⚡ Sales to B2C had a great start of the quarter but as we had to close down sales , we saw share of business to B2C decreasing.
- ⚡ Sales to B2B have had a great start of the year and we continue to gain market shares in the professional space.
- ⚡ Spoton has been rolled out in 22 out of 23 stores
- ⚡ During the quarter we have built up our stock to secure availability of products and enable continued growth. There have been some minor availability challenges but with good planning we have been able to mitigate these challenges and availability has not been better for the last 12 months.
- ⚡ Prices on raw materials such as copper and plastic are increasing, and we plan for price adjustments for the coming months to level these increases.

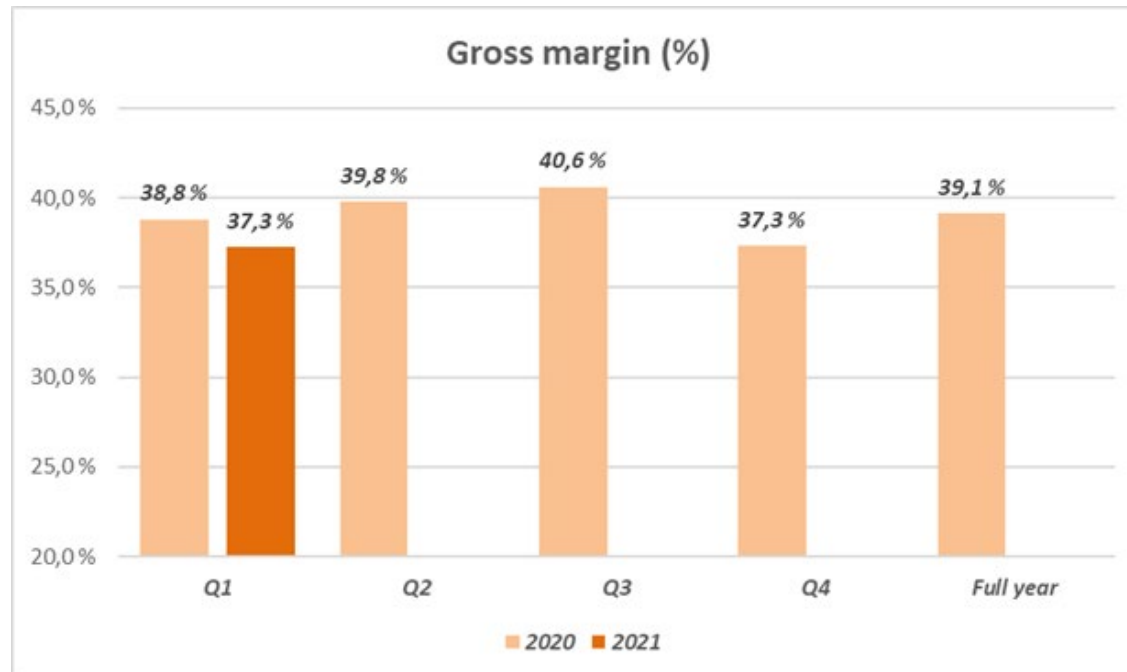
# Revenues

- ⚡ Total revenue in Elektroimportøren for Q1 was 346 MNOK, increasing from 257 MNOK Q1 last year (34.6% growth).
- ⚡ All growth is organically. Like for like growth in physical stores was 25.2%, while growth in Online sales channel was 51.8% (collect in store is reported as part of sales in physical stores). We had a positive development in both B2B and B2C segments.



# Gross margin

- ⚡ Gross margin for Q1 was 37.3%, down from 38.8% for Q1 2020.
- ⚡ Key drivers for reduced margin percentage year on year:
  - ⚡ Strong growth in sales to B2B
  - ⚡ Negative effect on B2C sales in stores that are closed for this customer group because of Covid 19 restrictions
  - ⚡ Strong sales growth on EV chargers (significantly lower margin compared to other product categories)



