

**RUSTA<sup>®</sup>**



**Q2 2023/24 presentation**

**20 December 2023**

**Göran Westerberg, CEO**

**Sofie Malmunger, CFO**

# Today's presenters



**Göran Westerberg**  
CEO

—  
**Rusta since 2011**



**Sofie Malmunger**  
CFO

—  
**Rusta since 2014**



# Today's agenda

#

Section

I

Business update

II

Financial performance

III

Summary and Q&A



# Business update



# Rusta is a non-food Nordic discount champion



Vision to make Rusta **the leading and most trusted low-price retailer** in Europe



**Integrated and efficient value chain**, in-house product development, central fulfilment center and one store concept across markets



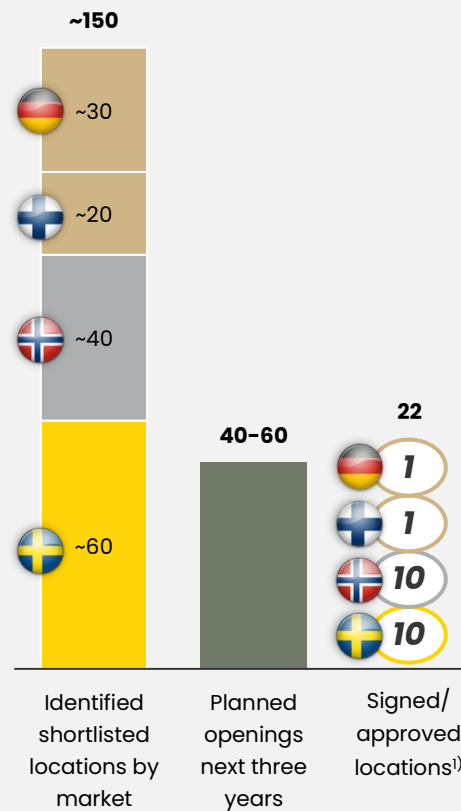
Well-invested platform, experienced management and **prepared for continued profitable growth**



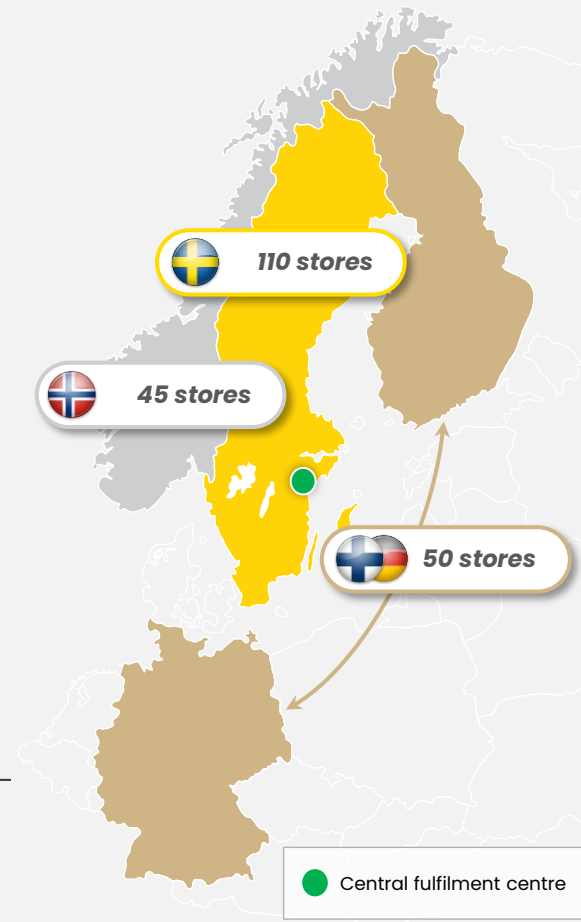
**205<sup>1)</sup> stores in Sweden, Norway, Finland and Germany** with significant white space, and profitable online store

