

Rusta Q3 2023/24 presentation

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14 March 2024



Agenda

1. Business update
2. Financial performance
3. Summary and Q&A



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Business update



Multi-geography presence

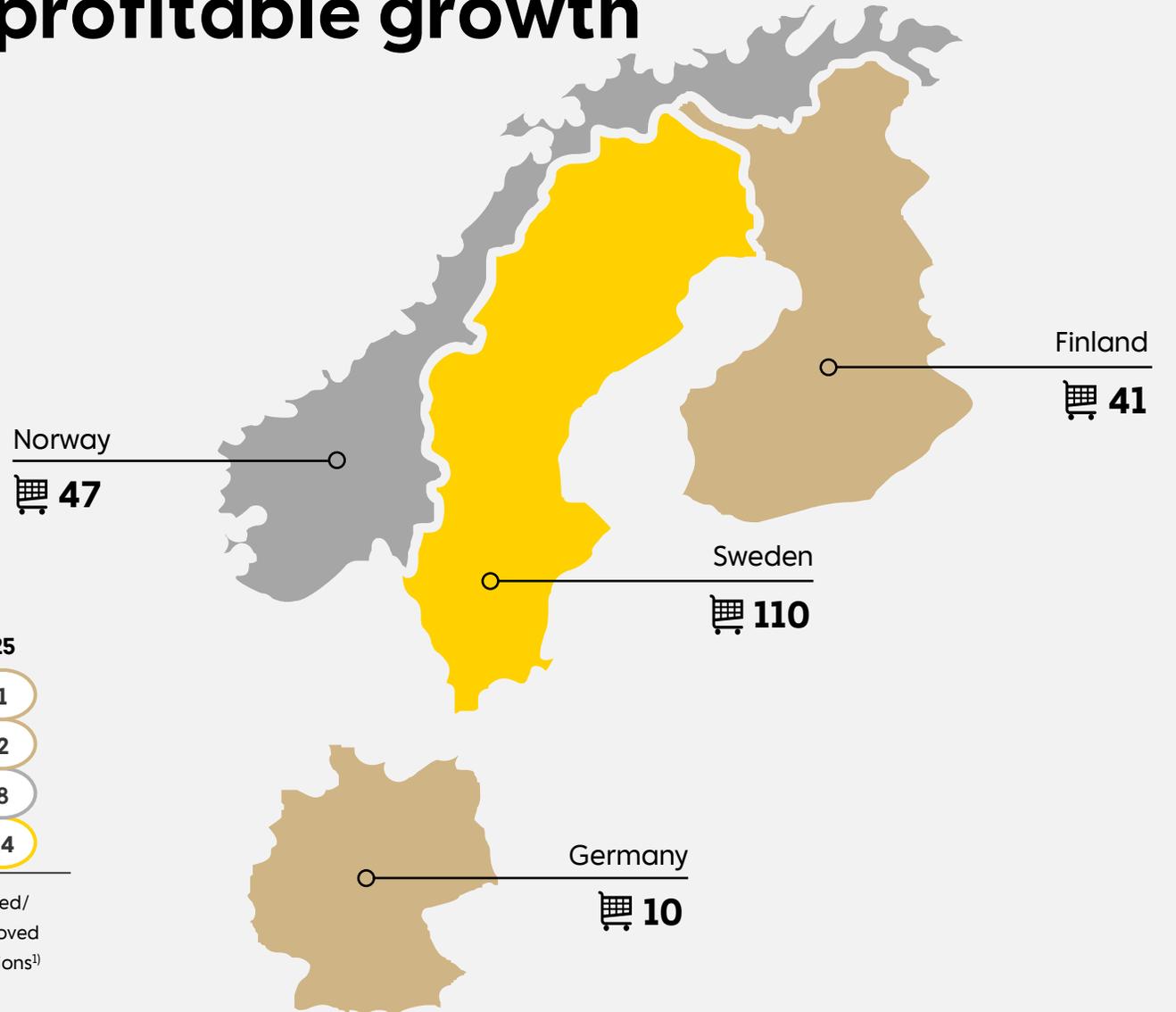
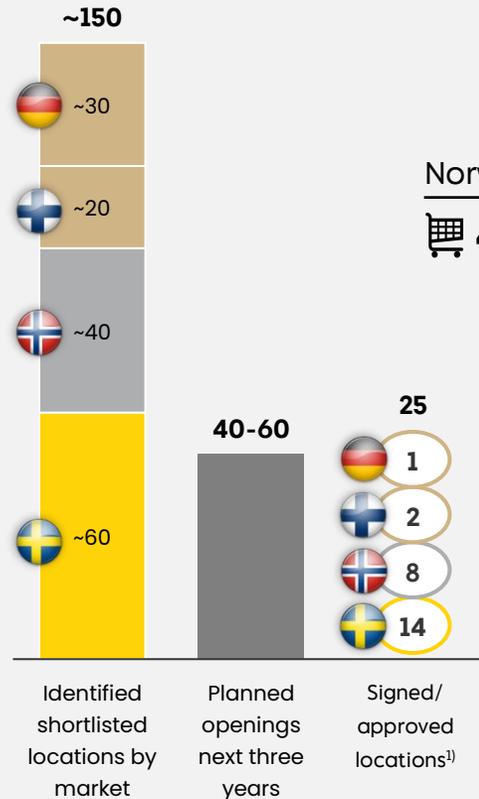
Positioned for continued profitable growth