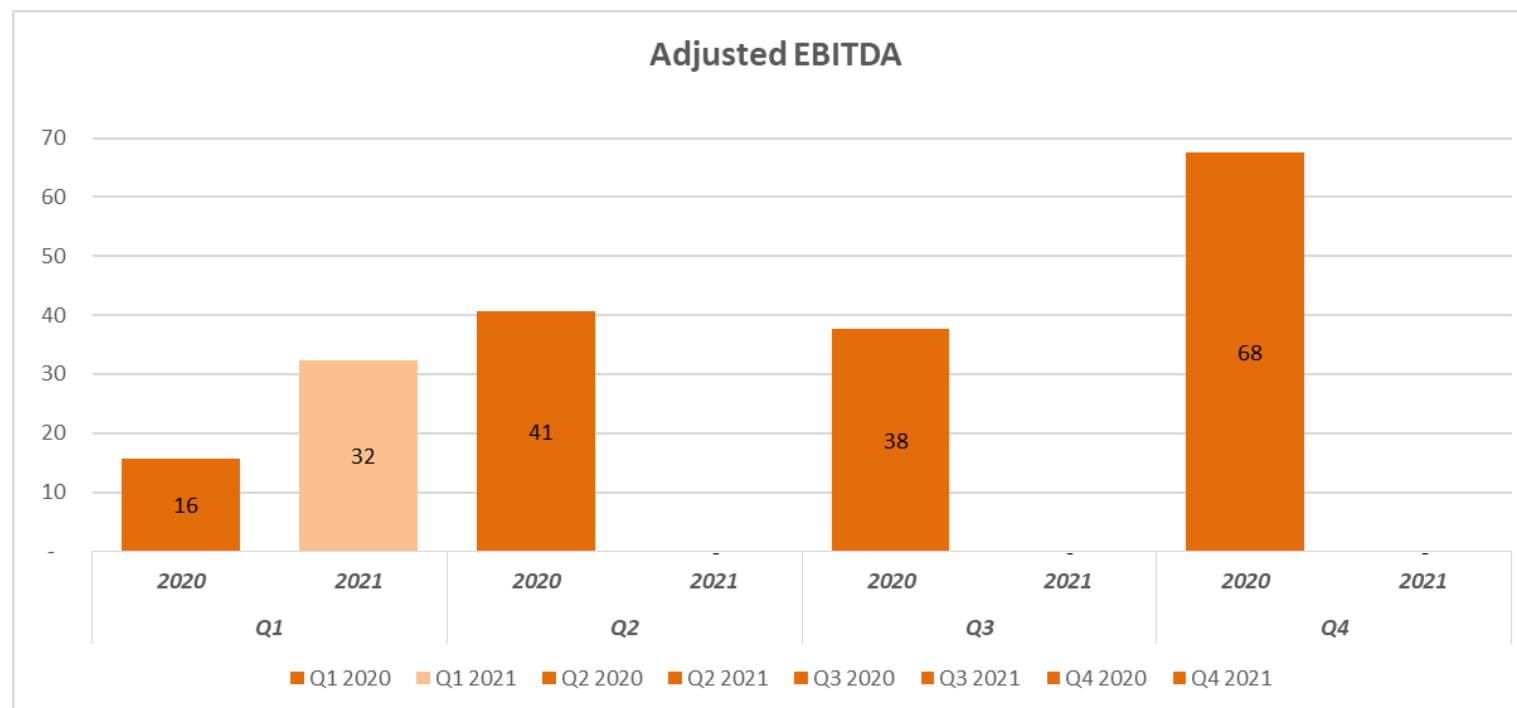
# OPEX

- ⚡ Compared to Q1 last year we have two more stores (Tønsberg and Klepp). Costs in sales channels have increased from 55.5 MNOK to 63.0 MNOK. Costs as percentage of sales have a significant efficiency improvement from 21.6% to 18.2%.
- ⚡ Other operating expenses was 33.5 MNOK, an increase from 28.3 MNOK. We have an improvement in efficiency measured as percentage of total revenue compared to last year, going from 11% to 9.7%.
- ⚡ Overall good cost control in stores and other functions



