

# Q2 report

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# Agenda

- Business update
- Financial development
- Events after the reporting period
- Summary
- Q&A



# Highlights Q2

- ✓ Q2 total sales\* 2,801 MSEK, organic +8%
- ✓ Q2 operating profit at 307 MSEK
  - ✓ operating margin +11%
- ✓ Online sales now 19% of total sales in Q2
- ✓ H1 operating cash flow 530 MSEK (520)
- ✓ Solid financial position: net debt/EBITDA -0.2\*\*
- ✓ EPS: 3.63 SEK (2.74)
- ✓ +13% organic growth in November

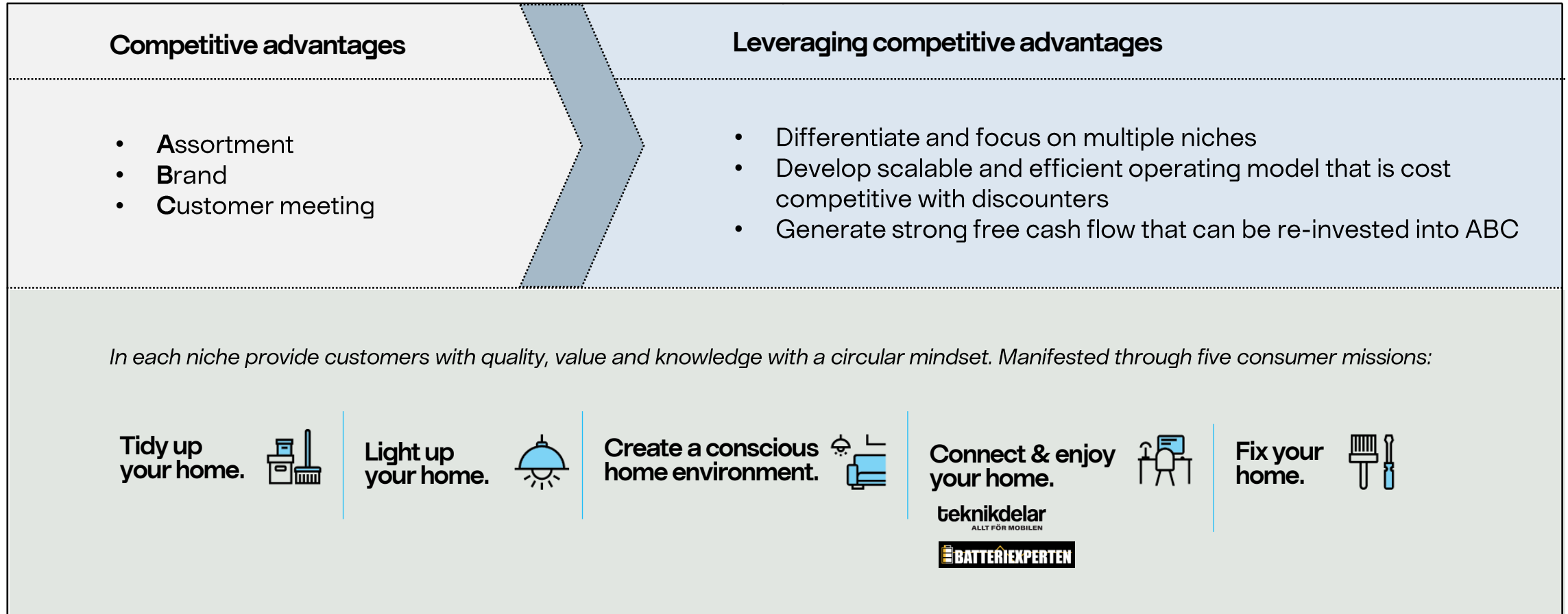
\*Including the acquired Spares Group

\*\*Excl IFRS 16

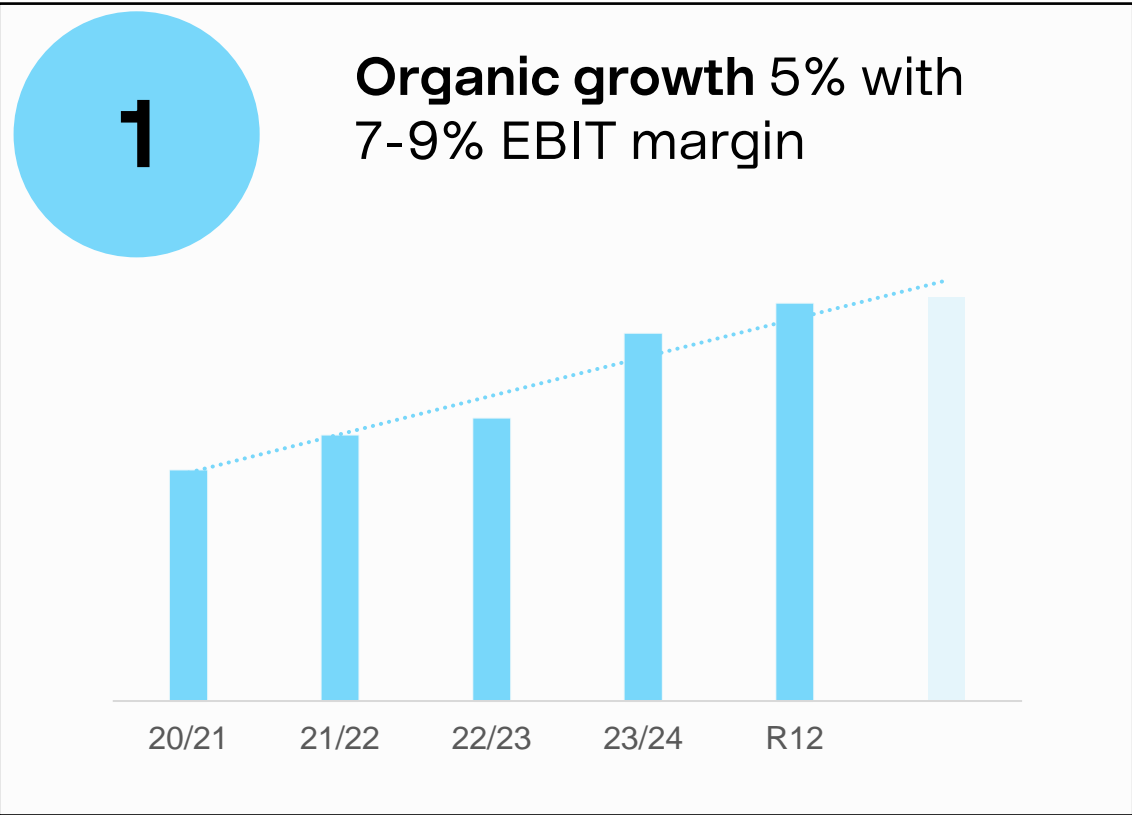


# **Business update**

# Strategic position



# Strategy execution – key targets




**2** Industry leading in sustainability – deliver on our people agenda and 2045 commitments



Planet






People



Society



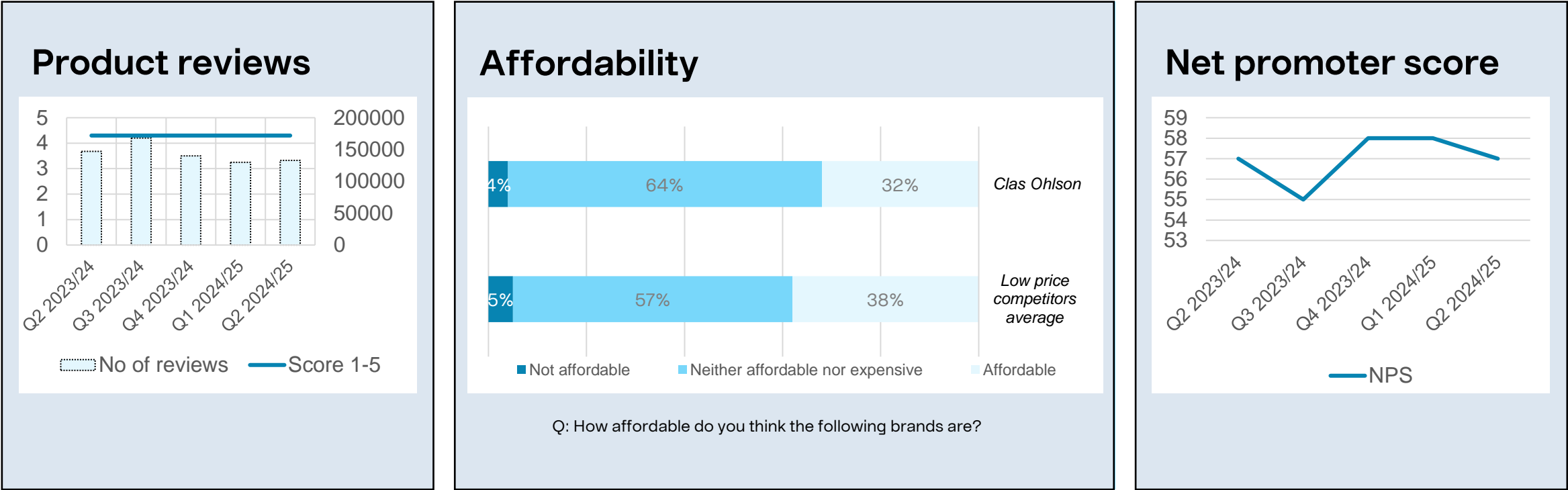
# Strategy execution – overview Q2 24/25

