

Second Quarter Results 2021

Continued strong profitable growth

Lars Olav Olaussen, CEO

Krister Pedersen, CFO

Disclaimer

This presentation has been prepared by Komplett ASA (the “Company”) solely for information purposes. The presentation does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

This presentation includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this report, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

Highlights for the quarter:

Strong profitable growth sustained

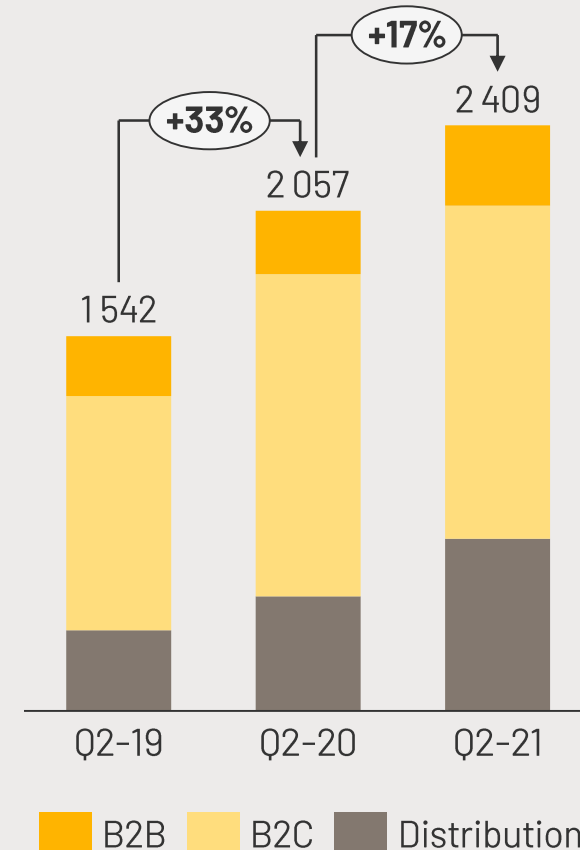
- Listed on Oslo Stock Exchange
- Continued strong growth momentum (+17%)
- Expanding gross margin for B2B (+0.5 pp) and B2C (+0.8 pp)
- Strong opex improvement of 1.4 pp.
- 49% growth for EBIT adj.
- Komplet FLEX successfully launched
- Entering the rapidly growing IT service segment



Solid top line progress driven by B2B and Distribution

- 17% revenue growth for the group
- Strong comparable figures from 2020
- Sustained growth in B2C (+3%)
- Strongest growth for B2B (+ 27%) and Distribution (+ 50%)

Organic revenue growth

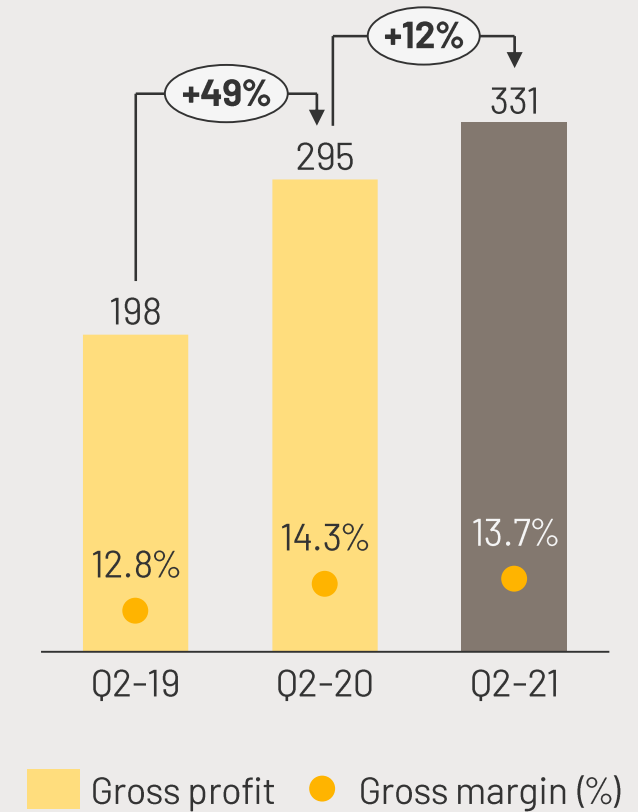


Expanding gross margin for B2B and B2C

- Improving gross profit for all segments
- Positive effect from revenue management
- Better trade terms and successful campaigns
- Growth for private labels
- Mix effect related to 50% revenue growth for Distribution

| Gross margin by segment | Q2-20 | Q2-21 |
|-------------------------|-------|--------------|
| B2C | 15.8% | 16.6% |
| B2B | 17.7% | 18.2% |
| Distribution | 7.7% | 6.1% |

