KOMPLETT GROUP

Third quarter 2024

Jaan Ivar Semlitsch, CEO

Thomas Røkke, CFO

25 October 2024

KOMPLETT netonnet webhallen

Disclaimer

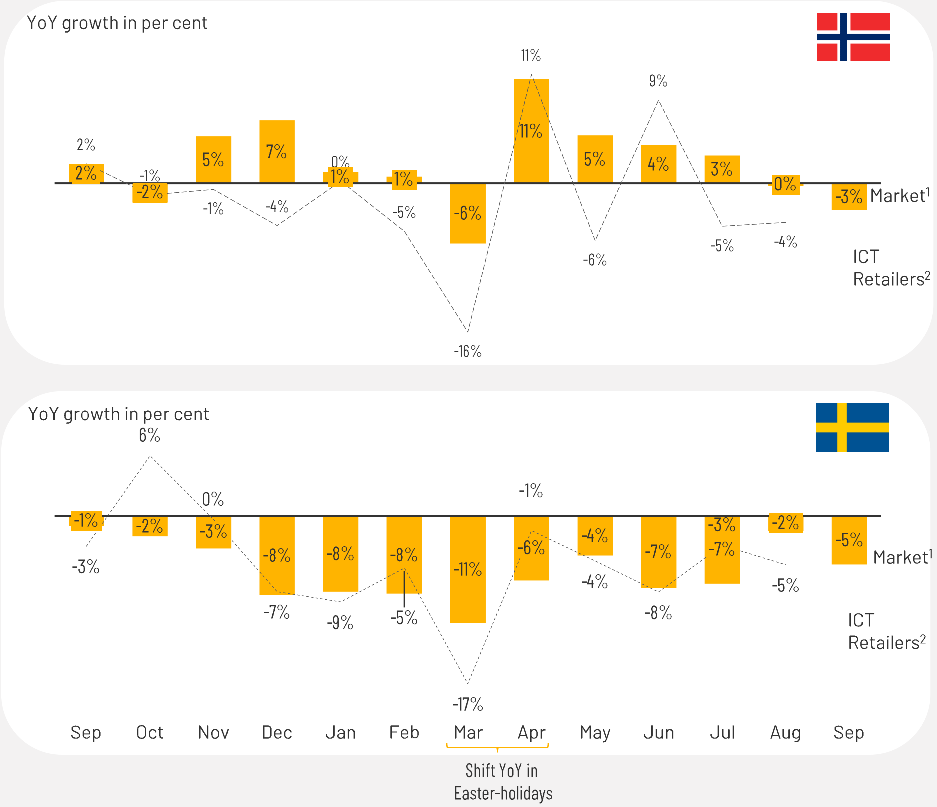
This presentation has been prepared by Komplett ASA (the “Company”) solely for information purposes. The presentation does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

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.

Q3-24 Highlights

Limited improvements in market dynamics, improving outlook

Continued difficult environment in key markets and categories

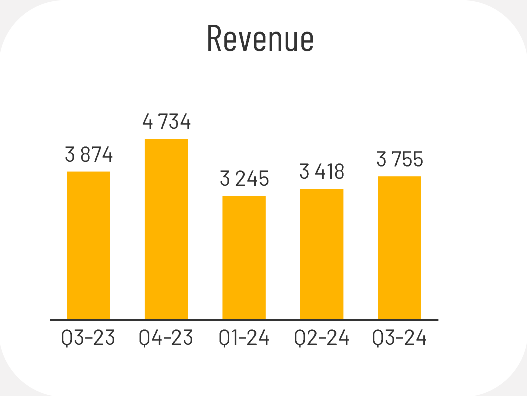


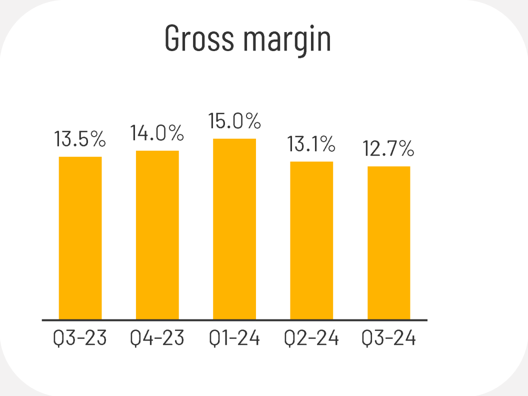
- **Limited improvements in market dynamics and product cycles**
  - The market in Sweden remains particularly soft, whilst demand in Norway varies between categories
  - Volatile development over the quarterly period
- **Core computing and gaming categories have remained weak** for a longer period than expected
  - Although with easing headwinds and increasing positive effects from own sales initiatives
- **Competition remained intense**
  - Requiring continued price investments and campaign activities to defend market positions
- **Market outlook supported by** improving household economics and more positive product cycles