## Multi-geography presence

Overview of store pipeline<sup>1)</sup>



Store network overview<sup>1)</sup>



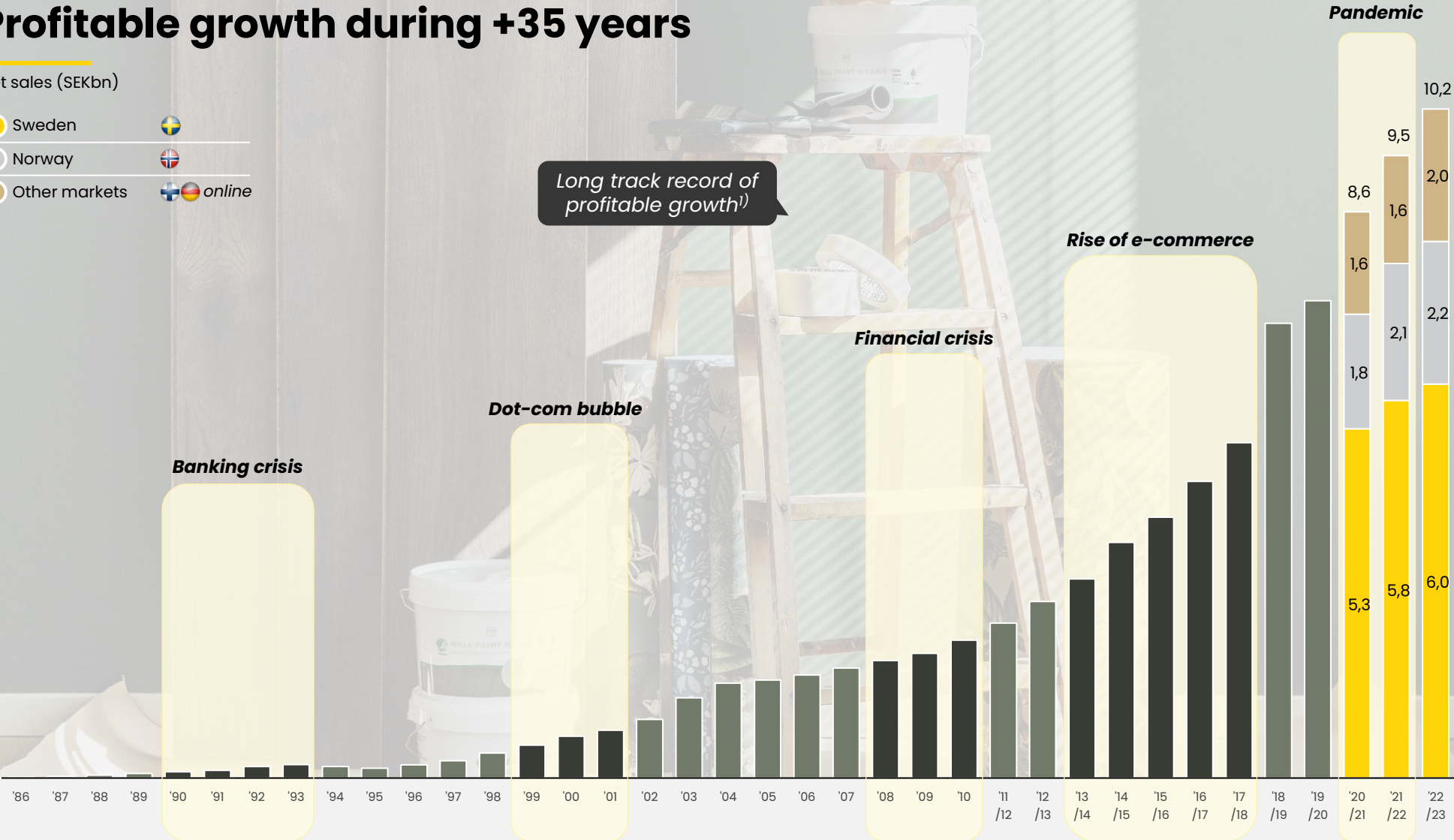
Notes: 1) As of October 2023. Source: Company information

