

PUUILO

Record year — net sales and EBITA continued to grow

Financial statements 2024

Puulo Plc

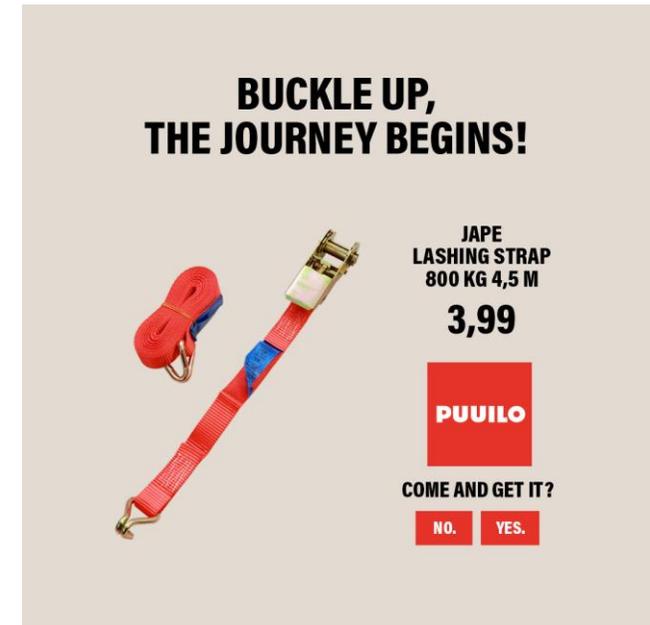
27 March 2025

Juha Saarela, CEO

Ville Ranta, CFO

Agenda

1. Key figures and main events
2. Financial development
3. Dividend proposal
4. Outlook for financial year 2025
5. Strategy and long-term financial targets
6. Sustainability overview
7. Q&A



Key figures Q4/2024 (November 2024 – January 2025)

Growth

+11.8% (+12.4%)

Net sales

+0.3% (+1.6%)

Like-for-like net sales

+33.6% (+10.1%)

EBITA (adj.) growth



49 (42)

Number of stores at the end of the reporting period

Profitability

38.5% (36.7%)

Gross margin

16.6% (13.9%)

EBITA margin (adj.)

Earnings per share

€0.12 (0.09)

Events during the reporting period

- Two new stores were opened during the period: Äänekoski and Kirkkonummi
- Growth in customer traffic was the main driver of sales growth in both new and old stores
- Like-for-like sales growth was affected by a decrease in average basket size
- Additionally, the relatively snowless and unusually warm winter has partially affected sales development
- Gross margin increased. The increase was driven by a favourable sales mix and significant sales growth in private label products
- Adjusted EBITA was €14.3 million and grew by 33.6% relative to the comparison period

Key figures financial year 2024 (February 2024 – January 2025)

Growth

+13.3% (+14.2%)

Net sales

+1.5% (+5.2%)

Like-for-like net sales

+23.8% (+10.9%)

EBITA (adj.) growth



49 (42)

Number of stores at the end of the reporting period

Profitability

37.7% (36.6%)

Gross margin

17.5% (16.0%)

EBITA margin (adj.)

Earnings per share

€0.57 (0.46)

Events during the reporting period

- Puuilo achieved an excellent result and improved its overall performance despite the challenging environment. We also opened a record number of stores, which strengthened Puuilo's position in the market
- Seven new stores were opened during the period: Nokia, Ylöjärvi, Forssa, Tampere Lahdesjärvi, Oulu Karjasilta, Äänekoski and Kirkkonummi
- The increase in customer traffic was the main driver of sales growth. Strong growth in customer traffic continued in both new and old stores
- Like-for-like sales growth was affected by a decrease in average basket size
- Gross margin increased. The increase was driven by a favourable sales mix and an increase in the share of private label products, which accounted for 21.7% of net sales
- Adjusted EBITA was €67.0 million, which was 17.5% of net sales, exceeding our long-term margin target

VAPAA-AIKA

KAIKKI TARPELLINEN,
PUUILO KAUTTA.

PUUILOA
EDULLISESTI TÄSTÄ.