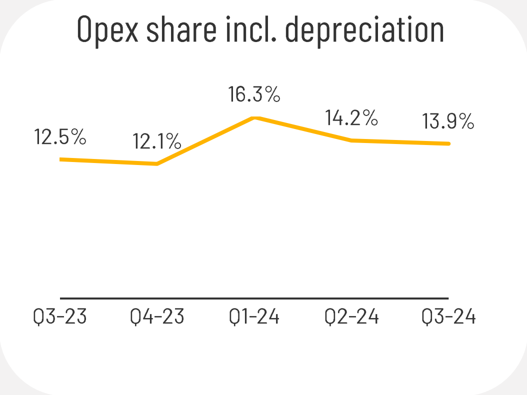
Note: 1) GFK Panelmarket ex. Distributors, invoiced figures with adjusted time periods, 2) SSB/SCB category 47.4

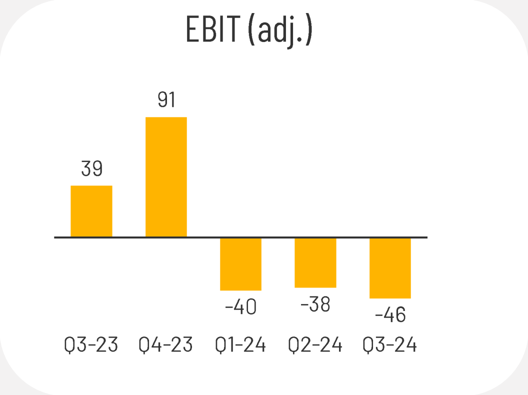
Q3-24 Key financials

Continued sales and margin weakness negatively affected the operating results









- **Limited improvements in market dynamics** resulted in a 3.1 per cent revenue decline (-5.8 per cent in constant currency)
- **Campaign activities and price investments** to defend market positions led to a 0.8 ppt gross margin decline
- **Operating costs +0.6 per cent** (LFL, excl. depr.), as cost increases, including marketing, were mostly offset by cost measures
- **Weak sales in core categories and margin effects** resulted in an EBIT adj. of negative NOK 46 million
- **Working capital continues to benefit** from disciplined inventory management and improved supplier terms
- **Continued solid and improved liquidity** as well as good headroom against financial covenants in the quarter
- **Outlook supported by improving market dynamics,** sales initiatives and cost benefits from consolidation

Note: All figures are presented as reported and in NOK million unless otherwise stated. LFL (Like for like): In constant currency.

Q3-24 Key initiatives

Good progress on strategic agenda presented at the capital markets day

netonnet

- Good traction from recent store re-openings – NetOnNet is gaining ground in Norway
    - Two large cities, Bergen and Södertälje, signed to be opened in Q4
    - Good growth and market share gain for NetOnNet in Norway
- More active price management and better online check-out functionalities

webhallen

- Extended product range for private label and components
- Good growth in Services
- Implementing further cost-saving measures
- Well set for Q4 with better range and refined store concept

KOMPLETT

- Increased production capacity in Sandefjord for the private label Komplett PC range
    - Shipping to all our internal brands and to a larger third-party retailer outside our core markets
- Expanding supplier and product offerings in MDA & SDA
- Improved customer journey with new add-on features, such as services and attachments
- Successful launch of new B2B loyalty programme