# Profitable growth during +35 years

Net sales (SEKbn)

- Sweden
- Norway
- Other markets online

Long track record of profitable growth<sup>1)</sup>



Notes: 1) Profitable 36/38 years since foundation in 1986, based on operating profit. Source: Company information and historical filings

# Strategy focused on long-term profitable growth

**RUSTA**

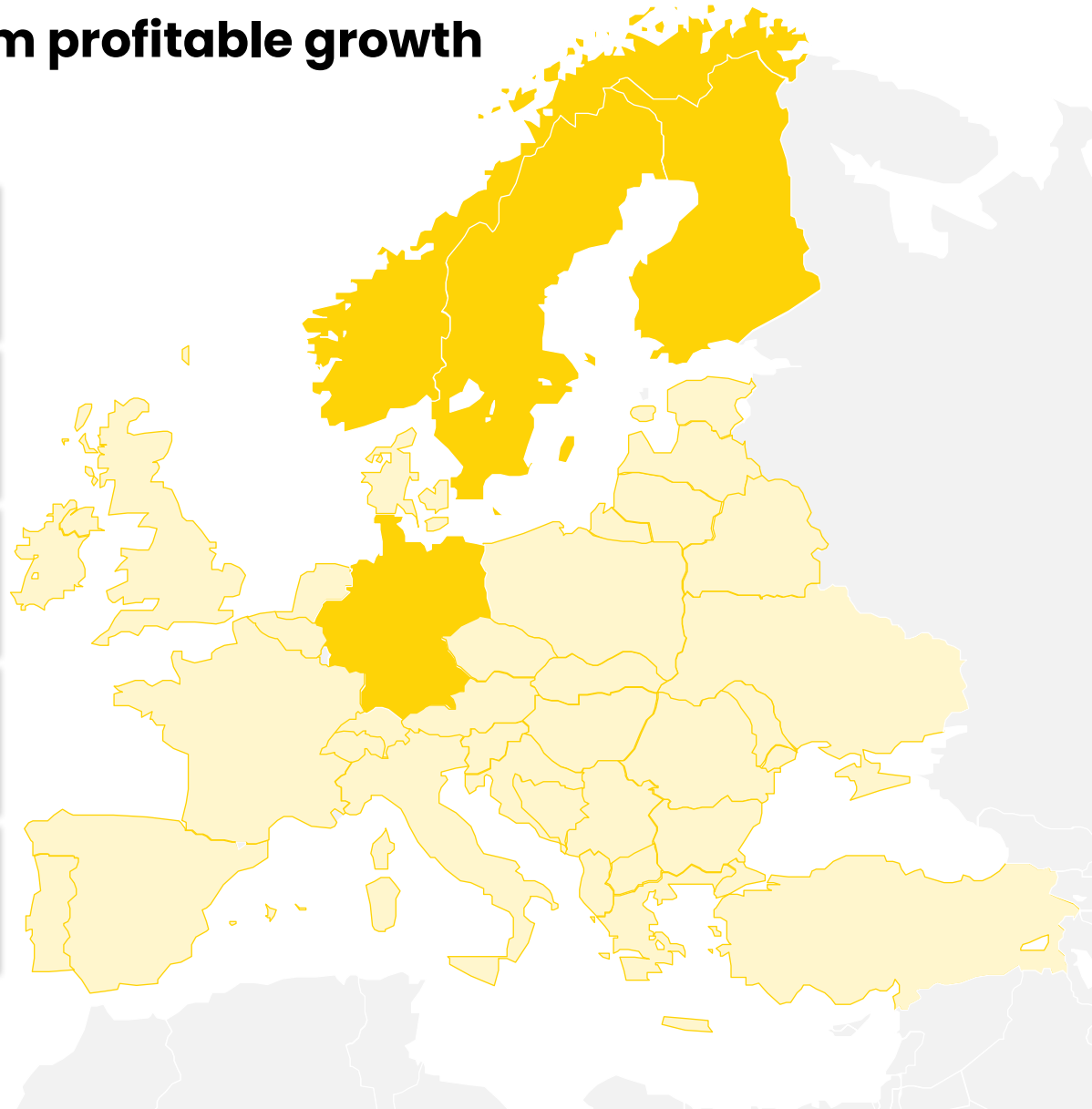
*Make Rusta the leading and most trusted low-price retailer in Europe*