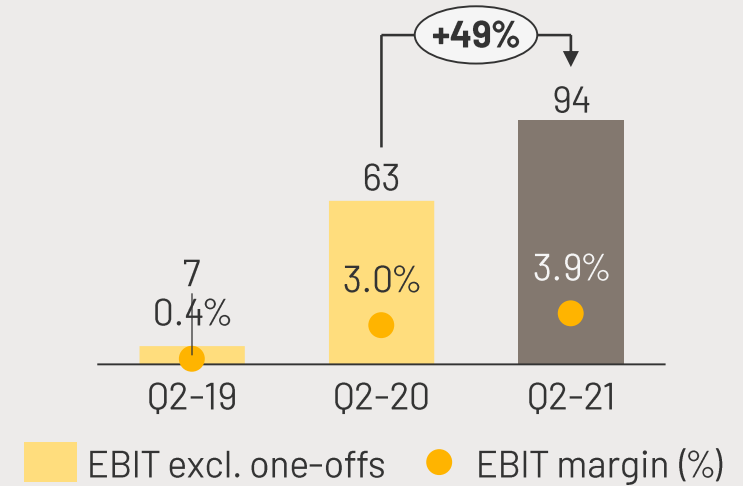
Gross profit and gross margin



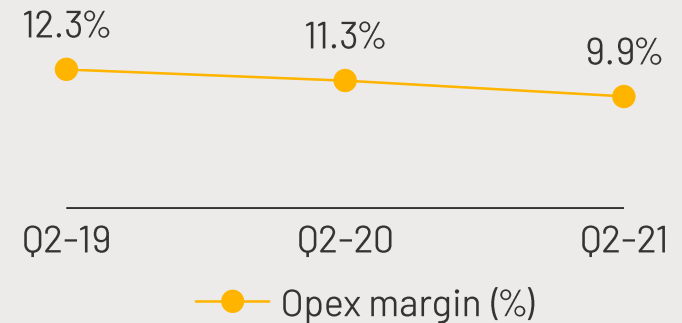
EBIT continues to improve

- EBIT (adj.)* up 49%
- 1.4 pp. reduction in operating expenses in percentage of revenue
- Increased economies of scale
- Improved operational efficiency