Utilising our group-wide platform for sharing functions and capabilities

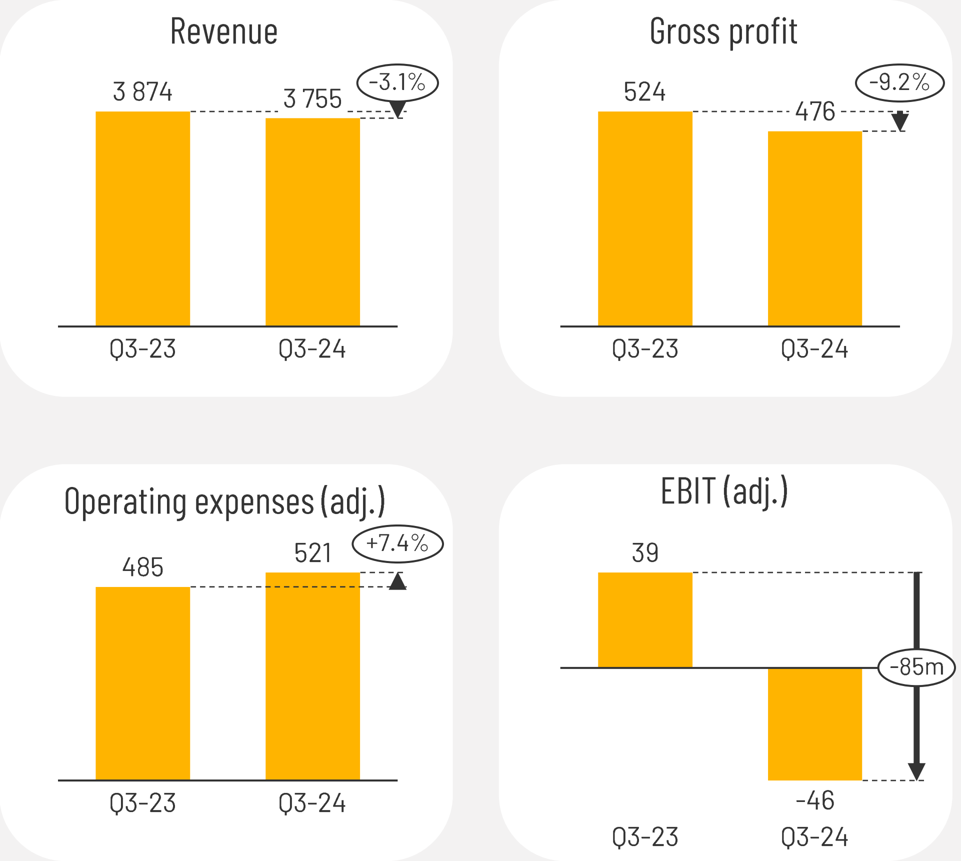
- New supplier agreements renegotiated with improved credit and payment conditions across the group
- Supplier network expanded to provide a wider range of products and services in adjacent categories
- Efforts to use scale to achieve cost benefits further accelerated including consolidation of logistics in Sweden
- Peak planning (Q4) on track with a well-managed stock situation