Make assortment relevant 12 months/year. 	A profitable and growing online business. 	Build a robust store network. 
<ul style="list-style-type: none"> <li>✓ All prioritised niches driving growth</li> <li>✓ Continued high pace in launching product news</li> <li>✓ Wide assortment compensates for less demand for weather-dependent products</li> </ul>	<ul style="list-style-type: none"> <li>✓ Online sales 19% of total sales in Q2</li> <li>✓ Omni-structure continued competitive advantage</li> <li>✓ Spares Group Q2 sales 211 MSEK</li> </ul>	<ul style="list-style-type: none"> <li>✓ Net addition of 4 stores in Q2</li> <li>✓ On track vs. 24/25 target of approx. 10 new stores</li> <li>✓ Several store moves and rebuilds ahead</li> </ul>
<b>Efficient customer communication.</b>	- Customers associate Clas Ohlson with our prioritised product niches to greater extent	
<b>A competitive cost base.</b>	- More efficient organisation enables growth initiatives	
<b>Execution on our sustainability agenda.</b>	- Named of Sweden's most equal companies by the Allbright foundation	





# Customer relevance and satisfaction


















Source: Clas Ohlson surveys, October 2024





# Prioritised niches create reason to visit

<p>Tidy up your home.</p> 	<p>Light up your home.</p> 	<p>Create a conscious home environment.</p> 	<p>Connect &amp; enjoy your home.</p> 	<p>Fix your home.</p> 
			 <p>teknikdelar ALLT FÖR MOBILEN</p> 	
<p>Sustainability</p> 	<p>Spare parts</p>  <p>SPARES ZANDPARTS</p>		<p>Seasons</p> 	
<p>Consumables assortment</p> 				