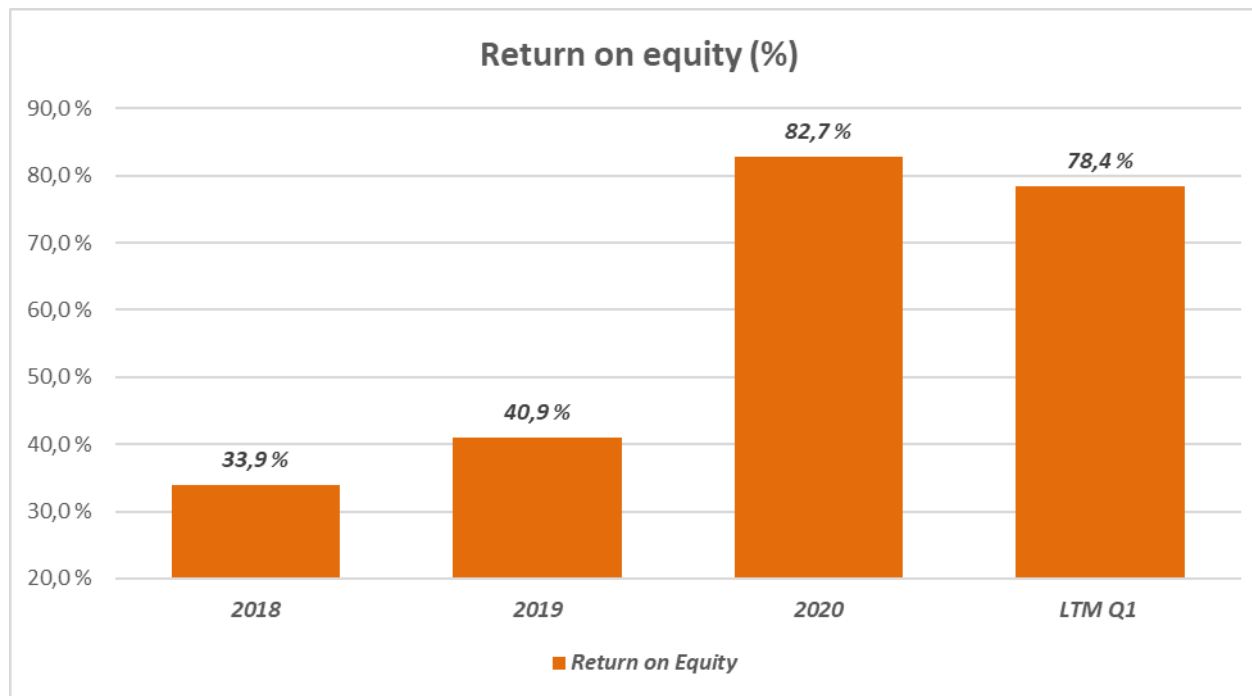
# Adj. EBITDA

- Adjusted EBITDA for Q1 was 32.3 MNOK increasing from 15.7 MNOK in 2020. Main drivers for this positive development are significant increase in revenue, good cost control in stores and other functions, offsetting a reduction in gross margin percentage.



# Return on Equity

⚡ Good return on Equity (measured as adjusted net profit/average equity)



## Alternative Performance Measures

(Amounts in NOK million)	Q1 2021	Q1 2020	2020
Revenue	345,7	256,7	1 314,9
COGS	-216,9	-157,2	-792,5
<b>Gross Profit</b>	<b>128,8</b>	<b>99,5</b>	<b>522,5</b>
Gross margin (%)	37,3 %	38,8 %	39,7 %
Operating expenses in sales channels	-63,0	-55,5	-225,9
Other operating expenses	-33,5	-28,3	-134,9
<b>OPEX</b>	<b>-96,5</b>	<b>-83,7</b>	<b>-360,8</b>
OPEX to sales margin	-27,9 %	-32,6 %	-27,4 %
<b>Adjusted EBITDA</b>	<b>32,3</b>	<b>15,7</b>	<b>161,7</b>
Adjusted EBITDA margin (%)	9,4 %	6,1 %	12,3 %
Adjustments	-0,8	0,0	-7,0
<b>EBITDA reported</b>	<b>31,6</b>	<b>15,7</b>	<b>154,7</b>
EBITDA reported margin (%)	9,1 %	6,1 %	11,8 %
Depreciation	-6,2	-5,4	-23,3
<b>Adjusted EBIT</b>	<b>26,2</b>	<b>10,4</b>	<b>138,4</b>
Adjusted EBIT margin (%)	7,6 %	4,0 %	10,5 %
Adjustments	-0,8	0,0	-7,0
Amortisation intangible assets	-2,5	-2,5	-9,8
<b>EBIT reported</b>	<b>22,9</b>	<b>7,9</b>	<b>121,6</b>
EBIT reported margin (%)	6,6 %	3,1 %	9,2 %
Net financial expenses	-2,4	-3,8	-14,4
<b>Profit before tax</b>	<b>20,6</b>	<b>4,1</b>	<b>107,2</b>
<b>Net Income</b>	<b>15,5</b>	<b>2,7</b>	<b>81,3</b>
Liabilities to financial institutions	- 205,0	-205,0	-205,0
Leasing liabilities (Autostore)	- 20,0	-11,1	-20,6
Cash/Overdraft facility	59,4	-33,6	94,1
<b>Net interest bearing debt</b>	<b>- 165,5</b>	<b>-249,7</b>	<b>-131,6</b>

## Consolidated statement of profit and loss

<i>Amounts in nok 1000</i>	<i>Note</i>	<b>Q1 2021</b>	<b>Q1 2020</b>	<b>2020</b>
		<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
Revenue		345 693	256 682	1 315 894
Cost of goods sold		-216 856	-157 217	-798 389
Employee benefits expenses		-54 699	-48 207	-219 294
Depreciation and amortisation expenses		-8 613	-7 804	-33 118
Other operating expenses		-42 545	-35 551	-143 491
<b>Total operating expenses</b>		<b>-322 712</b>	<b>-248 779</b>	<b>-1 194 292</b>
<b>Operating profit</b>		<b>22 980</b>	<b>7 903</b>	<b>121 602</b>
Net financial income (+)/expenses (-)		-2 371	-3 789	-14 446
<b>Profit before tax</b>		<b>20 609</b>	<b>4 114</b>	<b>107 156</b>
Income tax expense		-5 073	-1 446	-25 885
<b>Net profit (loss) for the period</b>		<b>15 536</b>	<b>2 668</b>	<b>81 271</b>
<b>Earning per share (EPS)</b>		<b>0,75</b>	<b>0,13</b>	<b>3,92</b>