208¹⁾ stores in Sweden, Norway, Finland and Germany with significant white space, and profitable online store

Store openings during Q3 '23/24

Lillehammer (No)
Bamble (No)
Essen (De)



Notes: 1) As of January 2024.

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Another quarter of profitable growth

Strong net sales growth

Q3 '23/24 vs. '22/23¹⁾

+7.0%

Net sales growth in Q3

YTD '23/24 vs. '22/23²⁾

+10.6%

Net sales growth YTD

Stable LFL growth³⁾

+2.5%

LFL³⁾ growth in Q3

+6.2%

LFL³⁾ growth YTD

Adj. EBITA growing with high pace

+22.6%

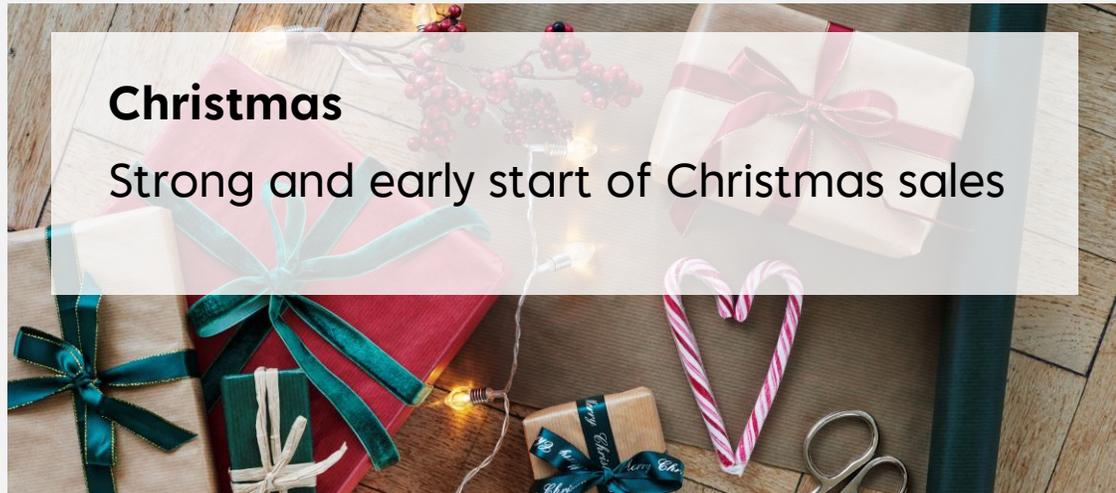
Adjusted EBITA growth in Q3

+41.8%

Adjusted EBITA growth YTD

Notes: 1) Q3 November to January. 2) May to January 3) Change in comparable sales between 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 events