Financial performance

Thomas Røkke, CFO

Key financials

Results impacted by product cycles, weak markets and strong competition

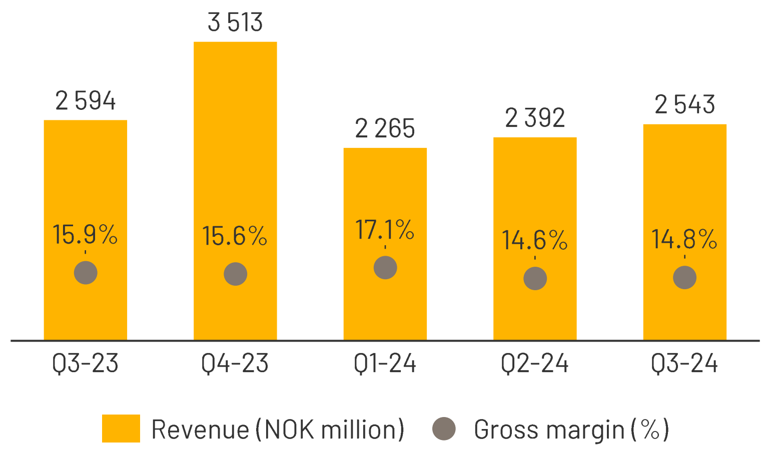


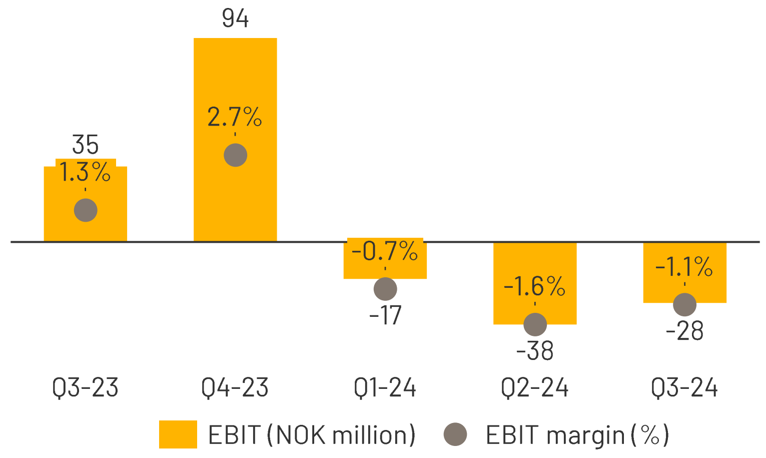
- **3.1 per cent revenue decline driven by weak demand in core categories**
  - Adjusted for currency effects, revenue declined by 5.8 per cent YoY
  - Impacted by weak demand in the group's core categories, gaming and IT, and phasing of deliveries
- **Gross margin impacted by competitive actions (-0.8 pp)**
  - Campaign activities and price investments to defend market positions
  - Select inventory sell-downs in relation to establishing new category assortments across the group
- **Increase in operating expenses** driven by FX and depreciation
  - Cost inflation, increased marketing spend, and growth initiatives largely offset by cost reductions
  - Increased depreciation costs (+NOK 17 million), partly driven by past IT investments
- **Sales decline resulted in negative EBIT adj. of NOK 46 million**
  - Weak sales development in core categories
  - Margin effects from proactive campaign activities to meet competition

Note: All figures are presented as reported and in NOK million unless otherwise stated.

B2C

Easing headwind in core categories

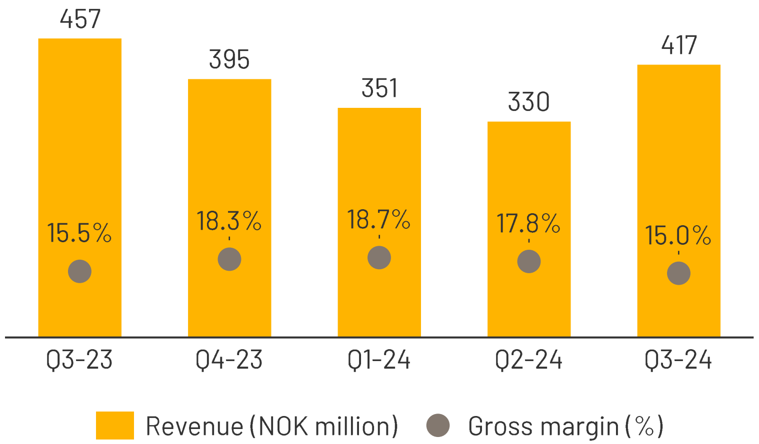


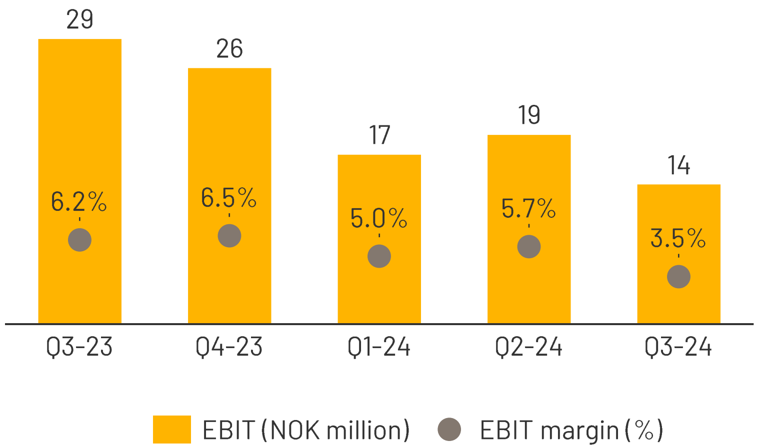


- **Revenue decline of 2.0 per cent YoY (-5.9 per cent LFL)**
  - Norway -3.4 per cent, Sweden -8.0 per cent and Denmark +28.7 per cent (LFL, YoY)
  - Indications of a gradual improvement in household economics, but this has not yet led to increased spending
  - Core product groups, such as PC and gaming, are experiencing less year-over-year headwind than in recent periods
- **Gross margin decline (-1.1 pp) from competitive measures**
  - Actions to meet competition drove the decline with some effects from rebalanced inventories
  - Positive impact from commercial and supplier efforts
- **EBIT margin ended at negative 1.1 per cent**
  - Cost increases related to store openings and expansions as well as marketing investments have been effectively countered by measures to reduce cost
  - The operating cost percentage increased to 15.9 per cent due lower sales volumes, from 14.5 per cent in Q3-23