SESONKI

Financial development

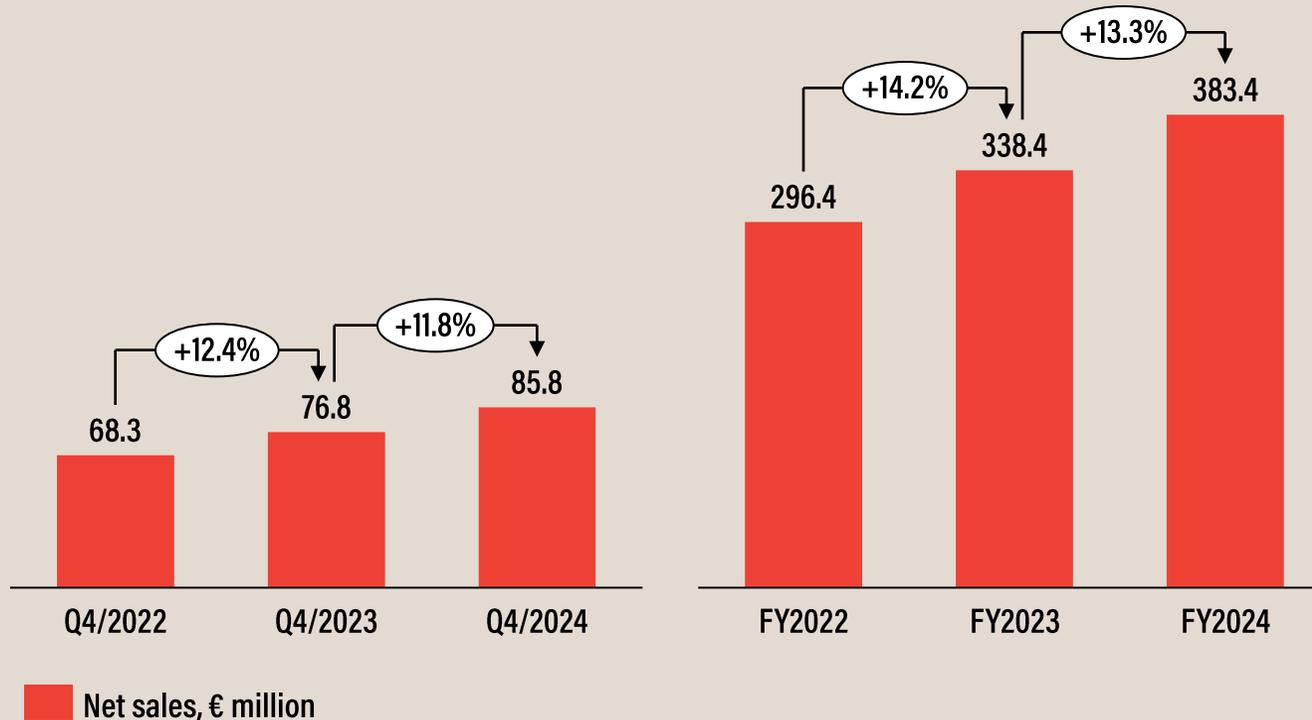
Net sales and customer traffic continued to increase

Q4/2024

- Net sales increased by 11.8%. Like-for-like store net sales increased by 0.3%
- The customer traffic increased in like-for-like stores by approx. 3.8%
- Customer traffic increased by approx. 15.9% in all stores
- The average basket size decreased by approx. 3.6%

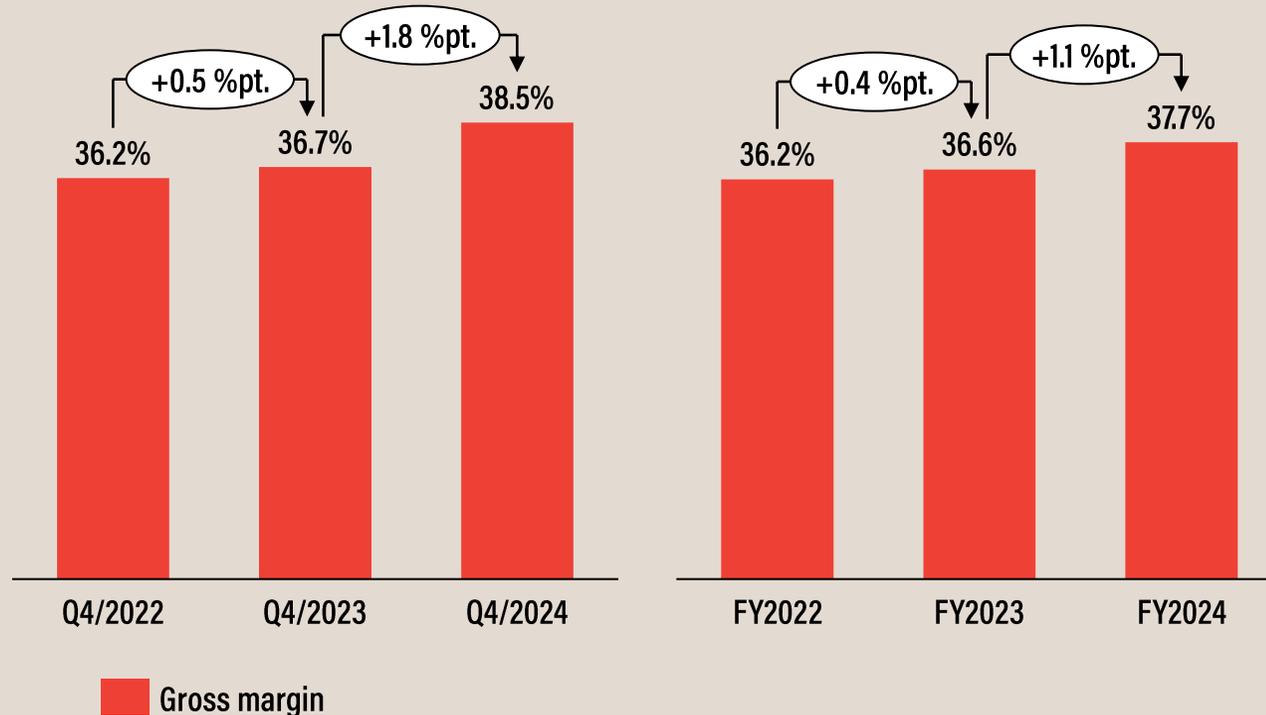
FY2024

- Net sales increased by 13.3% and like-for-like store net sales by 1.5%
- The customer traffic increased in like-for-like stores by approx. 4.3%
- In all stores customer traffic increased by approx. 16.8%
- The average basket size decreased by approx. 3.0%



Gross margin

Gross margin reaches a record high, driven by the sales mix and private label products