**Maintain low-price position and differentiated assortment**

**Continue organic and LFL growth**

**Further increase efficiency across the value chain**

**Continue low-risk network expansion**



# Q2 '23/24: Another quarter of profitable growth

## Strong sales growth

Q2 '23/24 vs. '22/23<sup>1)</sup>

**+14.4%**

Net sales growth in Q2

H1 '23/24 vs. '22/23<sup>2)</sup>

**+12.9%**

Net sales growth in H1

## Accelerating like-for-like growth<sup>3)</sup>

**+10.8%**

LFL<sup>3)</sup> growth in Q2

**+8.5%**

LFL<sup>3)</sup> growth in H1

## Adjusted EBITA growing with high pace

**+119.1%**

Adj. EBITA growth in Q2

**+62.1%**

Adj. EBITA growth in H1

Notes: 1) Q2 August to October. 2) May to October Source: Company information. 3) Change in comparable sales between the current and comparative periods, where comparable sales are sales in comparable stores that have been operational throughout the entire current and comparative period. For a store to be classified as comparable, it must have been open for a full financial year.



# Key achievements

## Continued store expansion

**Köping (Sw) • Notodden (No) • Oulu (Fi)**  
and 3 more opened after the quarter



## LFL volume growth

**Volume major contributor to our sales growth in Q2**



## 5.3 million Club Rusta members

**700,000 new members added during LTM**



## IPO on Nasdaq Stockholm



Source: Company information

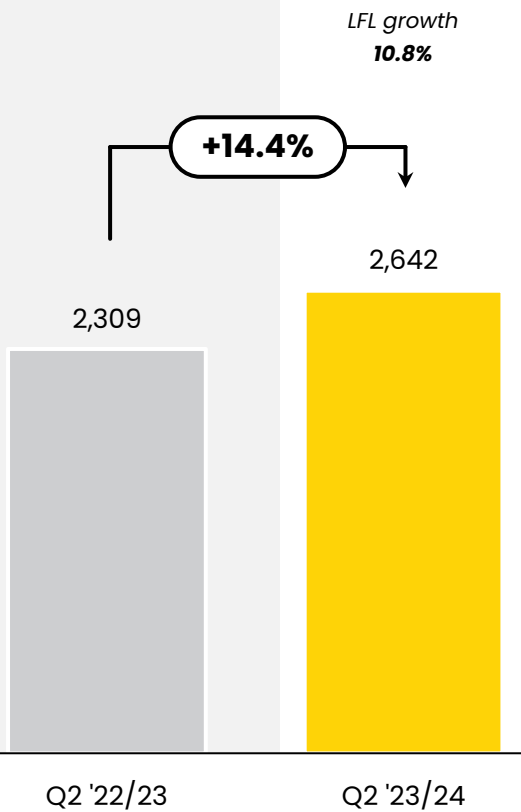
# Financial performance



# Strong momentum in current trading

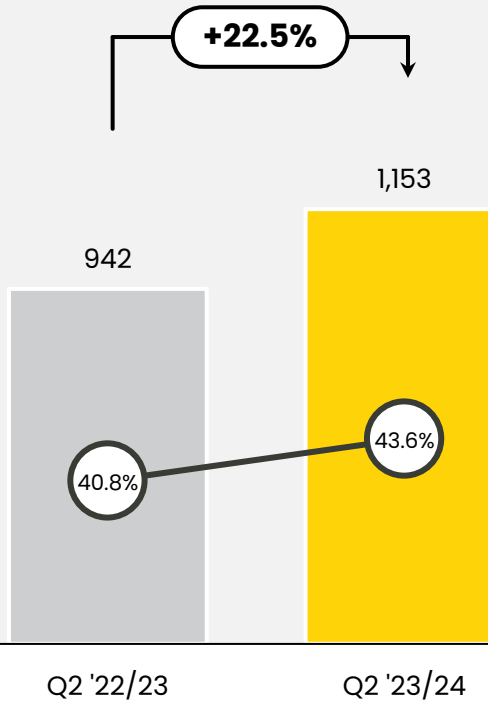
## Strong net sales growth

Net sales (SEKm)



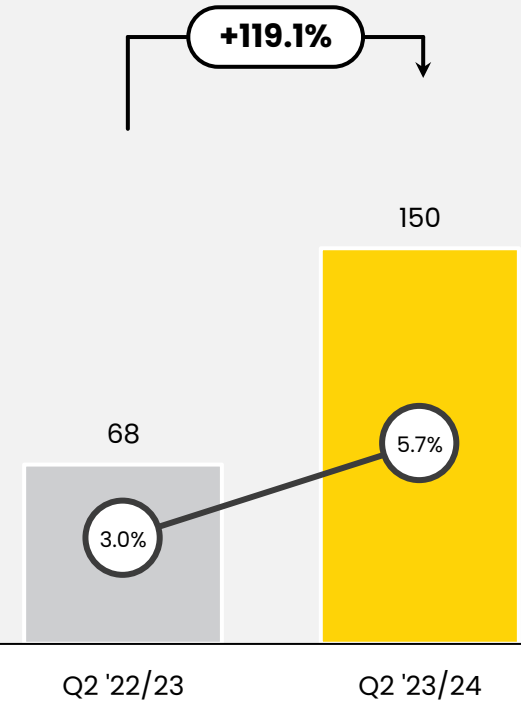
## Higher gross margin

Gross profit (SEKm) & gross margin (%)



## Improved profitability

Adj. EBITA<sup>1)</sup> (SEKm) & adj. EBITA margin (%)