# Innovative, practical solutions build uniqueness



# Innovative, practical solutions build uniqueness





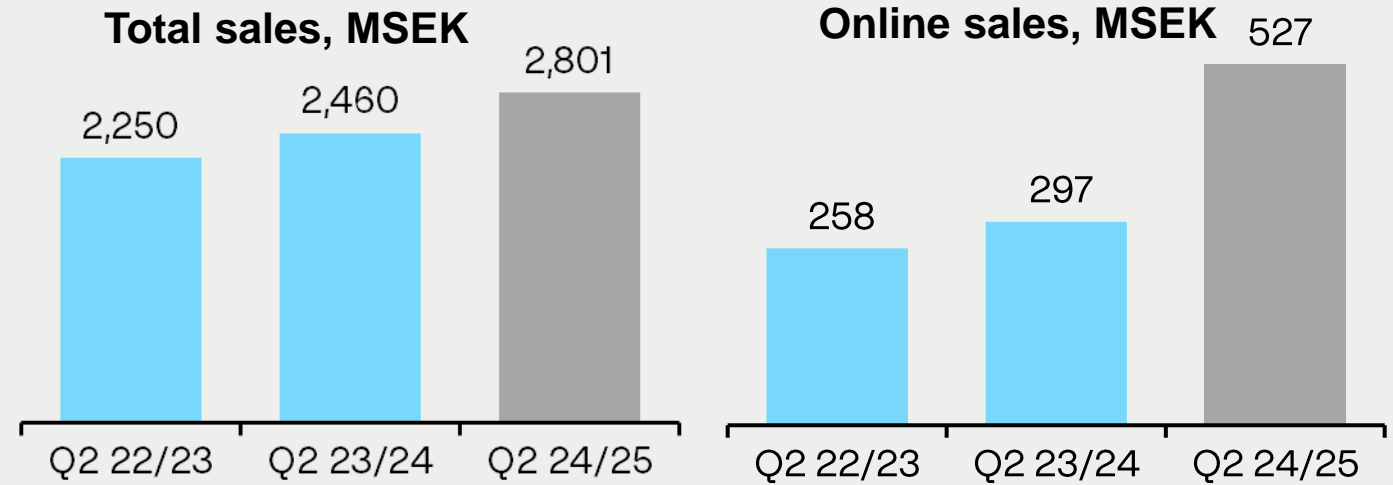
# **Financial development**



# Sales development above targets

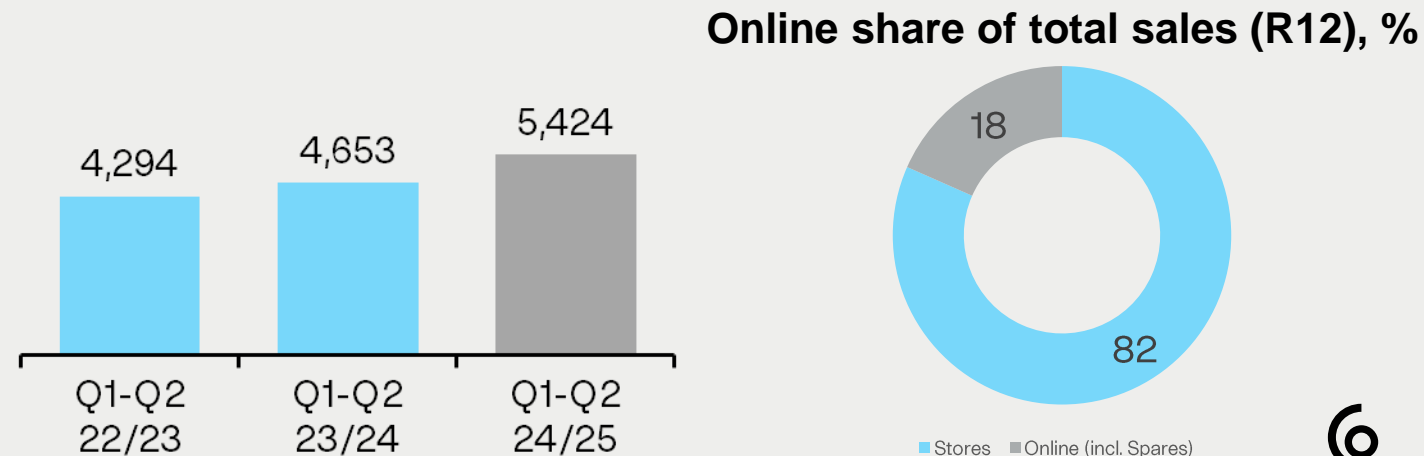
## Q2

- Total sales up 14% to 2,801 MSEK, of which 8% organic, currency effects -3% and the acquired Spares group 9%
- Online sales, excluding Spares, up 6%
- Online sales, including Spares, 527 MSEK