Q4/2024

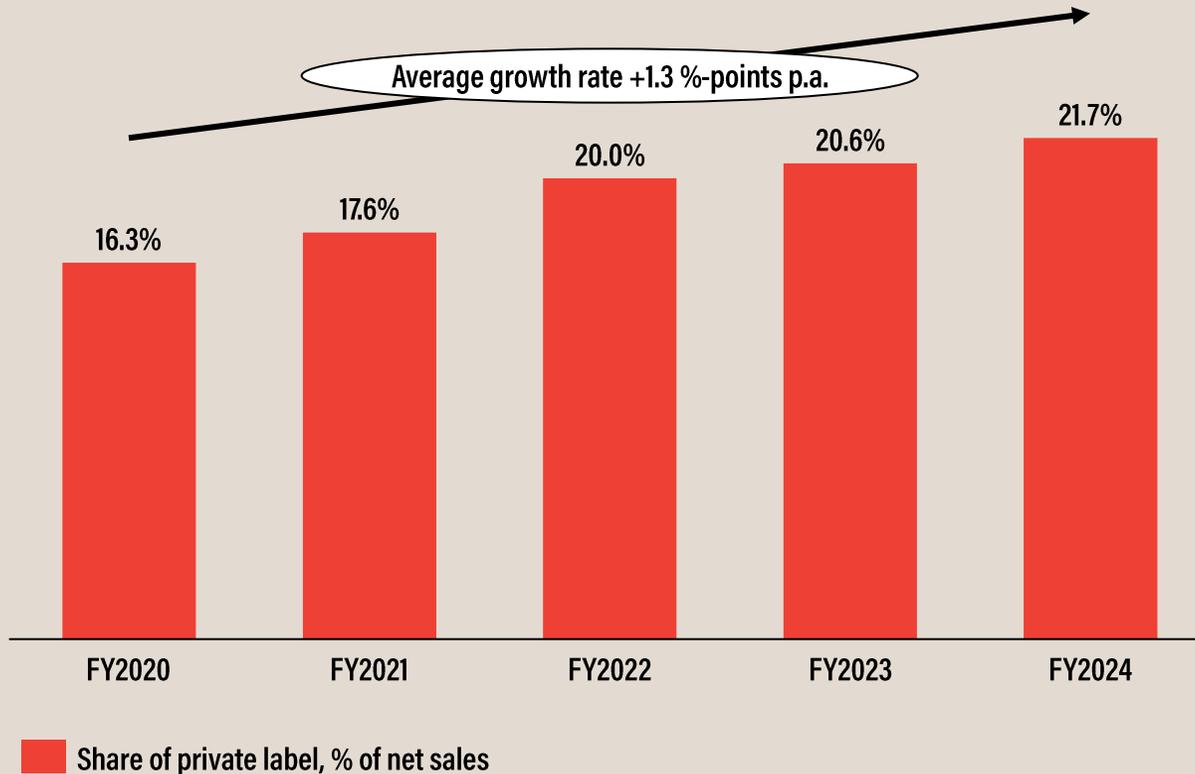
- Gross margin increased to 38.5% of net sales
- Margin improvement was driven by a favourable sales mix and significant sales growth in private label products
- The expansion of the store network has led to an increase in purchase volumes, which has had a positive impact on purchasing terms

FY2024

- Gross margin increased to 37.7% of net sales
- Margin improvement was driven by a favourable sales mix and sales growth in private label products
- The expansion of the store network has led to an increase in purchase volumes, which has had a positive impact on purchasing terms