EBIT (adj.) and EBIT margin



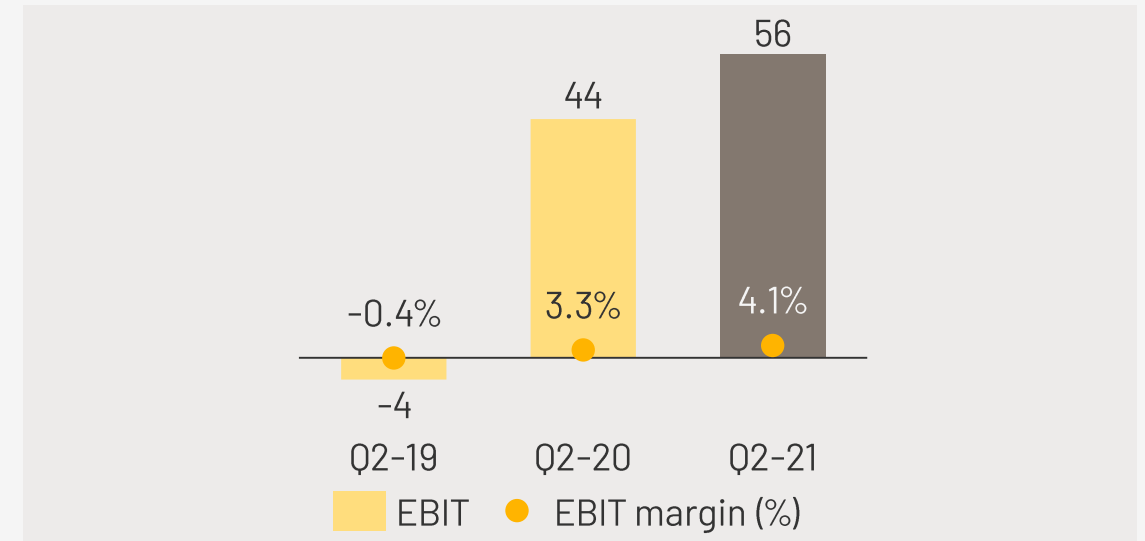
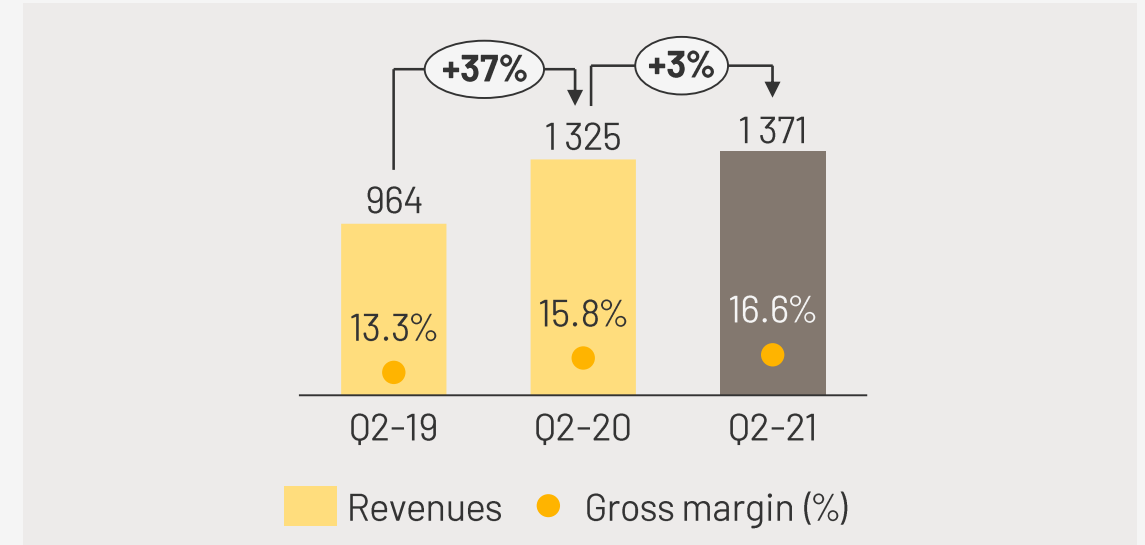
Opex margin