Notes: 1) Adjusted for non-recurring items. Source: Company information

# Strong performance across all markets

## Strong net sales growth in all markets

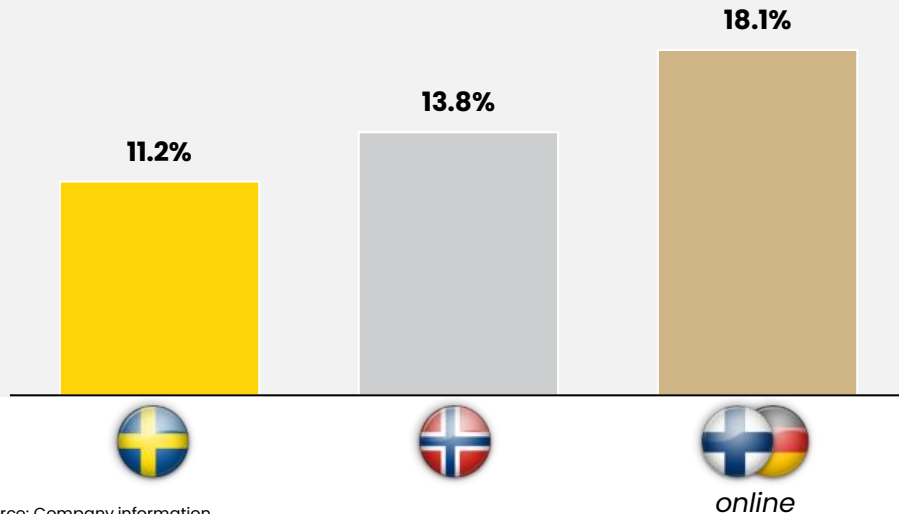
LFL growth excl. currency effects

+10.0%

+8.6%

+7.7%

Net sales growth excl. currency effects  