Gross margin

The steady growth of the share of private label products continued



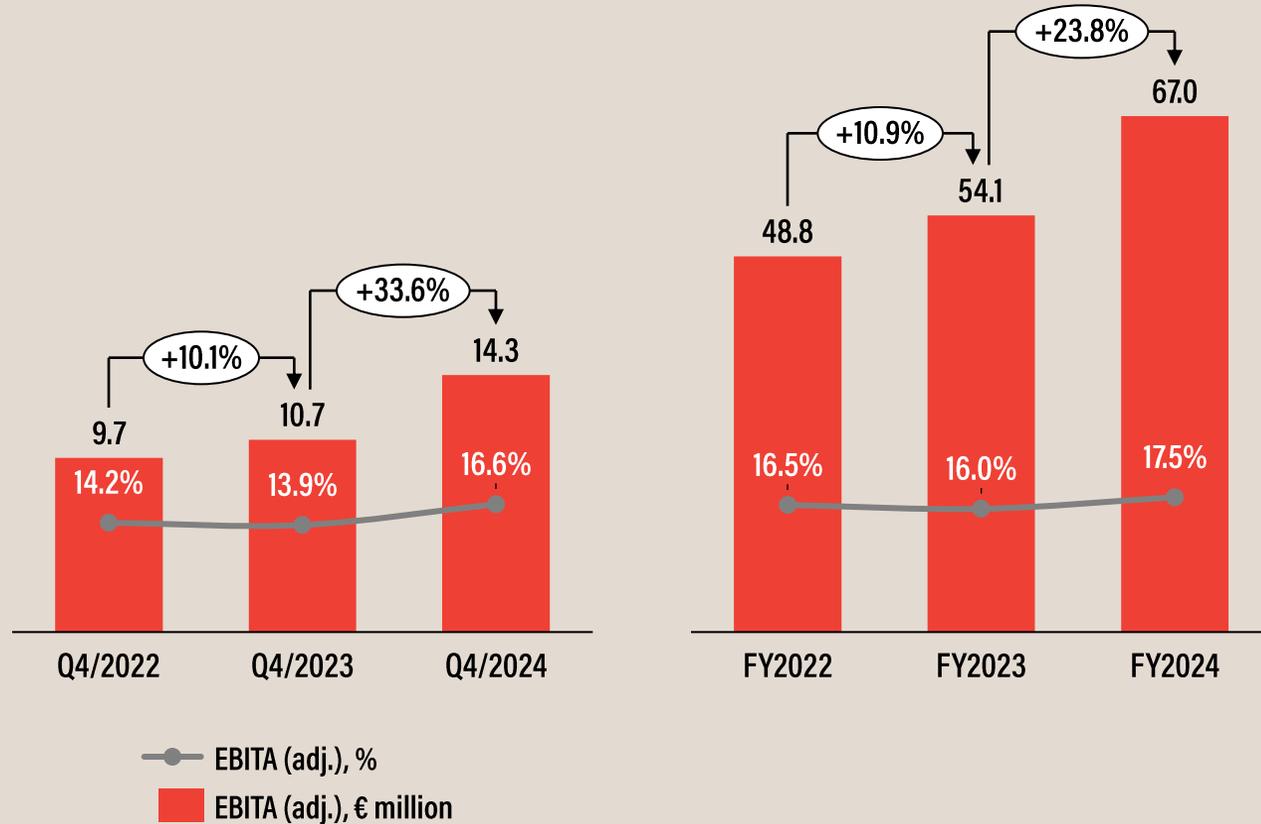
FY2024

- Increasing the share of private label products in net sales is a key part of Puuilo's growth strategy
- The share of private label products increased by 1.1%-points, being 21.7%
- The sales of private label products increased by 18.8% compared to previous year
- Growth in the share of private label products supported positive gross margin development
- Puuilo's goal is to increase the share of private label products



Profitability

Good gross margin and cost discipline, EBITA at excellent level



Q4/2024

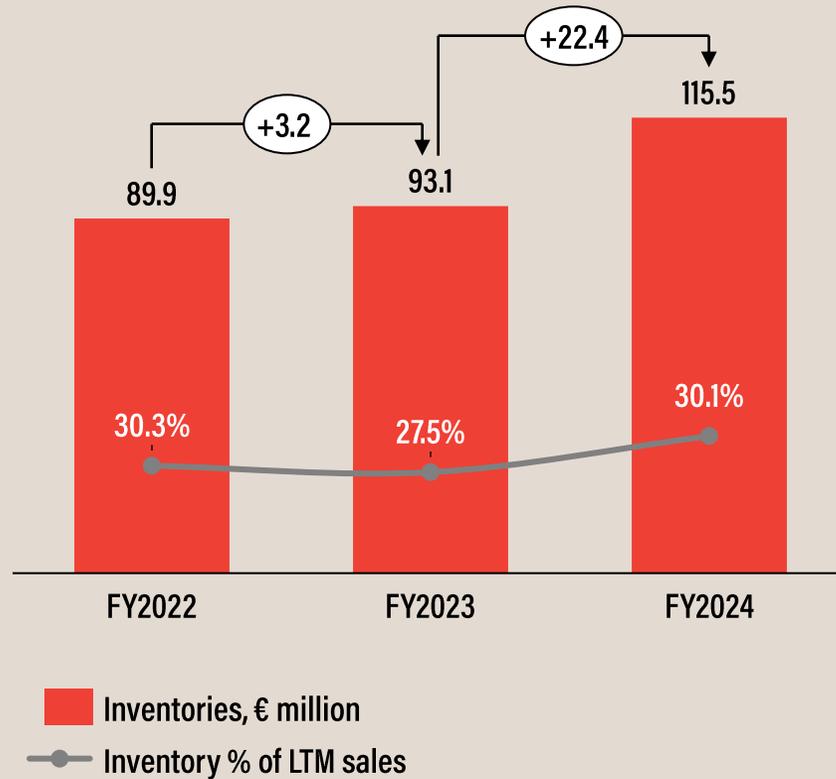
- Adjusted EBITA increased by €3.6 million
- Relative profitability was 16.6% of net sales, increasing from the comparison period
- Good gross margin and cost discipline were the drivers behind profitability growth
- In relative terms, personnel expenses were below the comparison period

FY2024

- Adjusted EBITA increased by €12.9 million
- Relative profitability was 17.5% of net sales
- Good gross margin and cost discipline were the drivers behind profitability growth
- In relative terms, personnel expenses were below the comparison period

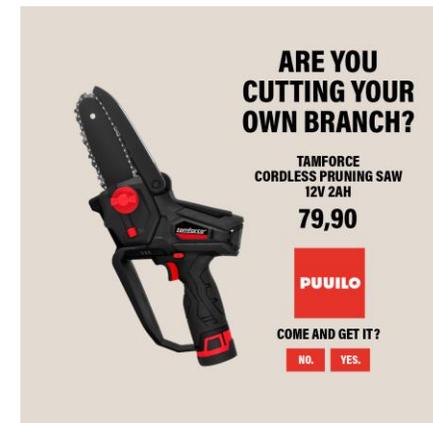
Inventories

Inventory increase driven by record seven new stores and an increase in the volume of private label products