B2C

Sustained growth and a giant step in operating margin

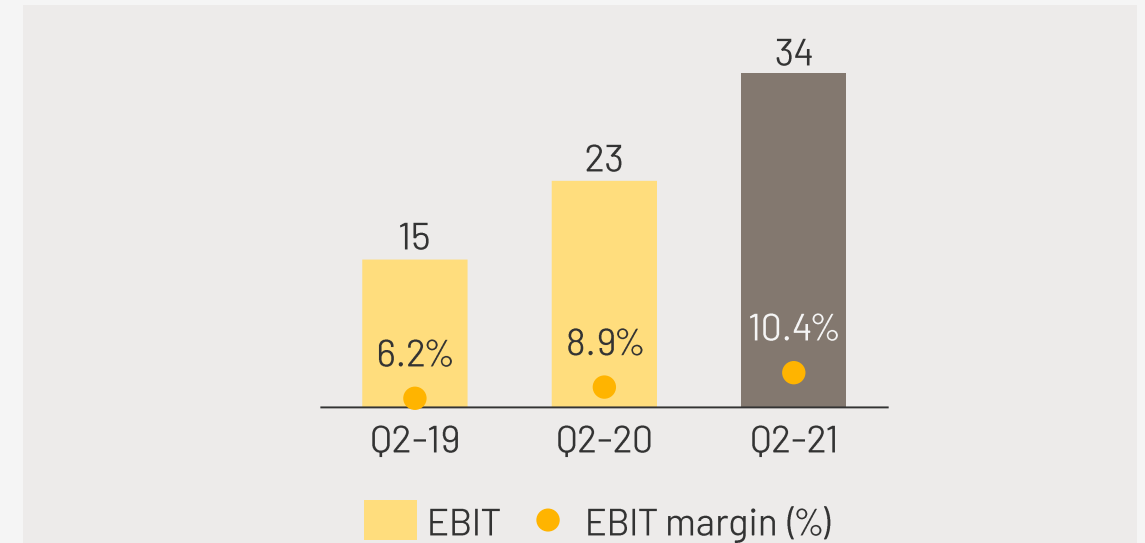
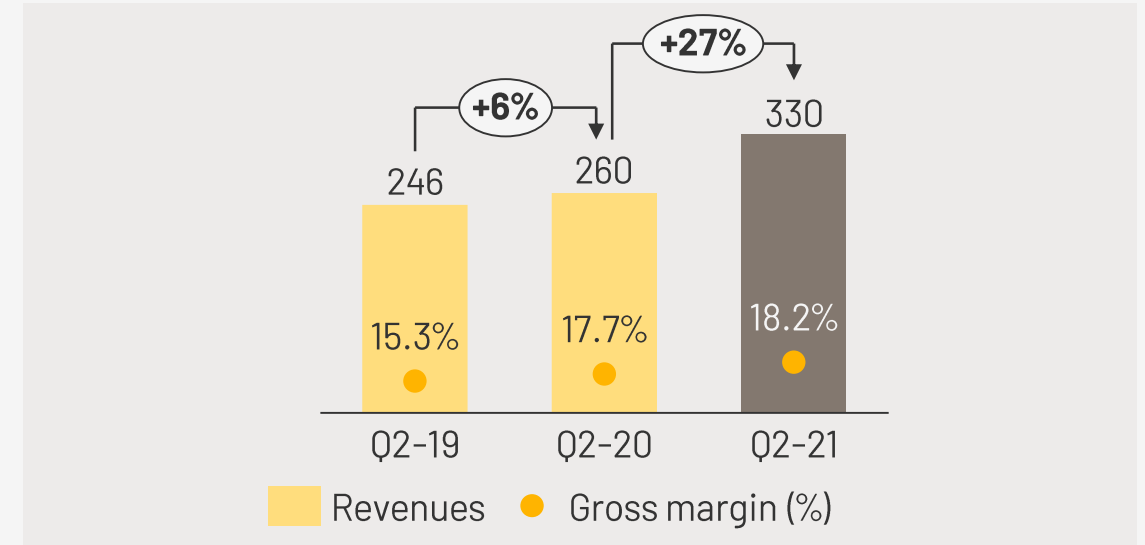
- 3.4% revenue growth on tough comparisons
- Sustainable online migration
- Successful campaigns especially in the component & gaming category
- Expanding gross margin



