

Clas Ohlson interim report Q2 2024/25

A strong quarter and a good start to Christmas shopping

Second quarter – 1 August to 31 October

- Net sales amounted to 2,801 MSEK (2,460), an increase of 14%, of which 8% relates to organic growth, -3% to currency effects and 9% to sales in Spares Group
- Online sales amounted to 527 MSEK (297). Excluding Spares Group, online sales amounted to 316 MSEK (297), an increase of 6%
- Operating profit amounted to 307 MSEK (245*)
- Profit after tax totalled 230 MSEK (173)
- Earnings per share was 3.63 SEK (2.74)

Six months – 1 May to 31 October

- Net sales amounted to 5,424 MSEK (4,653), an increase of 17%, of which 9% relates to organic growth, -2% to currency effects and 9% to sales in Spares Group
- Online sales amounted to 1,021 MSEK (550). Excluding Spares Group, online sales amounted to 599 MSEK (550), an increase of 9%
- Operating profit amounted to 510 MSEK (230*)
- Profit after tax totalled 376 MSEK (147)
- Earnings per share was 5.93 SEK (2.32)

Events after the end of the reporting period

- Net sales in November amounted to 1,361 MSEK (1,196), an increase of 14%, of which 13% relates to organic growth, 0% to currency effects. As from November, Spares Group's monthly sales are included in organic growth

* Adjusted operating profit in Q2 previous year totalled 277 MSEK, excluding non-recurring items of 31 MSEK
Adjusted operating profit in the first half of the previous year totalled 431 MSEK, excluding non-recurring items of 202 MSEK

CEO Kristofer Tonström comments on second quarter 2024/25

Our plan for sustainable and profitable growth continues to generate good results in the second quarter of the year. Efficiency improvements in the organisation and working methods create scope for further development of competitive advantages in assortment, brand and customer meeting, which in turn means that we are succeeding in continuing to grow despite a tough retail market.

Net sales in Q2 amounted to SEK 2.8 billion and organic sales growth was 8 per cent. Operating profit improved to SEK 307 million, which results in an operating margin of 11 per cent.

Today, we are also reporting sales figures for November, where we see growth above our long-term target for the 19th consecutive month. In particular, we had a strong end to the month with Black Week and preparations for Advent contributing to good sales of Christmas gifts, decorations and other Christmas essentials.

Continued range renewal builds relevance

The ability to develop a product range that is relevant regardless of the economic situation and weather conditions is an important explanation for this favourable development. When weather-dependent product categories such as fan heaters and radiators were selling less, we were able to grow with technical accessories and lighting, for example. In lighting, we have also made great strides in developing packaging with even better product information and better choice of materials. I think this is a good example of how we are developing a more sustainable business model with the product offering in focus, where the packaging is part of guiding the customers to buying the right product for their needs, while reducing the climate footprint of transports.

With a continued high rate of new product launches, we are also able to constantly surprise customers with new, smart and affordable solutions to their everyday problems. Sales increased in all prioritised product niches during the quarter and our surveys also show that customers are not only shopping more, but also increasingly associating the Clas Ohlson brand with these particular niches, which is an important step towards becoming the customers' first choice. Customers are also very satisfied with the shopping experience at Clas Ohlson. Our NPS, a measure of how many customers recommend Clas Ohlson to others, is very high (57) and the most loyal customers in Club Clas continue to account for an increasing share of sales, while the total number of members is increasing.

Six new stores during the second quarter

Work on building a robust store network also continues at full speed. We opened six new stores in the quarter and another in November. This means that we have opened eight stores net in the current financial year and are on track to open around ten new stores net during the year. The openings included store number 100 in Sweden (Örebro Boglundsängen) and store number 100

in Norway (Egersund). We are following developments closely, and generally see good development in both comparable units and in the newly opened stores. During the autumn we have also rebuilt and moved stores. We will continue to do this during the spring, with the aim of further improving the customer experience and also increasing the sales area in several stores.

E-commerce now a fifth of total sales

Online sales now account for 19 per cent of Clas Ohlson's total sales. A strong contributing factor is the acquisition of Spares, which at the time of writing has been part of Clas Ohlson for just over a year, but also thanks to a strong organic sales trend. A growing and profitable e-commerce is an important piece of the puzzle in Clas Ohlson's growth strategy, which also provides customers with a comprehensive offering that few competitors can match.

To maintain the pace of our growth initiatives, we will continue to rationalise our operations. As before, customers' purchasing power is under pressure and our ability to provide customers with an affordable offering is absolutely crucial to our success. It is therefore positive that we are managing to grow our sales month by month with maintained cost control. We also see that freight costs, which increased sharply during the first quarter in September and October, have fallen significantly and are now back at pre-summer levels.

Christmas begins at Clas Ohlson

Christmas shopping at Clas Ohlson has started well and we will now do everything to surpass last year's record sales. We have a strong assortment and the entire Clas Ohlson team is ready to help customers with everything related to Christmas during the most important sales weeks of the year. Looking forward to seeing you in stores and online!

Webcasted presentation today at 9.00 a.m.

President and CEO Kristofer Tonström and CFO Pernilla Walfridsson will comment on the report at 9:00 CET today at a webcasted presentation. The presentation will be held in English and is followed by a Q&A session.

If you wish to participate via webcast, please use the link below. Via the webcast you are able to ask written questions. [Link to webcast.](#)

If you wish to participate via teleconference please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference. [Link to teleconference.](#)

An on-demand version of the webcast will be available at about.clasohlson.com after closing of the presentation.

For more information, please contact:

Niklas Carlsson, Head of Communications and IR +46 247 444 29, niklas.carlsson@clasohlson.se

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Clas Ohlson was founded in 1918 as a mail order business in Insjön, Sweden. Today we are a retail company with customers in three markets, approximately 5,000 co-workers and annual sales of approximately 10 billion SEK. Our share is listed on Nasdaq Stockholm. A lot has happened since the start in 1918, but one thing has remained the same over the years; that we want to help people fix their homes with practical and sustainable solutions at attractive prices. Visit about.clasohlson.com/en to read more about us and how we make home fixing available, sustainable and enjoyable for everyone.