Q2 '23/24 vs. '22/23



Source: Company information

## All markets are profitable

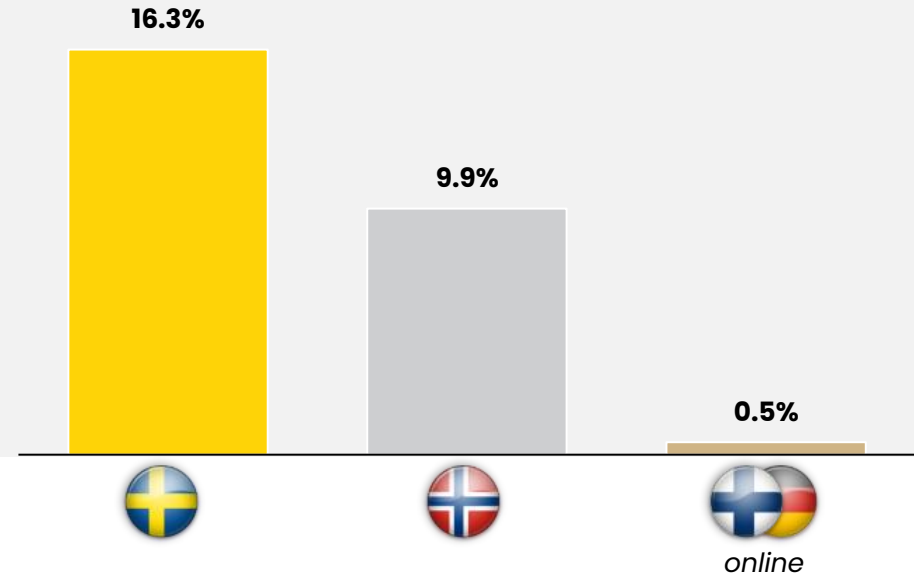
EBITA excl. IFRS 16 margin increase

+0.9pp.

+1.9pp.

+5.8pp.

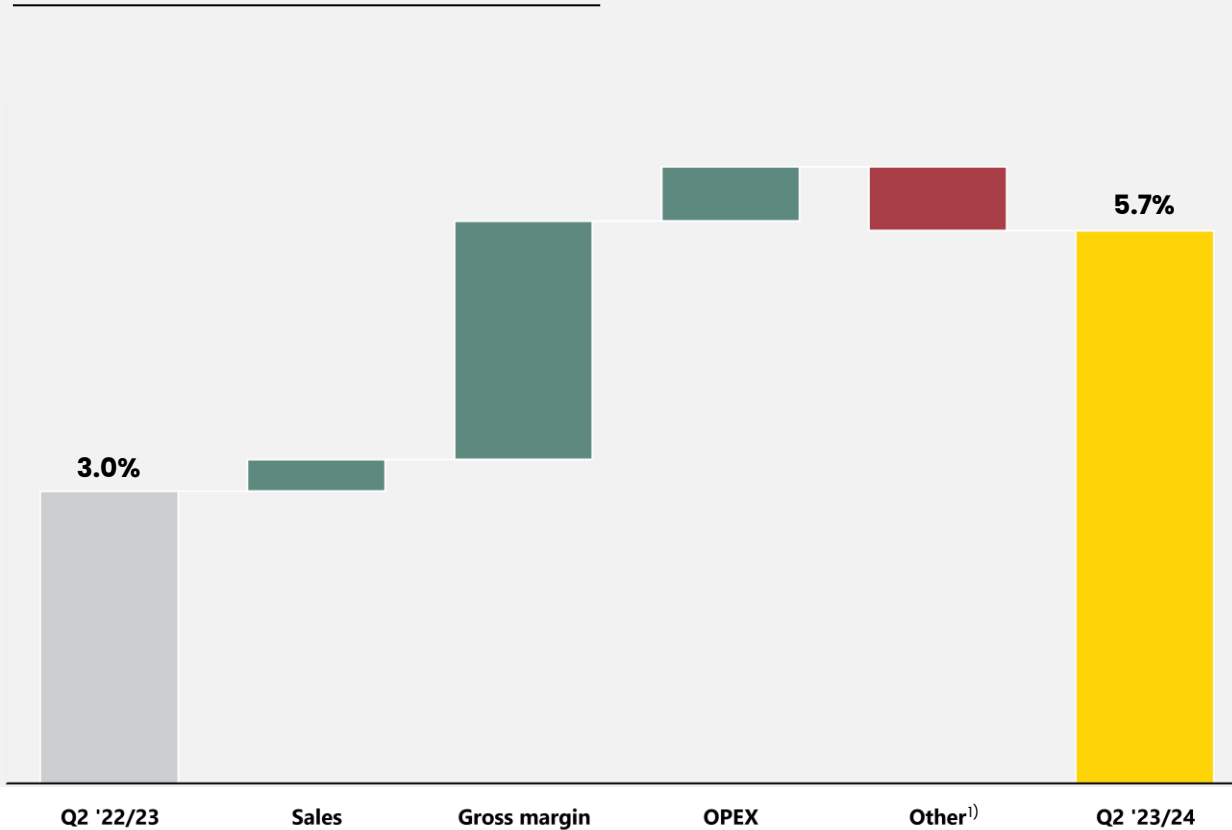
EBITA excl. IFRS 16 margin  
Q2 '23/24 vs. '22/23