B2B

Record-high EBIT margin

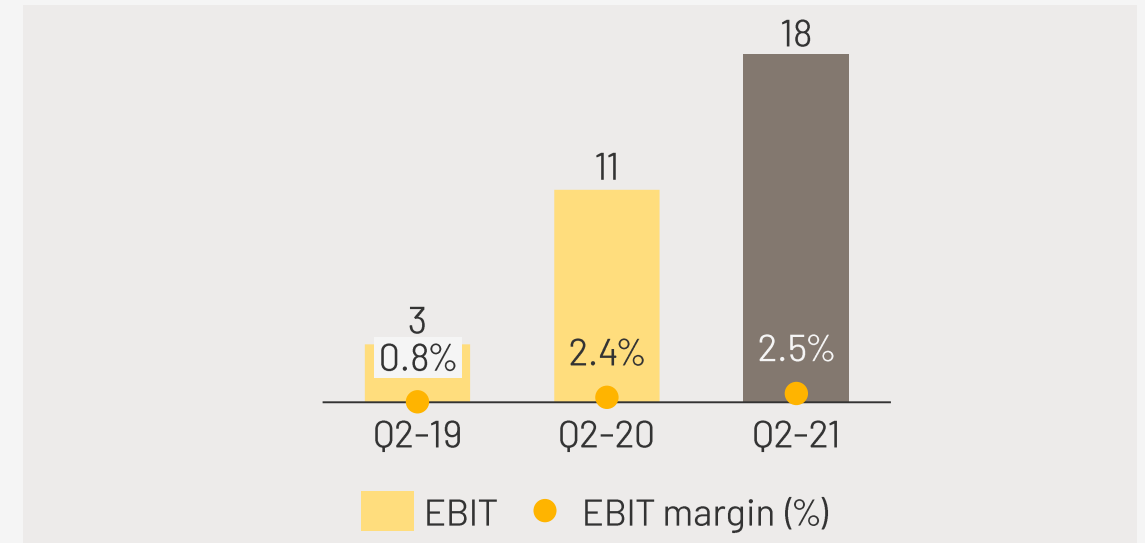
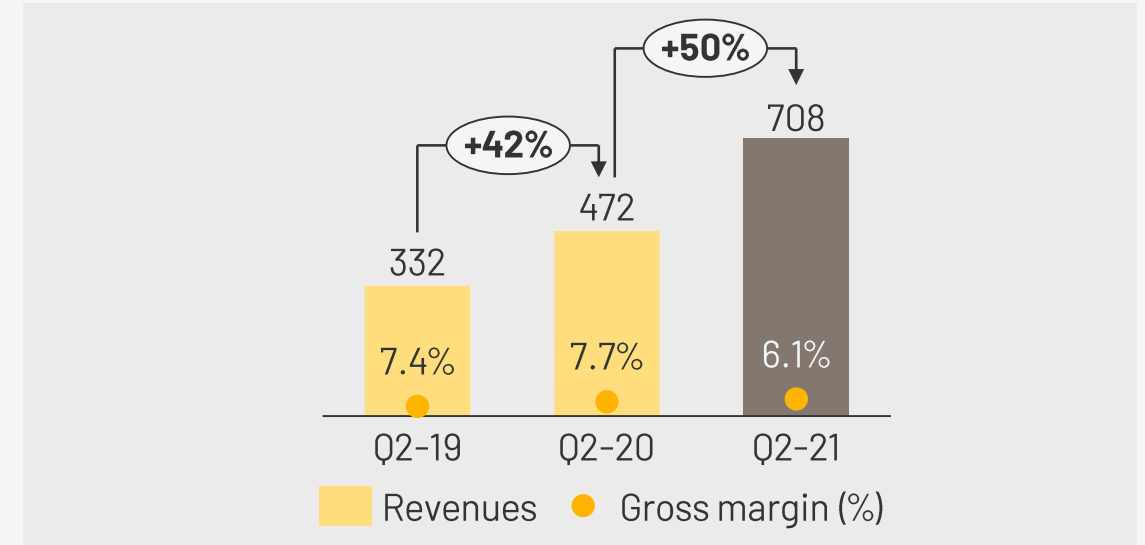
- A strong 27% revenue growth
- Increased sales to all customer segments, both in Norway (+ 17%) and Sweden (+ 32%)
- Expanding gross margin
- Attracting new customers, increasing frequency and average basket size
- Growth for Komplet-brand computers and other private label products
- EBIT margin of 10.4% (+ 1.5 pp.)



Distribution

Significant growth, driven by new distribution agreements

- A strong 50% revenue growth
- New distribution agreements in 2020 and 2021
- Improving gross profit on lower margin due to mix
- Positive impact from economies of scale and increased efficiency



New innovation: Komplett *FLEX*

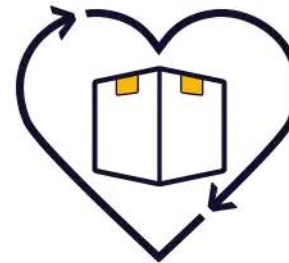
Creating long-term customer relationships and sustainability



- ✓ NOK 0 down payment
- ✓ Fixed monthly price



- ✓ Get the latest tech products



- ✓ Return, upgrade and reuse

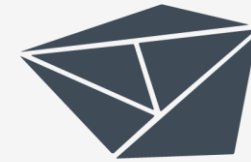


- ✓ Promoting sustainability and a circular economy

Komplett FLEX – soft launch in Norway and Sweden in Q2

Entering cloud-based IT solutions and services

- Agreement to acquire 65% of the shares in Ironstone Holding AS, a leading supplier of cloud-based IT solutions and services
- Meets the growing demand from corporate customers for basic IT services to complement traditional hardware purchases
- The pure cloud technology and IT service offered by Ironstone makes a strategically good fit with Komplet's wide-ranging customer base
- The transaction is expected to be completed during the third quarter 2021