Christmas

Strong and early start of Christmas sales



IT incident

Operational disruptions following the incident at hosting provider Tietoevry



5.5 million Club Rusta members

Another 200,000 members added in Q3, +700,000 LTM, increase of 15 percent



Other markets profitable YTD

Significantly strengthened margins and increased sales

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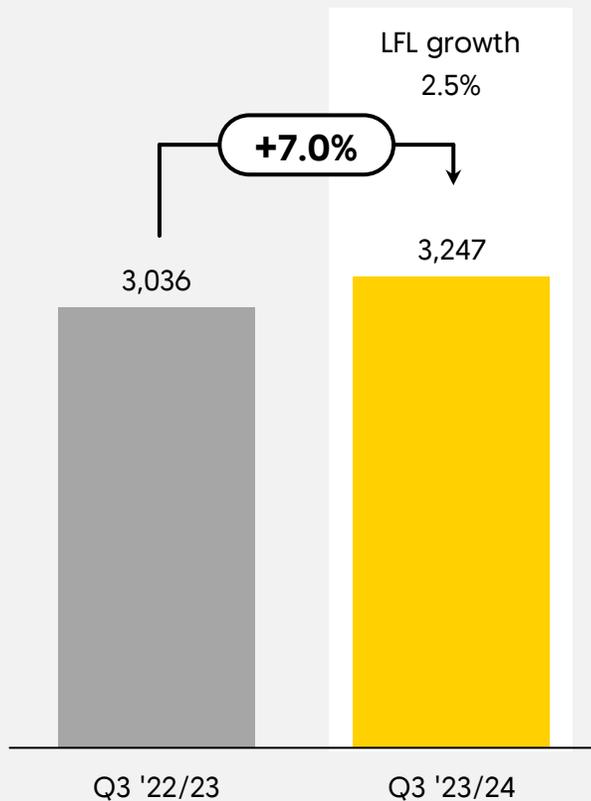
Financial performance



Strong momentum in current trading

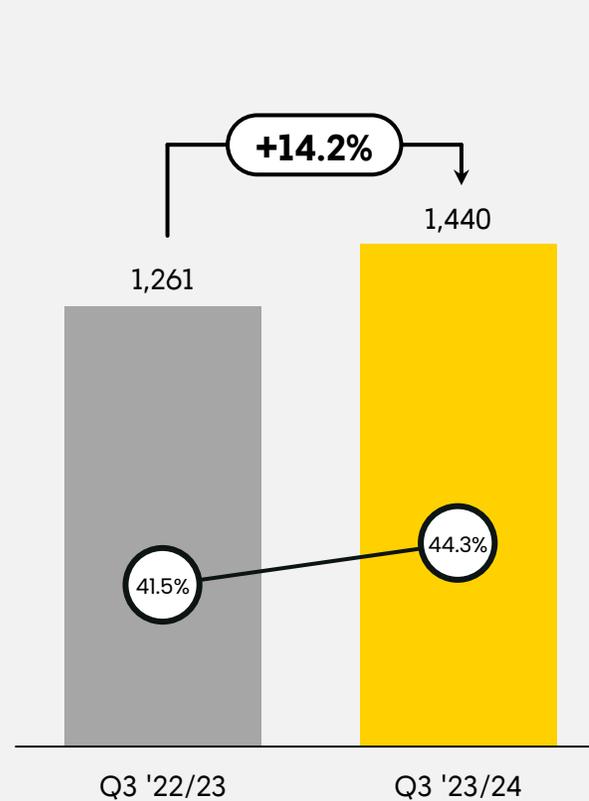
Strong net sales growth

Net sales (MSEK)