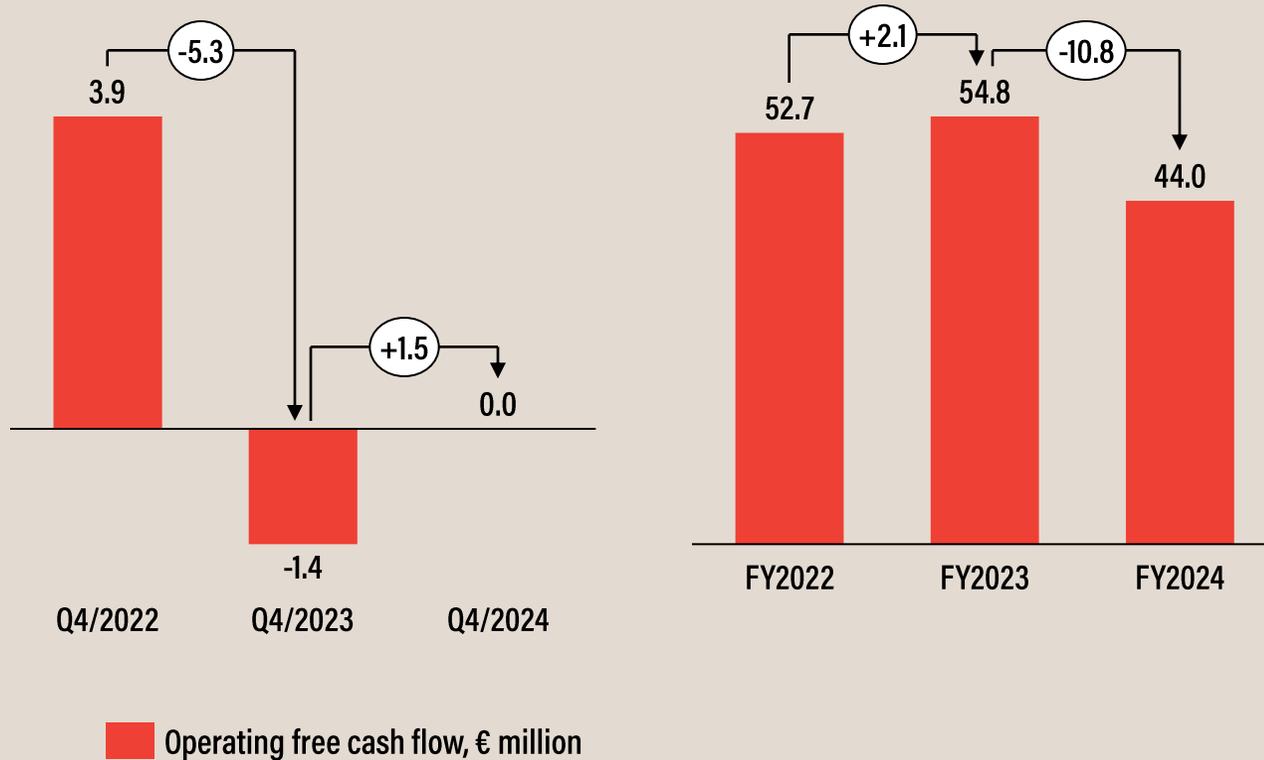
FY2024

- Inventories amounted to €115.5 million
- The increase in absolute inventory level is primarily due to the inventories of seven new stores and private label inventories of five stores opening this spring
- In addition, the volume of private label products increased. Puuilo also prepared for adequacy of product availability in anticipation of possible supply chain disturbances
- FY2023 inventory level was affected by the excess inventory reduction done at that time
- Puuilo aims to further improve inventory turnover in the future



Cash flow

Free cash flow was affected by the increase in inventory



Q4/2024

- Operating free cash flow was €0.0 million
- New store openings, the increase in the import of private label products and preparation for the adequacy of product availability in anticipation of possible supply chain disturbances increased the absolute inventory level, which tied up capital
- Operating free cash flow was supported by strong profitability