IRONSTONE



KOMPLETT® GROUP

Key priorities going forward

- Continue investing in a strong customer offering
- Sustain efficient operations based on existing business model
- Integration of new services
- Initiating supply chain program



| Financial performance

Krister Pedersen, CFO



Profit and loss

- Growth of 17% in Q2 and 25% in H1
- Improved gross margins in B2C and B2B, hidden behind mix effects
- Improved efficiency with only 3% increase in opex in the quarter
- IPO cost of NOK 11 million in H1
- Net financial with NOK 2 million from establishing the RCF facility
- Net tax cost with NOK 22 million positive effect from tax settlement

| | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 |
|------------------------------|------------|------------|-------------|-------------|
| Operating revenue | 2 409 | 2 061 | 5 036 | 4 065 |
| EBIT (adj.) | 94 | 63 | 186 | 96 |
| One-off cost | -9 | - | -11 | - |
| EBIT | 85 | 63 | 175 | 96 |
| Net financials | -6 | -4 | -10 | -10 |
| Profit before tax | 78 | 59 | 165 | 85 |
| Tax expense | -15 | -11 | -6 | -15 |
| PROFIT FOR THE PERIOD | 64 | 47 | 158 | 70 |

Cash flow & working capital

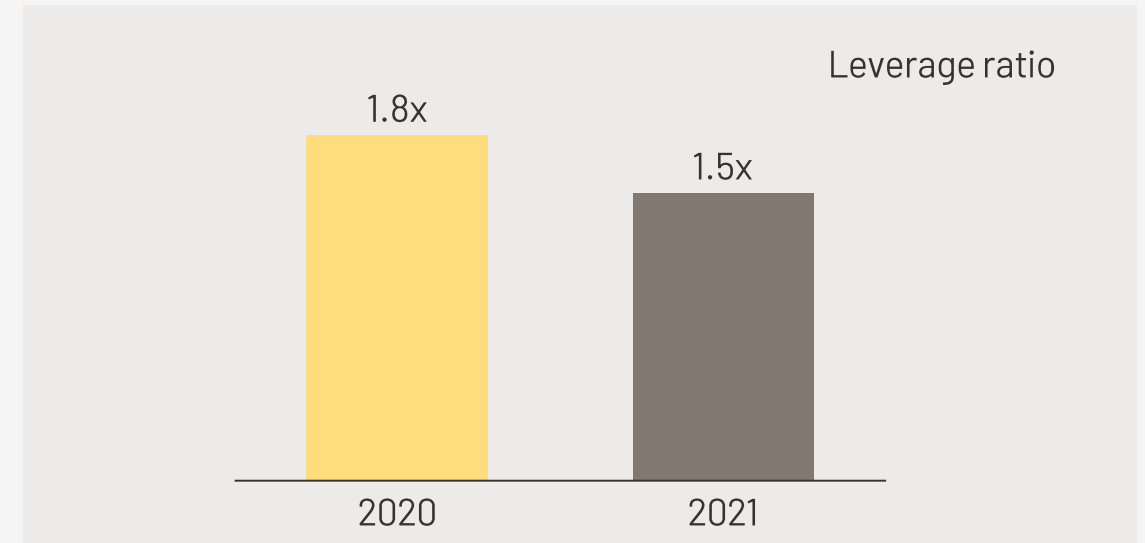
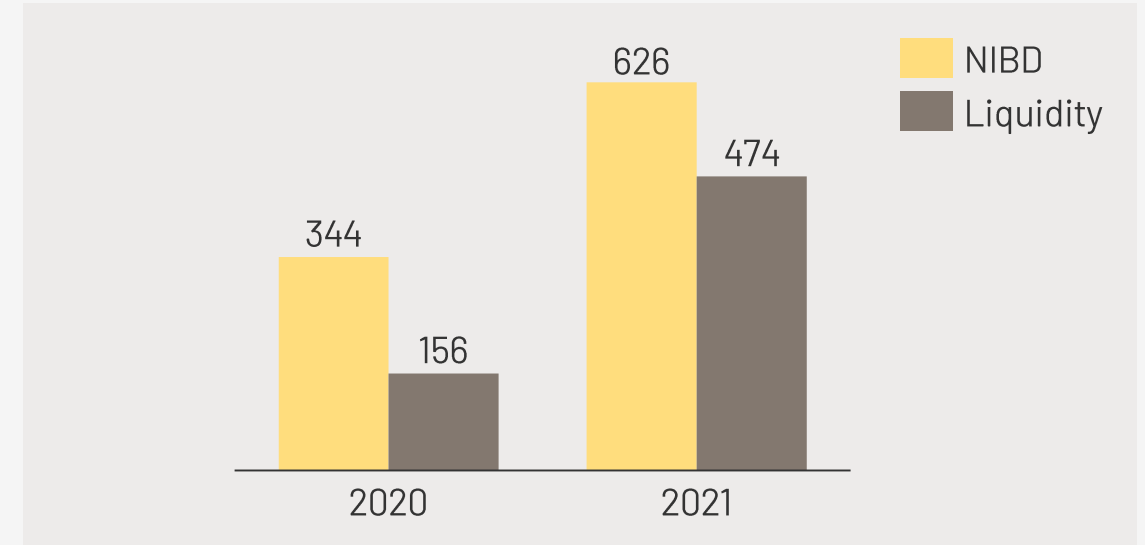
- Good progression in Operating result
- Inventory build-up after strong Q4 2020
- Secure goods for incoming season
- Highest growth in B2B and Distribution segment – with customer credit terms increasing Acc. rec.
- Postponement of VAT and other tax payments last year (Public Covid-19 initiatives)