# Consolidated statement of financial position

	Note	Q1 2021	Q1 2020	2020
		Unaudited	Unaudited	Audited
<i>Amounts in nok 1000</i>				
Goodwill		121 062	130 321	122 606
Other intangible assets		6 447	6 996	7 356
<b>Total intangible assets</b>		<b>127 509</b>	<b>137 317</b>	<b>129 962</b>
<b>Fixtures and fittings, office machinery and equipment</b>				
		<b>140 877</b>	<b>129 677</b>	<b>142 778</b>
Inventory		232 566	198 737	208 160
Trade receivables		63 551	46 934	54 386
Other receivables		13 468	15 259	28 251
Cash and bank deposits		59 441	850	94 080
<b>Total current assets</b>		<b>369 026</b>	<b>261 780</b>	<b>384 877</b>
<b>Total assets</b>		<b>637 412</b>	<b>528 774</b>	<b>657 617</b>

	Note	Q1 2021	Q1 2020	2020
		Unaudited	Unaudited	Audited
<i>Amounts in nok 1000</i>				
Share capital		13 011	13 011	13 011
Other Equity		128 071	83 933	112 535
<b>Total Equity</b>		<b>141 082</b>	<b>96 944</b>	<b>125 546</b>
Deferred tax		43	676	43
Lease liabilities		16 460	11 093	17 923
Other long term liabilities		0	30 000	0
Liabilities to financial institutions		185 000	185 000	185 000
<b>Total long term liabilities</b>		<b>201 503</b>	<b>226 769</b>	<b>202 966</b>
Liabilities to financial institutions		23 803	55 521	22 702
Trade payable		88 209	73 939	120 798
Tax payable		27 597	4 927	26 518
Dividends payable		50 000	0	50 000
Public duties payable		58 587	37 287	50 559
Other short term liabilities		46 631	33 387	58 528
<b>Total short term liabilities</b>		<b>294 827</b>	<b>205 061</b>	<b>329 105</b>
<b>Total Equity and Liabilities</b>		<b>637 412</b>	<b>528 774</b>	<b>657 617</b>

# Consolidated statement of cash flows

Amounts in nok 1000

	Note	Q1 2021 Unaudited	Q1 2020 Unaudited	2020 Audited
<b>Cash flow from operations</b>				
Profit before income taxes		22 942	7 887	107 156
Taxes paid		-3 995	-4 509	-7 990
Depreciation and amortisation		8 613	7 805	33 118
Change in inventory		-25 615	5 756	-3 605
Change in trade debtors		-12 576	-9 506	-13 815
Change in trade creditors		-27 966	-13 803	29 849
Change in other provisions and receivables		11 193	19 597	10 906
<b>Net cash flow from operations</b>		<b>-27 404</b>	<b>13 227</b>	<b>155 619</b>
<b>Cash flow from investments</b>				
Net capital expenditures		-4 229	-10 481	-41 570
<b>Net cash flow from investments</b>		<b>-4 229</b>	<b>-10 481</b>	<b>-41 570</b>
<b>Cash flow from financing</b>				
New Loans		0		215 800
Repayment of loans and interest		-3 006	-2 790	-236 663
<b>Net cash flow from financing</b>		<b>-3 006</b>	<b>-2 790</b>	<b>-20 863</b>
Cash and cash equivalents at the beginning of the period		94 080	894	894
Net change in cash and cash equivalents		-34 639	-44	93 186
<b>Cash and cash equivalents at the end of the period</b>		<b>59 441</b>	<b>850</b>	<b>94 080</b>

## Consolidated statement of changes in equity

Amounts in nok 1000

	<b>Paid in Equity</b>	<b>Other Equity</b>	<b>Total Equity</b>
January 1st. 2020	13 011	81 265	94 276
Profit for January-March 2020	0	2 668	2 668
<b>Balance at 31st. March 2020</b>	<b>13 011</b>	<b>83 933</b>	<b>96 944</b>
Balance at 1st. January 2021	13 011	112 535	125 546
Profit for January-March 2021	0	15 536	15 536
<b>Balance at 31st. March 2021</b>	<b>13 011</b>	<b>128 071</b>	<b>141 082</b>

# Events after the period and outlook

- ⚡ Our assumptions for the 2<sup>nd</sup> quarter have been to be on par with last year.
- ⚡ As stores opens up for B2C we expect sales to pick up.
- ⚡ Confident in continuous marketshare growth in B2B
- ⚡ Opening of store 24 in June
- ⚡ One new store signed, opening in 2022
- ⚡ Negotiations for 2 more stores with possible openings in 2021



Q&A