# Improved profitability

## Adj. EBITA margin uplift in Q2 '23/24

### Adj. EBITA margin



### Profitability drivers

- I. Increased volume**
- II. Optimised sales prices**
- III. Reduced shipping costs**
- IV. More efficient campaigning**
- V. Scalability of business model**

Notes: 1) Including other operating income and expenses, depreciations and add-back of adjustments. Source: Company information

# Strong balance sheet and cash flow

## Active working capital management

### Inventory (SEKm)

% LTM sales

31%

25%

-11%

3,078

2,742

Q2 '22/23

Q2 '23/24

## Limited usage of credit facility

### Net debt excl. IFRS 16 (SEKm)

x LTM EBITDA excl. IFRS 16

0.7x

0.1x

-91%

458

41

Q2 '22/23

Q2 '23/24

Notes: 1) After change in working capital. Source: Company information

# We are committed to delivering on our financial targets

## Net sales growth

- Rusta targets an annual average organic<sup>1)</sup> net sales growth **around eight percent** in the medium term
  - Annual average **LFL growth above three percent**

## Profitability

- Rusta targets an EBITA margin of **around eight percent** in the medium term
- Earnings per share to outgrow net sales and EBITA as a result of scalability in the business model<sup>2)</sup>

## Dividend policy

- Rusta aims to distribute **30–50 percent of net profit** for each financial year as dividends, taking into account the company's financial position

1) Excluding acquisitions. 2) Scalability of business model refers to margin increase as a result of organic sales growth and higher efficiency, with revenues increasing faster than costs.  
Note: The Company's financial targets set forth above constitute forward-looking information that is subject to considerable uncertainty. The financial targets are based upon a number of assumptions relating to, among others, the development of the Company's industry, business, results of operations and financial condition. Company's business, results of operations and financial condition, and the development of the industry and the macroeconomic environment in which the Company operates, may differ materially from, and be more negative than, those assumed by the Company's when preparing the financial targets set out above. As a result, the Company's ability to reach these financial targets is subject to uncertainties and contingencies, some of which are beyond its control, and no assurance can be given that the Company will be able to reach these targets or that the Company's financial condition or results of operations will not be materially different from these financial targets.

# Summary and Q&A





# Q2 '23/24: Another quarter of profitable growth

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# Q&A

**Next event: 14 March 2024**