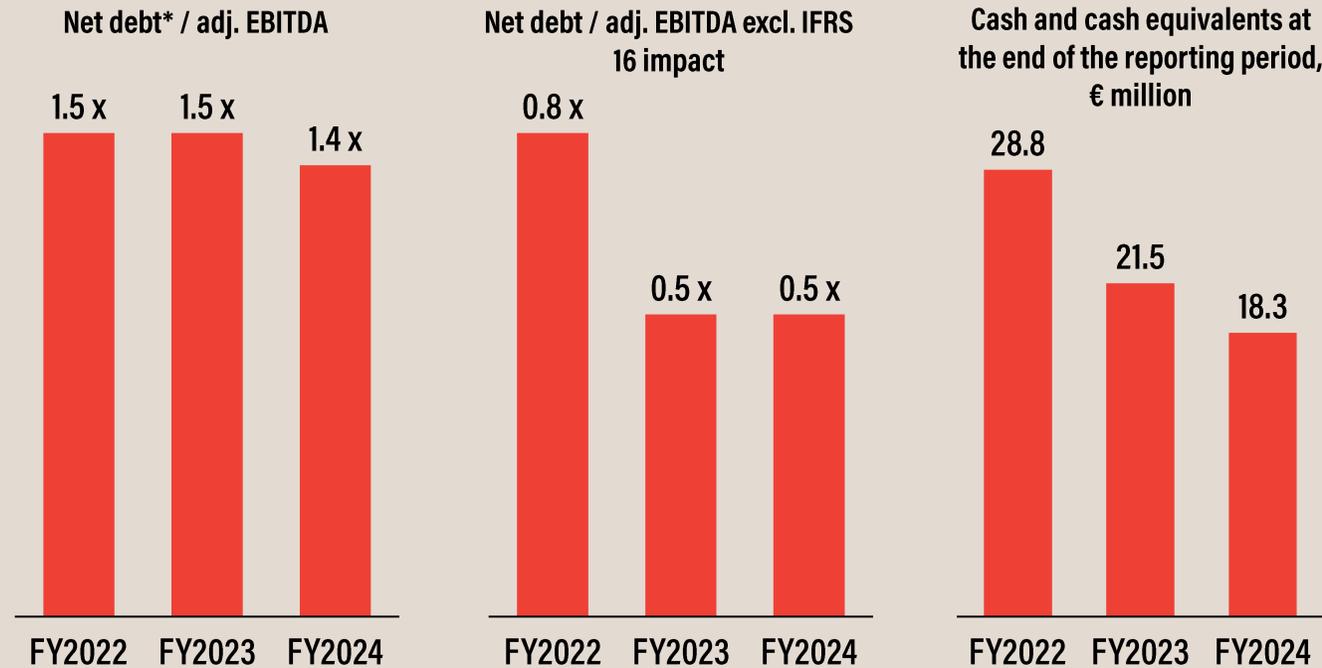
FY2024

- Operating free cash flow was €44.0 million
- Operating free cash flow was supported by a strong operating result and cash inflow from working capital changes, slightly offset by new store openings, increase in import of private label products, preparation for the adequacy of products in anticipation of possible supply chain disturbances, and investments related to Hurrikaani transaction
- Cash generation in prior year comparison period was significantly flattered by excess inventory reduction

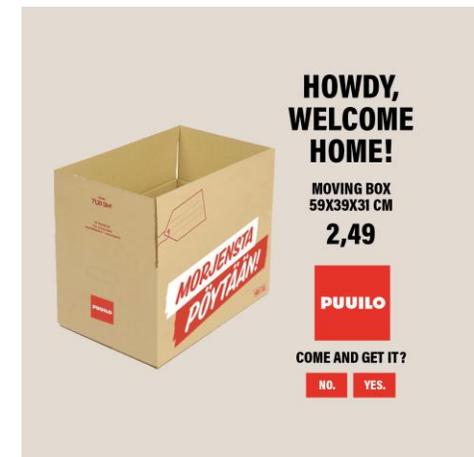
Financial position is stable

FY2024

- The ratio of net debt to adjusted EBITDA is in line with the long-term target (below 2.0x)
- The ratio of net debt to adjusted EBITDA excluding the impact of IFRS 16 was 0.5x
- Puuilo’s long-term loans from financial institutions were €50.0 million (50.0) at the end of the period
- Net debt excluding the impact of IFRS 16 was approx. €31.7 million at the end of the period



* Net debt includes lease liabilities reported in accordance with IFRS 16



Key figures for the reporting period

Q4/2024 (1 November 2024 – 31 January 2025)

- Net sales increased by 11.8% (+12.4%) and were €85.8 million (76.8)
- Like-for-like store net sales increased by 0.3% (+1.6%)
- Online store net sales decreased by 0.9% (-14.1%)
- Gross profit was €33.1 million (28.2) and gross margin was 38.5% (36.7%)
- Adjusted EBITA was €14.3 million (10.7), increasing by 33.6%, which corresponds to an adjusted EBITA margin of 16.6% (13.9%)
- EBIT was €13.9 million (10.2) which corresponds to 16.1% of net sales (13.3%)
- Operating free cash flow was €0.0 million (-1.4)
- Earnings per share were €0.12 (0.09)
- Two new stores were opened during the fourth quarter (two new stores)

FY2024 (1 February 2024 – 31 January 2025)

- Net sales increased by 13.3% (+14.2%) and were €383.4 million (338.4)
- Like-for-like store net sales increased by 1.5% (+5.2%)
- Online store net sales increased by 1.7% (-11.2%)
- Gross profit was €144.6 million (123.9) and gross margin was 37.7% (36.6%)
- Adjusted EBITA was €67.0 million (54.1), increasing by 23.8%, which corresponds to an adjusted EBITA margin of 17.5% (16.0%)
- EBIT was €65.1 million (52.8) which corresponds to 17.0% of net sales (15.6%)
- Operating free cash flow was €44.0 million (54.8)
- Earnings per share were €0.57 (0.46)
- Seven new stores were opened during the reporting period (five new stores)
- Board proposes that €0.46 per share will be distributed based on financial year 2024 and €0.24 as special dividend totalling €0.70 per share. The dividend is proposed to be paid in two instalments



Dividend proposal

Puulo capital efficiency creates opportunities

1. Strategic business re-investment

- Focus on investments aligned with strategic targets and high return expectations
- Key investment areas include:
 - New store openings (current pipeline at record levels)
 - Assortment (e.g. private label expansion)
 - Exceptional productivity enhancements (e.g. automatic workforce planning system, order replenishment automation, and development projects related to customer experience)
- These investments represent the highest shareholder return opportunity and also serve the best interests of our customers and employees
- Current growth outlook remains strong with new and old stores performing exceptionally well