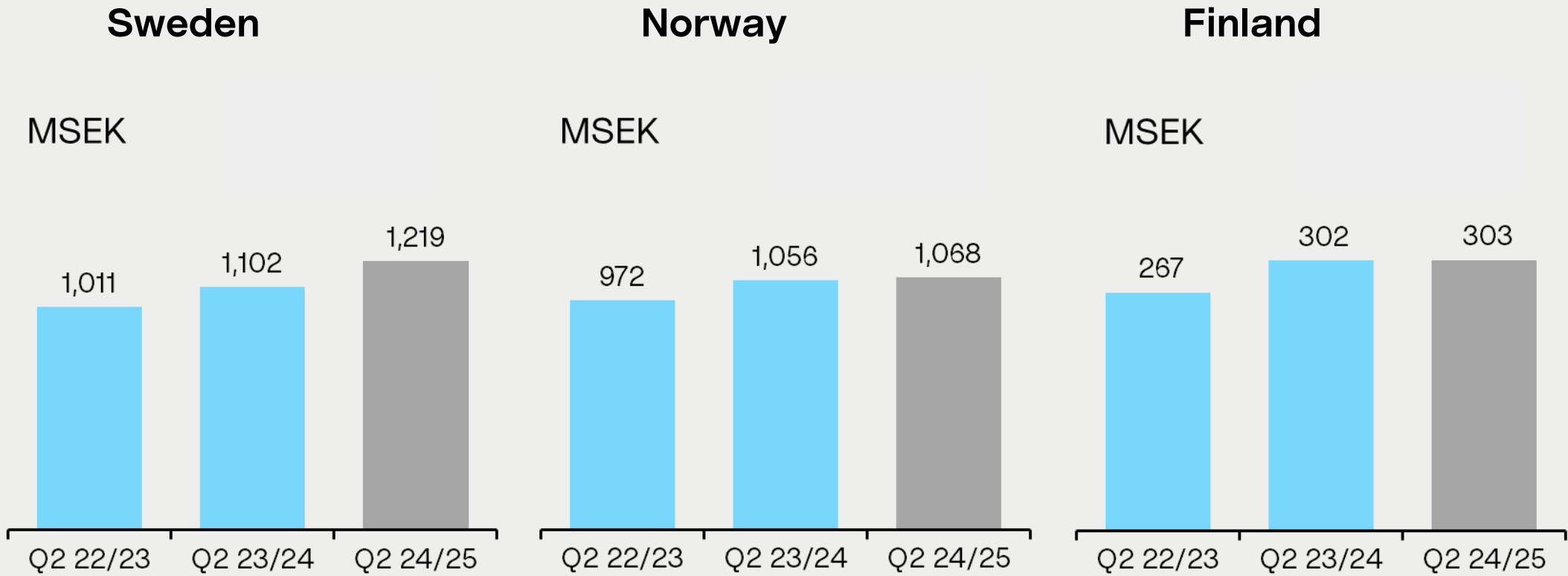


## Q1-Q2

- Total sales up 17% to 5,424 MSEK, of which 9% organic, currency effects -2% and the acquired Spares group 9%
- Online sales, excluding Spares, up 9%
- The store network increased by 7 stores during Q1-Q2