B2B

Cautious spending pattern, improved outlook



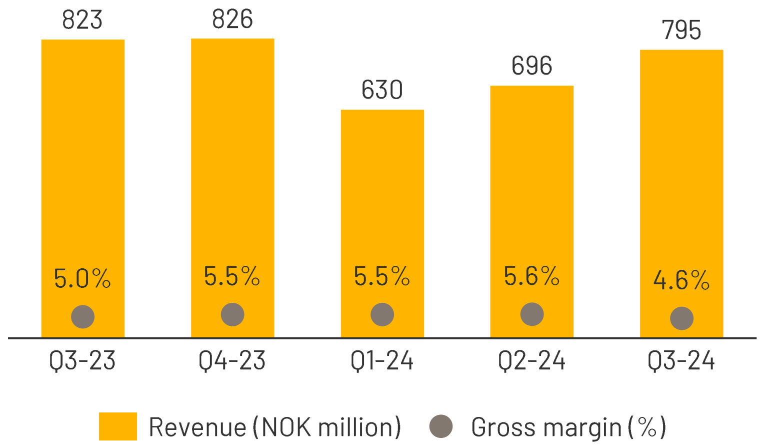


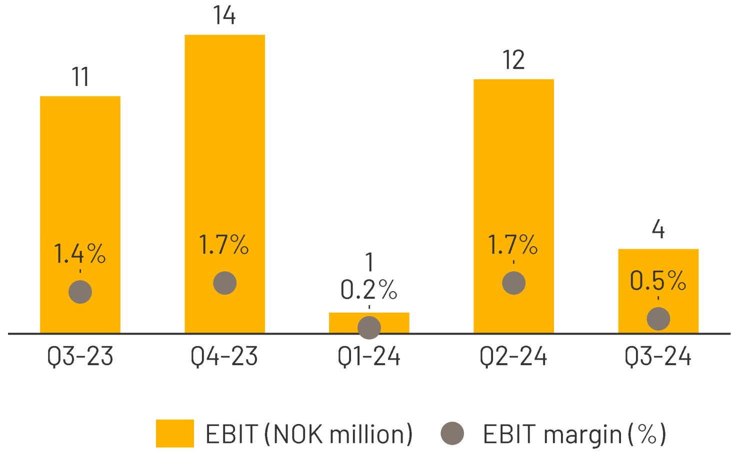
- **Revenue decline of 8.9 per cent (-9.2 per cent LFL)**
  - Norway -11.2 per cent, while Sweden +16.0 per cent LFL
  - Decline driven by the discontinuation of a framework agreement for educational PCs
  - Cautious spending patterns continued to impact demand from smaller SME customers
  - Demand expected to benefit from an ageing installed base and new technology moving forward
- **Gross margin impacted by price competition (-0.5 pp)**
  - Price competition and industry-wide campaign activities, as well as category mix effects from telecom representing a higher share of revenues
  - Partly offset by sourcing and commercial efforts, as well as the discontinuation of the agreement for educational PCs
- **EBIT decline of NOK 15 million despite cost measures**
  - Cost increase from marketing investments, strengthening of sales resources and higher depreciation costs

KOMPLETT IRONSTONE

Distribution

Softer demand from SME segment and adverse mix effects





- **Revenue decline of 3.3 per cent (-3.6 per cent LFL)**
  - The operations in Norway had a revenue decline of 3.6 per cent, while Sweden had a 4.5 per cent revenue decline LFL
  - The sales decline was a combination of market weakness and a shift in the phasing of deliveries into Q4
  - Small- and medium-sized enterprises continue to show cautious spending patterns, leading to softer demand
- **Gross margin decline of 0.4 pp reflecting:**
  - Negatively impacted by product and customer mix effects
  - Partly offset by better sourcing terms, improved inventory quality and operational efficiencies
- **EBIT decline of NOK 7 million driven by:**
  - Cost increases driven by higher depreciation costs and a slight increase in other operating expenses