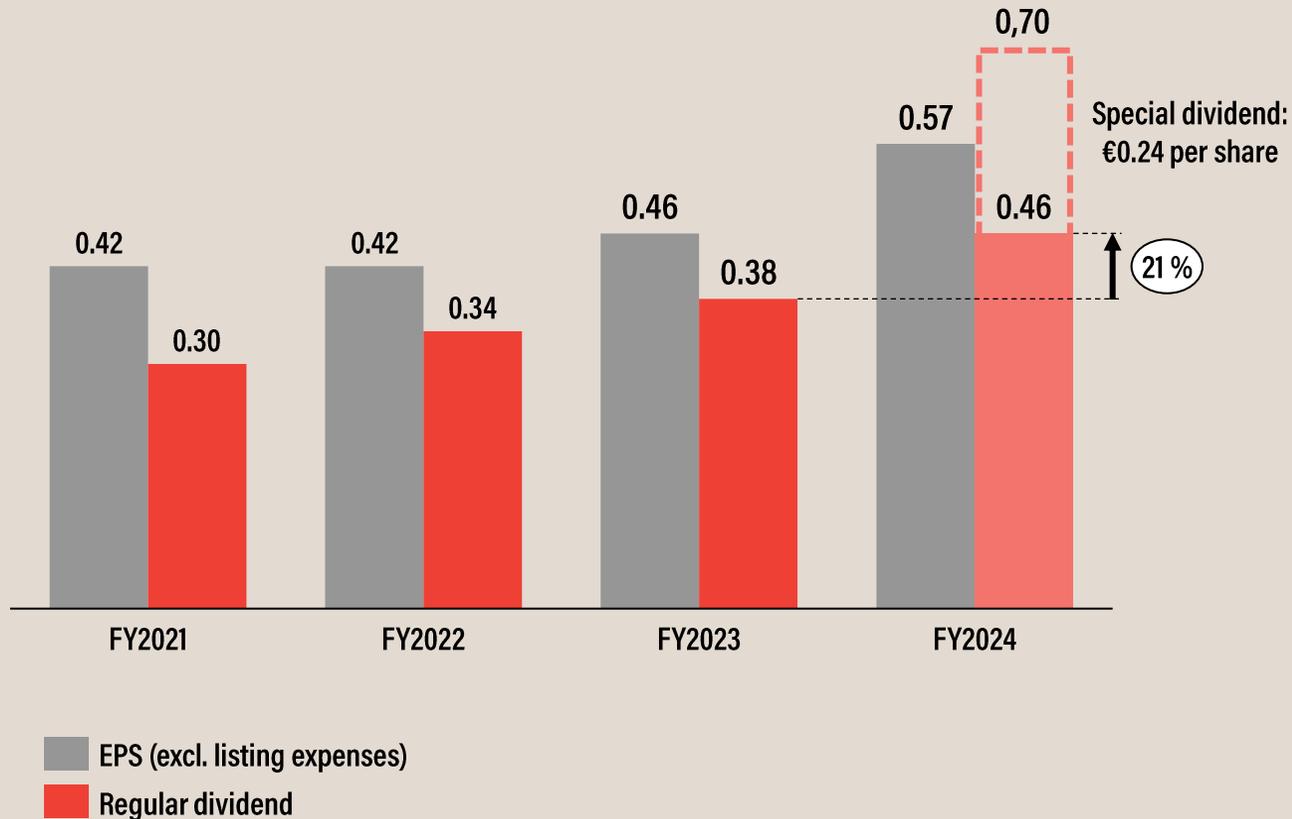
2. Returning capital that exceeds Puulo's needs back to our shareholders

- In line with our profit distribution policy, consistent track record of distributing $\geq 80\%$ of net income as regular dividends since 2021 IPO
- Capital-efficient, non-cyclical business model generates consistent returns
- Additional capital return mechanisms (e.g., special dividends) considered when:
 - Excess cash exceeds near to mid-term operational needs
 - Company remains below strategic leverage target of $< 2.0x$ net debt to adjusted EBITDA



Dividend proposal

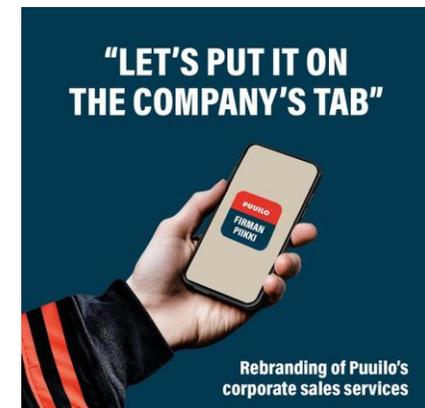
Dividend proposal to the AGM by the Board of Directors



BOARD'S DIVIDEND PROPOSAL

- The Board of Directors proposes a regular dividend of €0.46 per share, which amounts to 81% of the FY2024 net result
- This regular dividend exceeds previous year's dividend by 21%
- The Board of Directors incrementally proposes that the company pays a special dividend of €0.24 per share
- The Board of Directors proposes that the regular and special dividends will be paid in two instalments each

Total dividend €0.70 per share



Outlook for financial year 2025

Outlook

Puulo's outlook for financial year 2025

Puulo forecasts that net sales will be €425 – 455 million and the adjusted operating profit (adjusted EBITA) will be €70 – 80 million in the financial year 2025.

The forecast includes elements of uncertainty arising from change in purchasing power and customer behaviour. In addition, geopolitical crises and international tensions may have an impact on the availability and price level of goods.



NÄITÄHÄN
SÄ HAET.