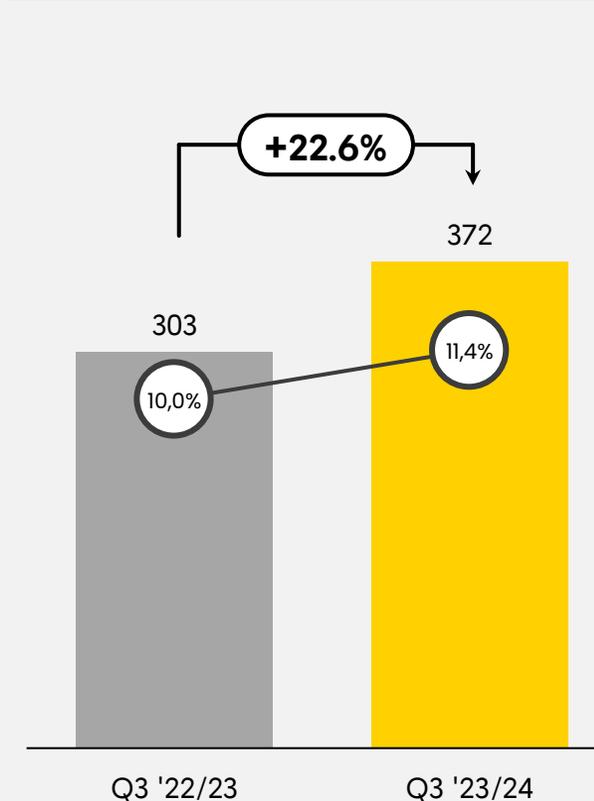
Higher gross margin

Gross profit (MSEK) & gross margin (%)



Improved profitability

Adj. EBITA¹⁾ (MSEK) & adj. EBITA margin (%)



Notes: 1) Adjusted for non-recurring items.

The financial effect following the IT incident

The total effects linked to the IT incident are still ongoing

- Total sales loss in January of MSEK 60, negative EBITA effect of MSEK 25
- Negative Q4 effect in sales and EBITA estimated to be on par with Q3. In addition, costs for system restoration and extraordinary measures of approx. MSEK 20 will be added.
- No material financial effects beyond Q4 2023/24

Rusta is evaluating the incident

- External audits of Tietoevry and of our own IT operations to ensure a high level of security going forward
- Initiated discussion regarding claims for damages with Tietoevry

Financial impact Q3 2023/24

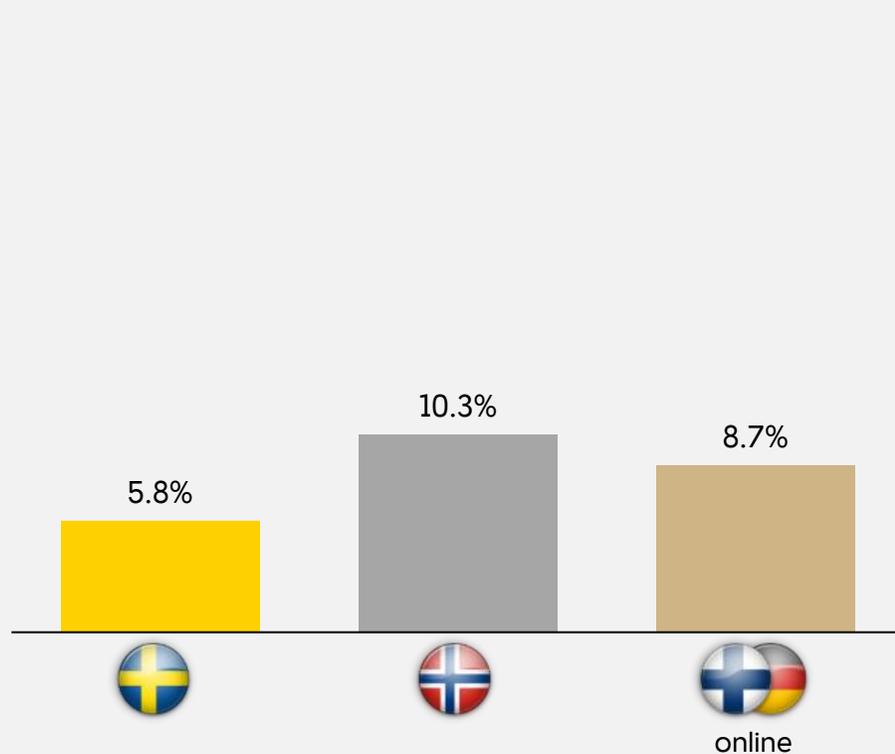
	Q3 23/24	Effect IT incident	Q3 excl. IT incident
Net sales growth	7.0%	-1,9pp	8.9%
LFL growth	2.5%	-1,9pp	4.4%
EBITA-margin	11.4%	-0,5pp	11.9%