itegra

Cash flow & working capital

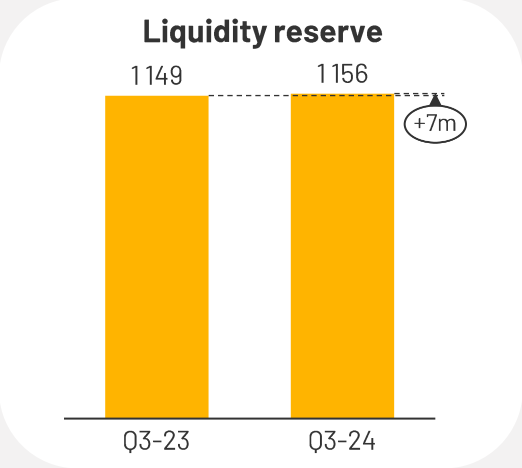
Net working capital reduction contributing to positive cash flow

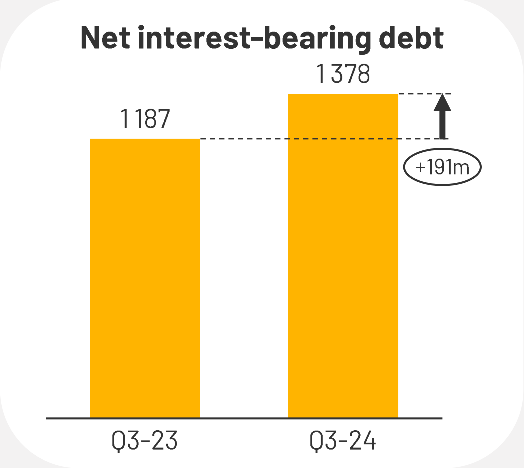
Cash flow	Q3-24	Q3-23	YTD-24	YTD-23	FY-23
Net cash flow from operating activities	**283**	186	**419**	615	**866**
Net cash used in investing activities	-31	-39	-103	-124	-208
Net cash (used in)/from financing activities	-103	-321	-289	-473	-578
Net change in cash and cash equivalents	**148**	-173	26	18	81

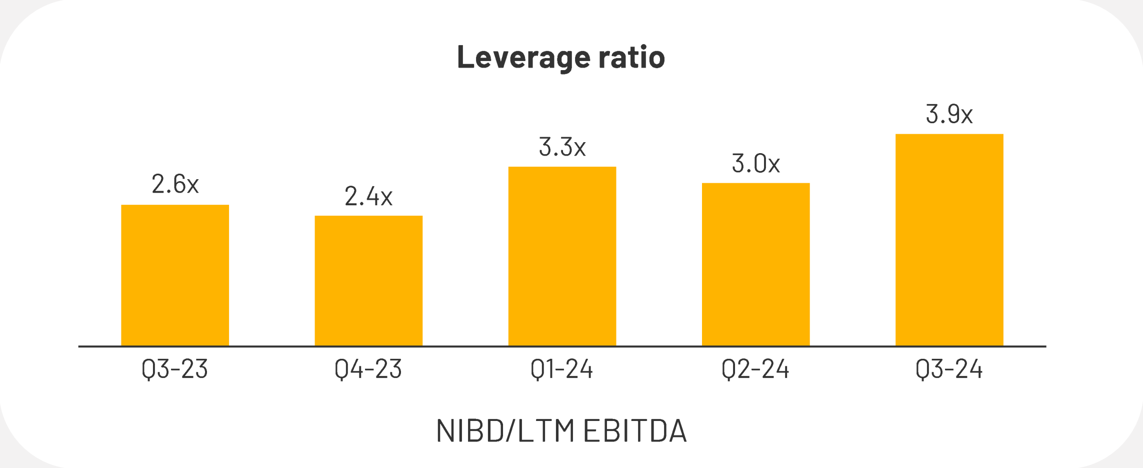
Net working capital	Q3-24	Q3-23	FY-23
Inventory	2 108	2 108	2 194
Trade receivables – regular	193	236	245
Trade payables	-1 682	-1 407	-1 563
Other assets and liabilities	-272	-653	-623
Net working capital	**346**	**284**	**253**

- **Net operating cash flow** in the period reflecting an increase in trade payables of NOK 358 million, partly offset by a build-up of inventory of NOK 205 million and an increase in trade receivables of NOK 39 million
- **Net cash flow used in investing activities** during the period mainly related to property, plant and equipment for a new store and improvements of the IT infrastructure
- **Net cash used in financing activities** mainly related to principal and interest paid on lease liabilities as well as net interest paid on loans as well as facility rebalancing
- **Inventory levels** on par with last year's levels but reduced by NOK 86 million since year-end. Increase in payables also reflecting improved payment terms
- **Net working capital** continues to benefit from disciplined inventory management and improved supplier terms. Other assets and liabilities reduced from reclassification of parts of Swedish tax deferral amount