Strategy and long-term financial targets

Puulo's strategy for period 2024 - 2028

01.  Growing the store network up to >70 stores in total in Finland with current concept.	02.  Like-for-like sales growth in the young store network by developing concept and product categories	03.  Maintaining and improving the high profitability through industry leading cost discipline	04.  Smooth omnichannel customer experience	05.  Responsible Retailer
---	---	--	---	---

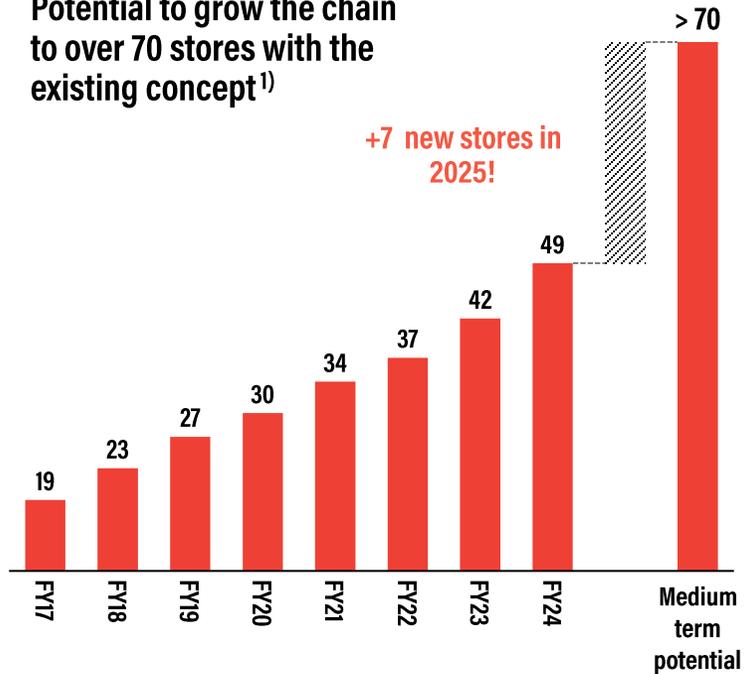
Long-term financial targets for period 2024 - 2028

> 600 MEUR NET SALES Net sales above EUR 600 million by the end of financial year 2028 (ends Jan-2029)	> 17% adj. EBITA margin PROFITABILITY Target to reach EUR >105 million adjusted EBITA by the end of financial year 2028 (ends Jan-2029)	> 80% PROFIT DISTRIBUTION Puulo aims to distribute at least 80% of net income each financial year to its shareholders	< 2.0x NET DEBT Net debt to adjusted EBITDA below 2.0x
---	--	--	---

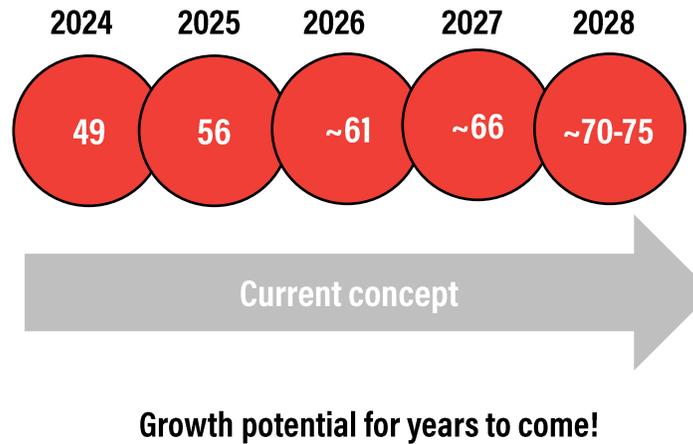
Store network expansion pace

Store network growth

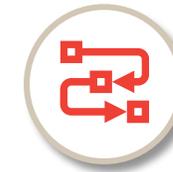
Potential to grow the chain to over 70 stores with the existing concept¹⁾



Forecasted total amount of stores¹⁾



Efficient launch program



Standardized process for new store openings



Going forward, Puuilo aims to open 5-6 new stores p.a.



Average new store profitable in first full month after opening²⁾

Notes: 1) Management estimate; 2) Based on average of 10 most recent store openings. Based on pricing margin (POS).

Puulo's next new stores

New store openings for FY2025

- Varkaus, opened 13 March 2025
- Savonlinna, opened 14 March 2025
- Lohja, opens during spring of 2025
- Mäntsälä, opens during summer of 2025
- Jyväskylä Keljo, opens during summer of 2025
- Iisalmi, opens by the end of 2025
- Heinola, opens by the end of 2025

Published new store openings for FY2026

- Espoo Espoonlahti, opens during late spring of 2026
- ... Other new store openings will be published closer to the time



Responsible retailer



RESPONSIBLE SUPPLY CHAIN

Product quality
Value chain employees
Reducing environmental impact

GREAT WORKPLACE

A workplace to commit to
Full-time employment
Job satisfaction

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

Emissions
Waste recycling
Responsible taxpayer
Energy efficiency
Data security

- 85.5% of purchases from high-risk countries were made from suppliers committed to Amfori BSCI or equivalent certification in 2024. We continue to work to increase the share to 90% by the end of the financial year 2028
- FY24 inbound transportation emissions increased to 2,868 tons (1,955 tons) due to business growth and changes in transportation volumes. The number of land shipments decreased as a result of warehouse centralization, while the volume of sea shipments grew. However, emissions decreased due to more efficient and environmentally friendly transportation solutions
- In line with our targets, we have primarily offered full-time employment. Full-time contracts accounted for 74% (74%) of total in the financial year 2024
- The results for the annual work satisfaction survey remain above the average for retail sector, with the participation rate nearing 100%
- The electricity we procure comes from renewable sources or nuclear power. Energy efficiency has improved by changing to LED lighting in all stores

The first CSRD report will be published alongside the annual financial statement 2024

Q&A

Contact requests:

ir@puuilo.fi

investors.puuilo.fi

NEXT FINANCIAL REPORTS AND EVENTS

10 June 2025

Business review Q1/2025

11 September 2025

H1 Financial Report 2025

10 December 2025

Business review Q3/2025



PUUILO