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Strong performance across all markets

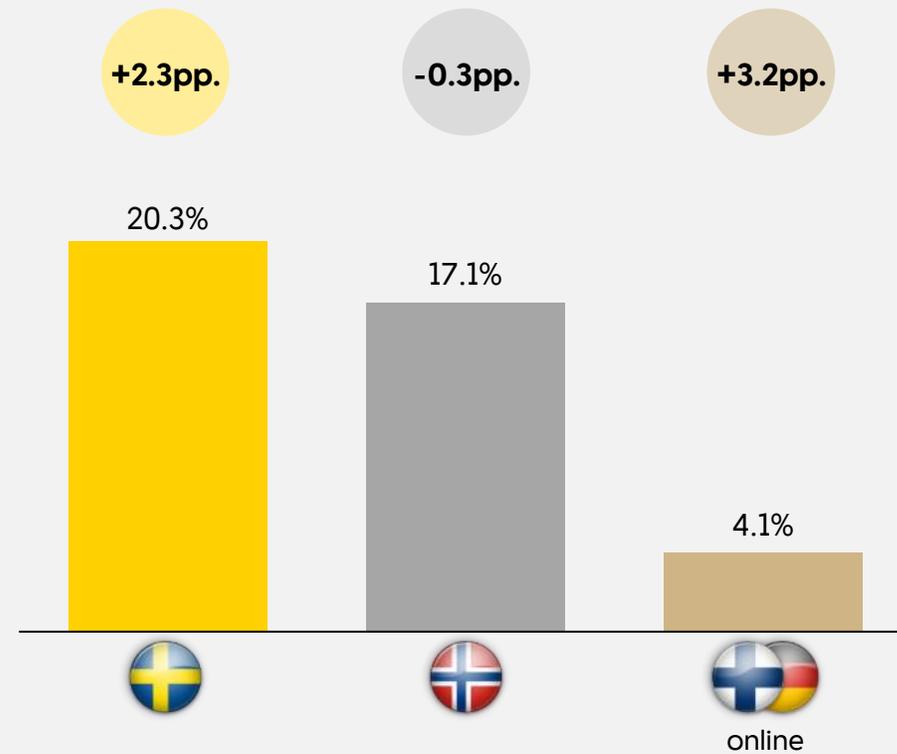
Strong net sales growth in all markets

Net sales growth excl. currency effects
Q3 '23/24 vs. '22/23



All markets are profitable

EBITA excl. IFRS 16 margin
Q3 '23/24 vs. '22/23



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Improved profitability

Adj. EBITA margin



Profitability drivers

- I. Positive volume effects
- II. Improved purchase prices
- III. Efficient campaigning
- IV. Reduced shipping costs

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

Strong balance sheet and cash flow

Active working capital management

Inventory (MSEK)

% LTM sales

27%

21%

-15%

2,740

2,332

Q3 '22/23

Q3 '23/24

Improved cash flow

Cash flow for the period (MSEK)

YTD

-50

238

>25x

321

(13)

Q3 '22/23

Q3 '23/24

Financial targets

We are committed to delivering on our financial targets

Net sales growth

- Rusta targets an annual average organic¹⁾ 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 model²⁾