# Positive development in all markets



Organic growth:	Q2: +11% Q1-Q2: +12%	Q2: +7% Q1-Q2: +8%	Q2: +3% Q1-Q2: +3%
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# Macro trends with business impact

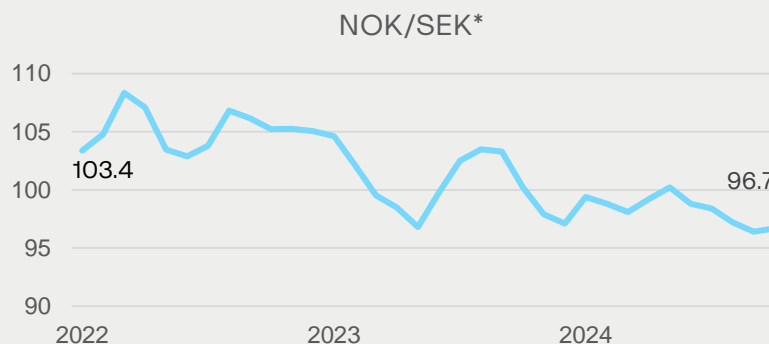
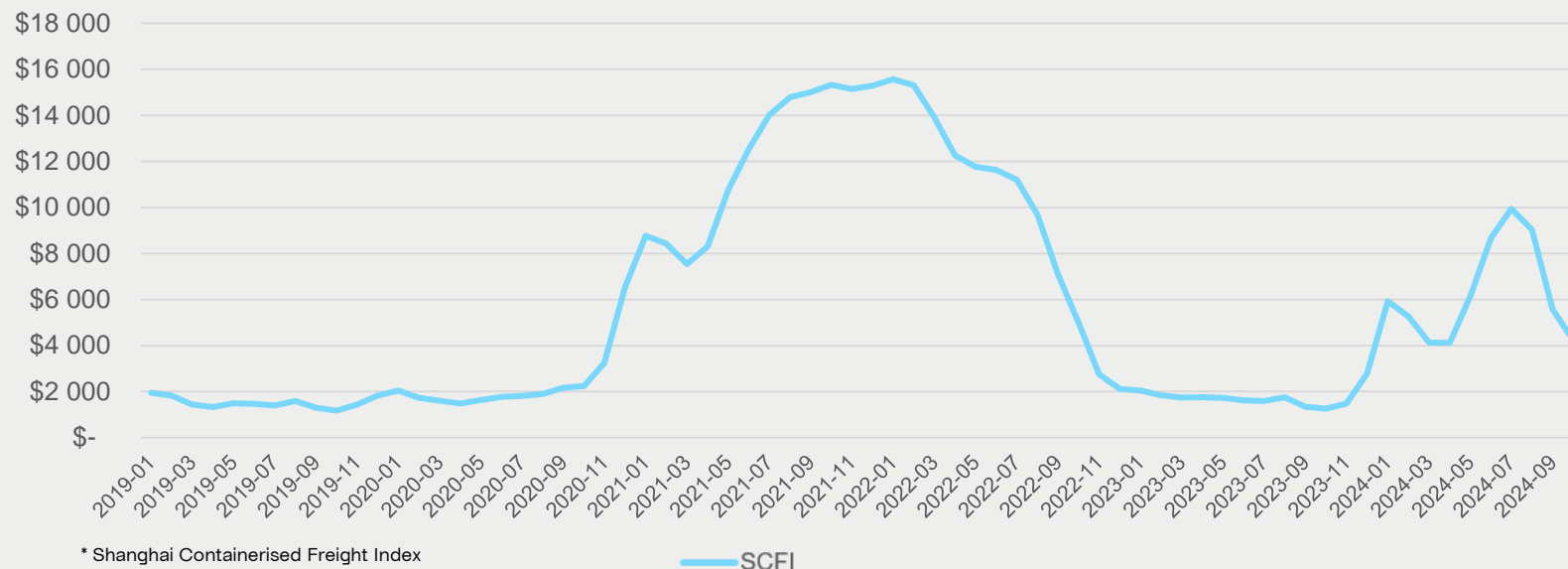
## Factors impacting Clas Ohlson:

- Container shipping costs and raw material and commodity prices
- Translation/transaction effects - sales instant effects and purchasing with a time lag
- Hedging policy/effects
- Pricing effects

## Proactive measures:

- Pricing – continuously optimising prices
- Sourcing – diversified sourcing strategy
- Flexible freight contracts
- Optimise sales mix – private label, product and category mix
- Products and packaging

Spot prices for 40t containers from Asia to Gothenburg

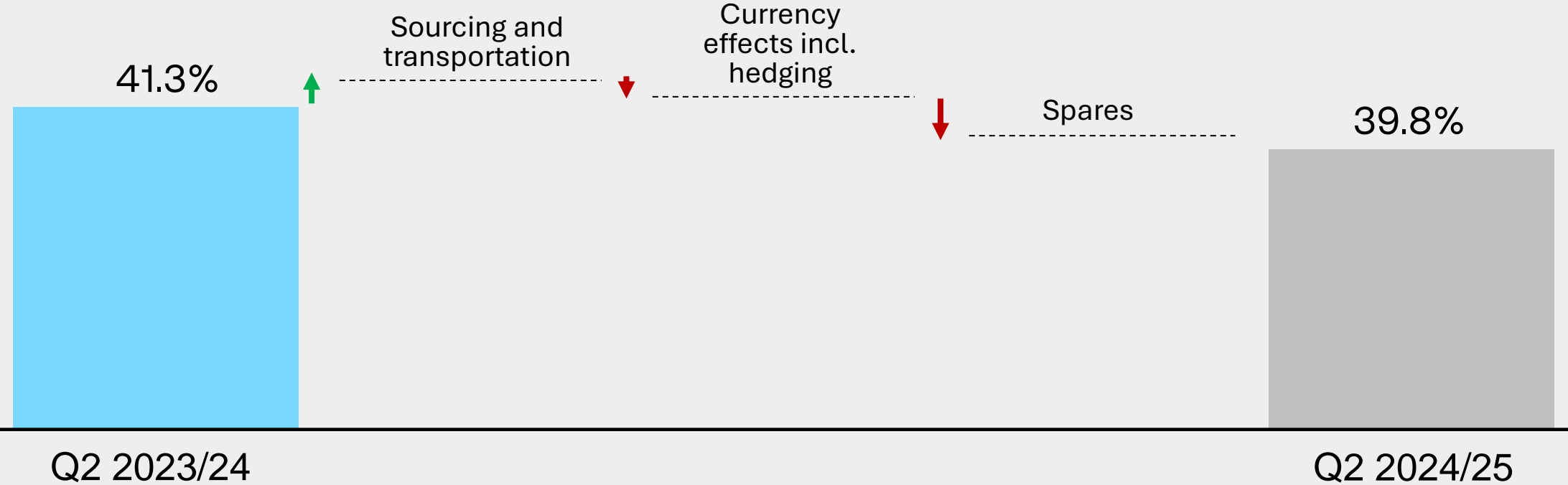


\* Monthly average, The Riksbank/Nasdaq





# Gross margin decreased vs last year



# Financial overview

MSEK	Q2 24/25	Q2 23/24	Q1-Q2 24/25	Q1-Q2 23/24
<b>Operating profit excl. one-off items</b>	<b>307</b>	277	<b>510</b>	431
<i>One-off items</i>	0	-31	0	-202
<b>Operating profit</b>	<b>307</b>	245	<b>510</b>	230
<b>Profit after financial items</b>	<b>292</b>	227	<b>479</b>	195
<b>Profit for the period</b>	<b>230</b>	173	<b>376</b>	147
<b>EPS before dilution, SEK</b>	<b>3.63</b>	2.74	<b>5.93</b>	2.32

Share of selling expenses, Q2

**27.0** %

(28.1%)

Administrative expenses, Q2

**49** MSEK

(50 MSEK)

EBIT-margin, Q2

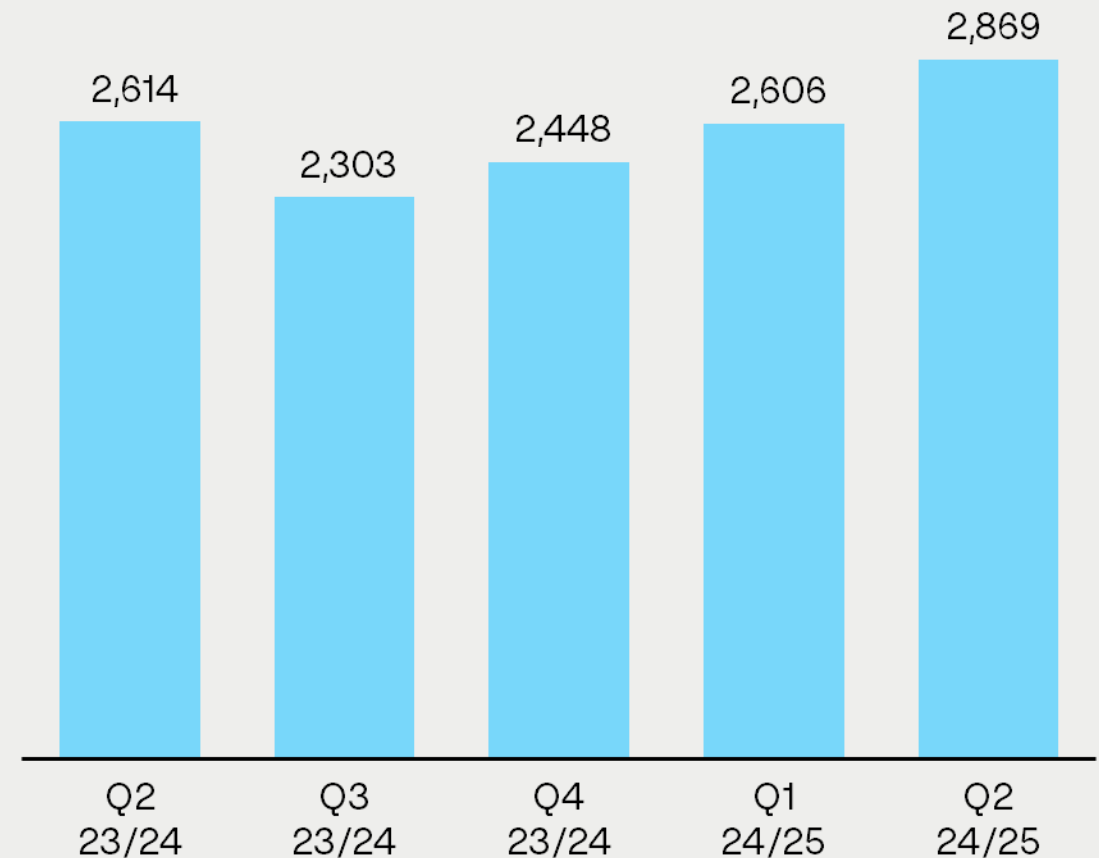
**11.0** %

(10.0%)