| Cash Flow | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 |
|--|------------|------------|-------------|-------------|
| Net cash from operating activities | 15 | 1 | -140 | 42 |
| Net cash used in investing activities | -14 | -9 | -23 | -17 |
| Net cash (used in)/from financing activities | -2 | 10 | 127 | -61 |
| Net increase in cash and cash equivalents | -1 | 2 | -36 | -35 |
| Cash and cash equivalents at beginning of period | 19 | 13 | 54 | 50 |
| Cash and cash equivalents at end of year | 18 | 15 | 18 | 15 |

| Change in net working capital | Q2 2021 | Q2 2020 | YTD 2021 | YTD 2020 |
|--|------------|------------|-------------|-------------|
| Change in inventory | 27 | 185 | 157 | 31 |
| Changes in trade receivables - regular | 98 | -11 | 59 | 7 |
| Changes in payables | -110 | -84 | 101 | 117 |
| Changes in other assets an liabilities | 98 | 7 | 98 | -30 |
| Change in net working capital | 114 | 96 | 416 | 124 |

Strengthened financials

- New RCF facility of NOK 500 million where of NOK 400 million utilized due to dividend pay-out
- Strengthened liquidity despite higher interest bearing debt
- Strengthened leverage ratio from 1.8x to 1.5x NIBD/EBITDA (ex IFRS16)



Financial targets – growth and profitability

| | | |
|---|---------------------|---|
| Group long-term targets | Revenue | <ul style="list-style-type: none">▪ Annual revenue growth in the level of 10%▪ 2025 targeted group revenue NOK >15bn |
| | Margins | <ul style="list-style-type: none">▪ Segment EBIT-margin improvement year-on-year across all segments▪ 2025 targeted gross-margin at ~15% and EBIT-margin at ~5% |
| Business segment long-term targets | B2C | <ul style="list-style-type: none">▪ Annual revenue growth in the level of 10-12% |
| | B2B | <ul style="list-style-type: none">▪ Annual revenue growth in the level of 8-10% |
| | Distribution | <ul style="list-style-type: none">▪ Annual revenue growth in the level of 5%▪ Significantly higher growth for 2021 due to full year effect of new contracts in place |

Financial targets – cash flow and dividends

Capital expenditure

- Annual operational capex in the level of NOK 50 million
- Additional investments in the level of NOK 400 million for expanding supply chain capacity and upgrading IT systems, planned for 2022-23

Tax

- Effective tax rate in the level of statutory rate in Norway (currently 22%)

Gearing

- Capital structure to provide financial flexibility and support growth targets and dividend policy

Dividend

- Targeting stable growing dividends year-on-year
- Targeting a pay-out ratio of 60-80% of net profit adj. for any non-recurring and special items

| Summary and outlook

Lars Olav Olaussen, CEO



Key takeaways

- Strong profitable growth
- E-commerce established on a new and higher level than prior to the pandemic
- Gross margin improvements in B2B and B2C
- Cost leadership position strengthened; opex down 1.4 pp
- Komplet FLEX successfully launched – a new and easy way to get and re-use the latest tech products
- Strengthening the offering in the growing service segment
- On track to meet long-term targets





KOMPLETT® GROUP