Dividend policy

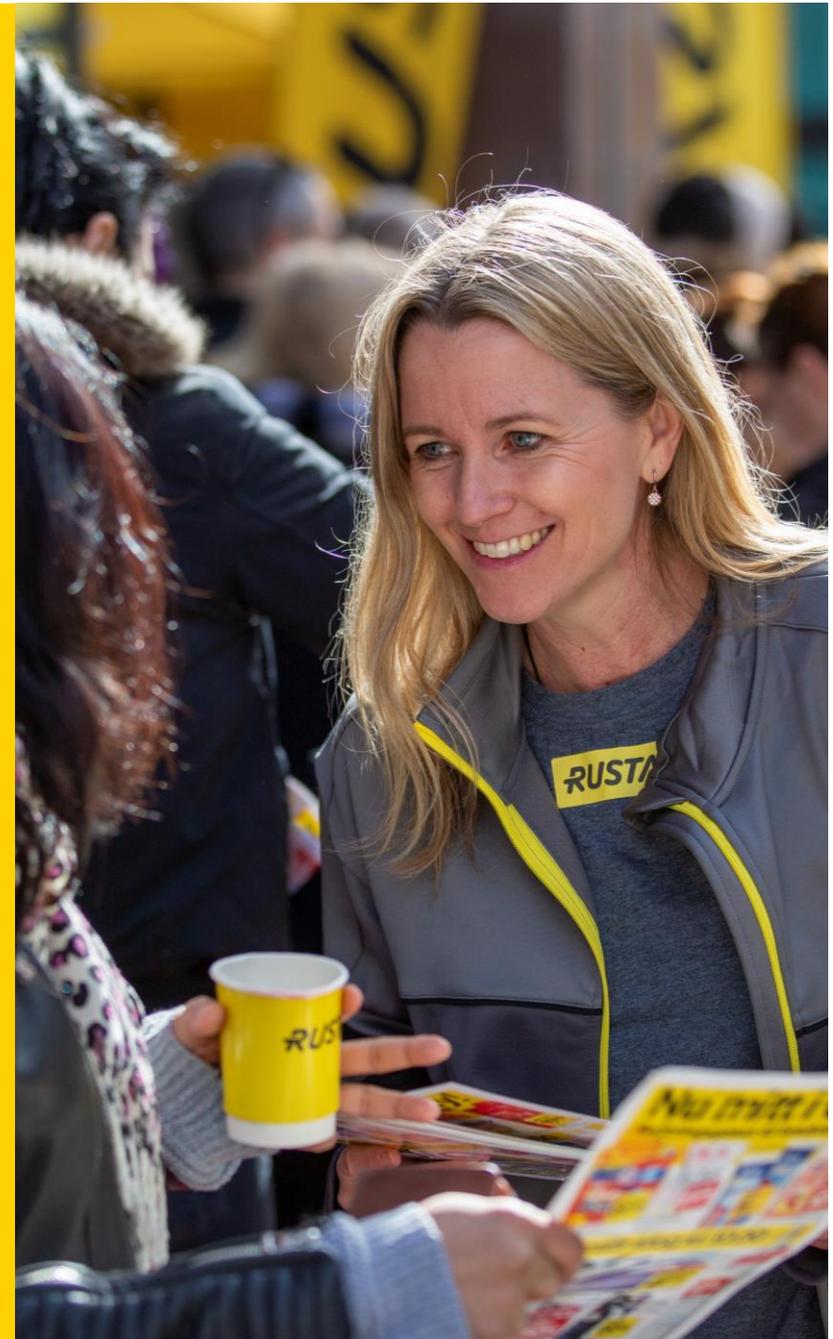
- Rusta aims to distribute 30-50 percent of net profit for each financial year as dividends, taking into account the company's financial position

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.