Financial position
Continued good liquidity and headroom against covenants in the quarter







- **Healthy liquidity reserve** at NOK 1 156 million, up NOK 156 million since Q2 and in line with Q3-23
  - At the end of Q3 -23, the reported liquidity reserve included a discontinued facility of SEK 100 million
  - Swedish tax deferral granted 36 months repayment scheme by the authorities in line with market practice
- **Net interest-bearing debt increased NOK 191 million YoY**
  - Mainly reflecting the extended repayment plan for the Swedish tax deferment scheme (NOK 304 million)
- **Leverage ratio of 3.9x, with good headroom to Q3 covenants**
  - Covenant trajectory allowing for a leverage ratio up to 4.5x at Q3, and 4.0x at year-end
- **Equity ratio of 36.6 per cent at the end of the third quarter**
  - Compared with 45.9 per cent one year earlier; mainly due to impairments and de-risking of balance sheet in Q4-23

Summary and outlook

Jaan Ivar Semlitsch, CEO

Prolonged market weakness from cautious consumer spending, intense competition and limited new product launches

- **Innovation-led product cycles, weak markets and strong competition** have extended longer than anticipated earlier in the year
- **Continued campaign activities and price investments** to meet strong competition and defend market positions
- **Ongoing cost savings measures** continue to offset cost inflation, marketing investments and growth initiatives in constant currency
- **Weak sales in core categories and margin effects** resulted in an EBIT adj. of negative NOK 46 million
- **Continued solid and improved liquidity** as well as good headroom against financial covenants in the quarter

Outlook

Good progress with strategic initiatives in anticipation of a market recovery

- **Strong commercial plans for peak season** and inventory calibrated to ensure the right availability
- **Competition is likely to remain strong**, which will require price investments and campaigns to defend market positions
- **Improved consumer sentiment** and more favourable product cycles to gradually translate into increased demand
- **Commercial initiatives**, including renegotiated supplier agreements, are expected to gain importance over time
- **Accelerated cost benefits** from consolidation as the group continues to align its cost base to the market environment
- **Committed to maintaining an industry-leading** cost position, strong brand recognition, and to leverage the group's efficient and scalable platform

Utilising a broad media mix to stay top of mind among consumers before peak season

Airfryer

TV

Gaming

Alternative Performance Measures (APMs)

The APMs used by Komplett Group are defined as set out below:

Gross profit: Total operating revenue less cost of goods sold. The group has presented this item because it considers it to be a useful measure to show the management's view on the overall picture of profit generation before operating costs in the group's operations.

Gross margin: Gross profit as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency of gross profit generation of the group's operations as a percentage of total operating revenue.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Total operating revenue	**3 755**	3 874	**10 419**	11 127	15 861
- Cost of goods sold	**(3 280)**	(3 350)	**(9 009)**	(9 580)	(13 650)
= Gross profit	**476**	524	**1 410**	1 547	2 211
Gross margin	**12.7 %**	13.5 %	**13.5 %**	13.9 %	13.9 %

Total operating expenses (adjusted): Total operating expenses less cost of goods sold and one-off cost. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

Operating cost percentage (adj.): Total operating expenses less cost of goods sold and one-off cost as a percentage of total operating revenue. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Total operating revenue	**3 755**	3 874	**10 419**	11 127	15 861
Total operating expenses	**3 806**	3 849	**10 554**	11 108	16 746
- Cost of goods sold	**(3 280)**	(3 350)	**(9 009)**	(9 580)	(13 650)
- One-off cost	**(5)**	(13)	**(12)**	(29)	(41)
- Impairment	**-**	-	**-**	-	(983)
= Total operating expenses (adj.)	**521**	485	**1 534**	1 499	2 073
Operating cost percentage	**13.9 %**	12.5 %	**14.7 %**	13.5 %	13.1 %