# Well balanced inventory

MSEK

- **Inventory level:** 2,869 MSEK (2,614) at the end of the period



# Solid cash flow and financial position

MSEK	Q1-Q2 24/25	Q1-Q2 23/24
Cash flow from operating activities, before change in working capital	795	625
Change in working capital	-265	-105
Cash flow from operating activities	530	520
Cash flow from investing activities	-79	-40
Cash flow from financing activities	-410	-508
Cash flow for the period	41	-28

Approved credit facilities

**1,110** MSEK  
Of which utilised 0 MSEK

Net debt/EBITDA excl. IFRS 16

**-0.2x**  
(-0.0x)

Free cash flow Q1-Q2

**176** MSEK  
(211 MSEK)

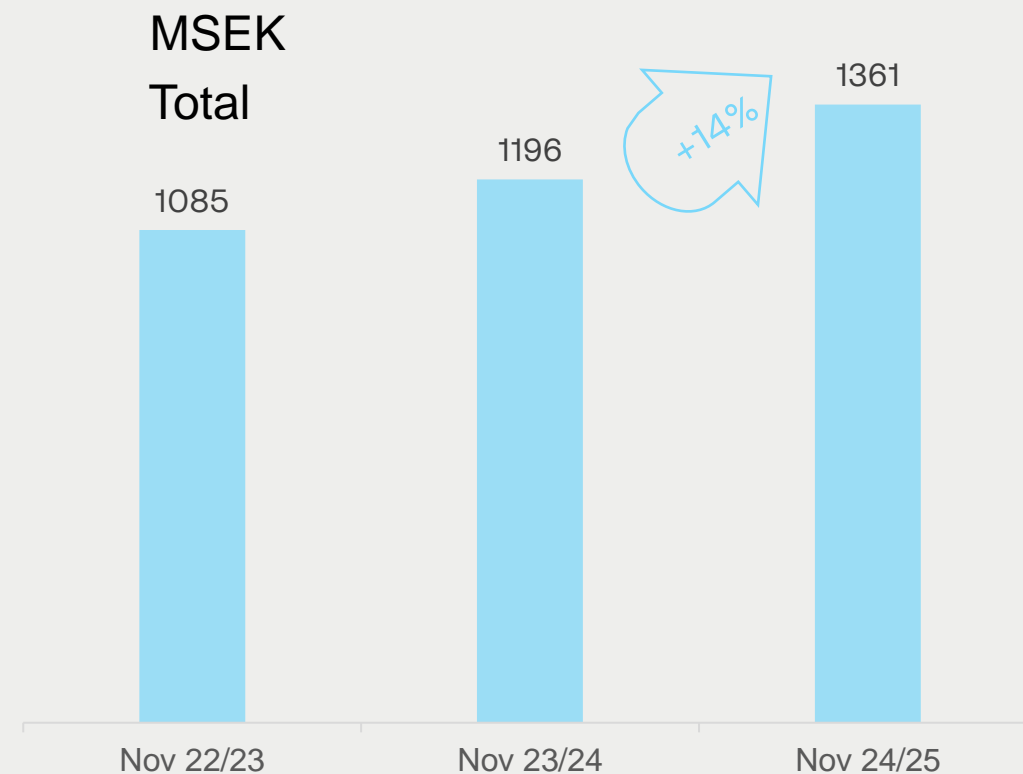




# Events after the reporting period

# November sales development

- Total sales up 14% to 1,361 MSEK, of which 13% organic and currency effects 0%
  - Sweden +16% organic
  - Norway +15% organic
  - Finland +4% organic
  - Spares +4% organic
- Store network increased by 14 stores compared to end of November last year





# Summary



# Continued execution of our long-term growth plan

- Customer relevance and value for money key in generally weak retail market
- Store network expansion according to plan
  - Also developing existing store network with store moves and rebuilds
- We continue building a profitable and growing online business
  - Online sales at 2 BSEK (R12)
- Cost focus to mitigate macro challenges and to enable further development of assortment, brand and customer meeting



**Q&A**