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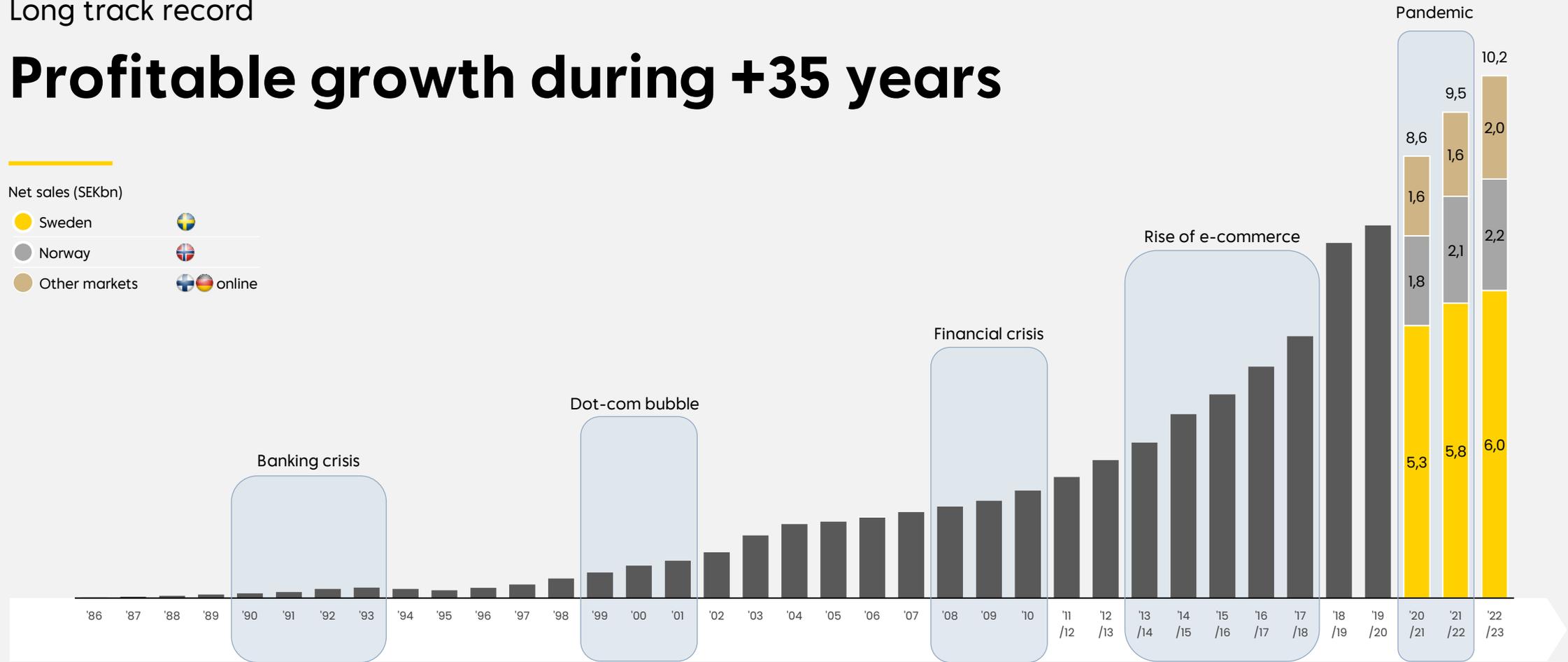
Summary and Q&A



Long track record

Profitable growth during +35 years

Net sales (SEKbn)