EBITDA excl. impact of IFRS 16: Derived from financial statements as the sum of operating result (EBIT) plus the sum of depreciation and amortisation for the segments B2C, B2B, Distribution and Other. The group has presented this item because it considers it to be a useful measure to show the management's view on the overall picture of operational profit and cash flow generation before depreciation and amortisation in the group's operations, excluding any impact of IFRS 16.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
EBIT	**(51)**	26	**(136)**	19	(885)
- EBIT impact of IFRS 16	**(5)**	(4)	**(13)**	(11)	(16)
+ Dep B2C, B2B, Dist. Other	**48**	35	**135**	108	1 120
= EBITDA excl IFRS 16	**(8)**	57	**(14)**	115	218

EBIT adjusted: Derived from financial statements as operating result (EBIT) excluding one-off costs. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Total operating revenue	**3 755**	3 874	**10 419**	11 127	15 861
EBIT	**(51)**	26	**(136)**	19	(885)
+ One-off cost	**5**	13	**12**	29	41
+ Impairment	**-**	-	**-**	-	983
= EBIT adjusted	**(46)**	39	**(124)**	48	139
EBIT margin adjusted	**(1.2%)**	1.0 %	**(1.2%)**	0.4 %	0.9 %

EBIT margin adjusted: EBIT adjusted as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items as a percentage of total operating revenue.

EBIT margin: Operating result (EBIT) as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations as a percentage of total operating revenue.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Total operating revenue	**3 755**	3 874	**10 419**	11 127	15 861
EBIT	**(51)**	26	**(136)**	19	(885)
EBIT margin	**(1.4%)**	0.7 %	**(1.3%)**	0.2 %	(5.6%)

Net working capital: Working capital assets, comprising inventories, trade receivables, trade payables and other current assets and liabilities. Part of the deferred Swedish tax liability is classified as other current liabilities in accordance with local accounting principles, while the part which has maturity of more than 12 months is classified as other non-current liabilities. The management considers it to be a useful indicator of the group's capital efficiency in its day-to-day operational activities. The Swedish subsidiaries have during Q3 2024 been granted an exteded repayment plan under the Swedish tax deferred payment rules. As a consequence, NOK 304 million have been reclassified to other non-current liabilities, reducing net working capital and increasing net interest-bearing debt. The remaining NOK 152 million, which matures in less than 12 months, continue to be shown as part of other current liabilities.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Inventory	**2 108**	2 108	**2 108**	2 108	2 194
+ Trade receivables - regular	**193**	236	**193**	236	245
- Trade payables	**(1 682)**	(1 407)	**(1 682)**	(1 407)	(1 563)
+/-Other assets and liabilities	**(272)**	(653)	**(272)**	(653)	(623)
= Net working capital	**346**	284	**346**	284	253

Net interest-bearing debt: Interest-bearing liabilities less cash and cash equivalents. The group has presented this item because the management considers it to be a useful indicator of the group's indebtedness, financial flexibility and capital structure. As mentioned above interest-bearing debt only includes the deferred Swedish tax liability with maturity above 12 months. The net interest-bearing debt incl. IFRS 16 is a useful measure as indebtedness, including the lease liabilities from IFRS 16, is relevant for the covenants of the group's credit facilities.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Long-term loans	**800**	800	**1 104**	800	800
+ Other non-current liabilities	**304**	-	**-**	-	-
+ Short-term loans	**-**	16	**-**	16	-
- Cash/cash equivalents	**(256)**	(168)	**(256)**	(168)	(230)
= Net interest-bearing debt	**848**	649	**848**	649	570
+ IFRS 16 liabilities	**530**	538	**530**	538	608
= Net int.bear. debt incl. IFRS 16	**1 378**	1 187	**1 378**	1 187	1 178

Operating free cash flow: EBITDA excl. impact of IFRS 16 less investment in property, plant and equipment, less change in net working capital less change in trade receivable from deferred payment arrangements. The group has presented this item because the management considers it to be a useful measure of the group's operating activities' cash generation. Operating free cash flow is affected by the aforementioned reclassification of the Swedish deferred tax payment to other non-current liabilities.

Reconciliation

Amounts in NOK million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
EBITDA excl IFRS 16	**(8)**	57	**(14)**	115	218
- Investments	**(31)**	(39)	**(109)**	(128)	(212)
+/- Change in net working capital	**(91)**	111	**(93)**	361	392
+/- Reclassified to other non-current liabilities	**304**	-	**304**	-	-
+/- Change in deferred payment	**7**	2	**46**	(6)	12
= Operating free cash flow	**180**	131	**134**	342	410