Investments for future profitable growth done



1986
Founded by Forsgren and Forssell on idea to purchase directly from producers



2012
Göran Westerberg appointed as CEO



2014
First store in Norway; IFS as ERP system



2015
Central fulfilment centre opened



2016
Club Rusta launched



2017
First store in Germany opened



2018
Finnish discounter Hong Kong acquired by Rusta



2020
Online sales launched



2021
Fulfilment centre expanded for third time and completed

Strategy focused on long-term profit growth

RUSTA

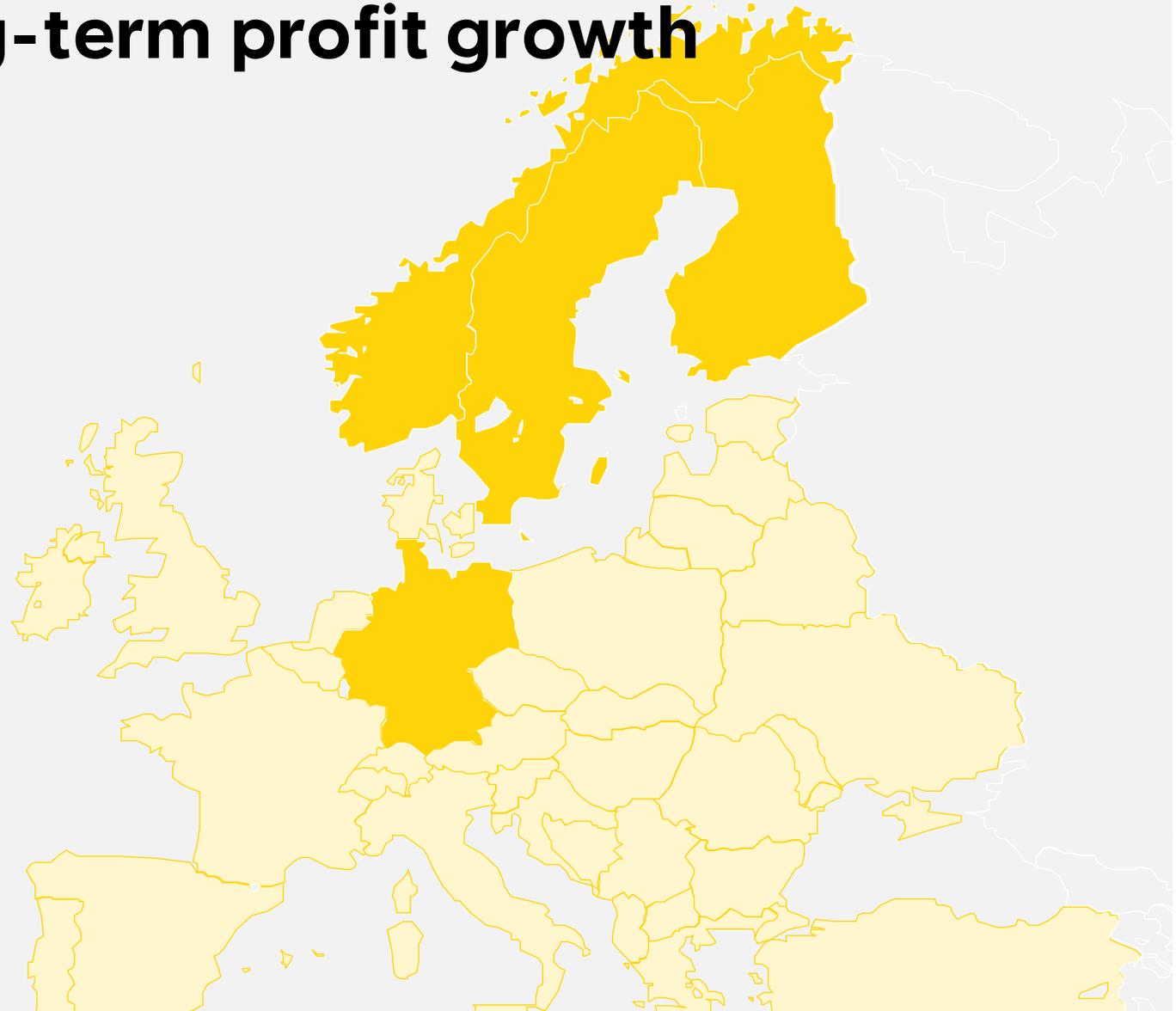
Make Rusta the leading and most trusted low price retailer in Europe

Maintain low price position and differentiated assortment

Continue organic and LFL growth

Further increase efficiency across the value chain

Continue store network expansion



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Thank you

Next event:

Year-end report Q4

June 13, 2024

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