

The Puulo logo consists of the word "PUULO" in white, bold, uppercase letters, centered within a solid red square.

**PUULO**

# **Solid summer – profitable growth continues**

Half-year financial report, February – July 2025

Puulo Plc

**11 September 2025**

Juha Saarela, CEO  
Ville Ranta, CFO

# Agenda

1. Key figures and main events
2. Financial development
3. Outlook for financial year 2025
4. Strategy update and new long-term financial targets
5. Q&A

**IF YOUR CAR'S ALL FOGGED  
UP, THIS IS YOUR FIX.**



**BOLT-OFF  
CAR DEHUMIDIFIER 350 G**

**4,99**

# Key figures Q2/2025 (May – July 2025)

## Growth

**+13.2% (+14.9%)**

Net sales

**+1.3% (+2.1%)**

Like-for-like net sales

**+13.7% (+18.7%)**

EBITA (adj.) growth



**54 (46)**

Number of stores at the end of the reporting period

## Profitability

**38.2% (37.6%)**

Gross margin

**20.8% (20.7%)**

EBITA margin (adj.)

## Earnings per share

**€0.25 (0.22)**

## Events during the reporting period

- Two new stores were opened during the period: Mäntsälä and Jyväskylä Keljo
- Growth in customer traffic was the main driver of sales growth in both new and old stores
- The decline in average basket size slowed down
- Gross margin increased. The increase was driven by significant sales growth in private label products and a favourable sales mix
- Adjusted EBITA was €28.2 million and grew by 13.7% relative to the comparison period

# Key figures H1/2025 (February – July 2025)

## Growth

**+15.2% (+15.4%)**

Net sales

**+3.4% (+3.1%)**

Like-for-like net sales

**+18.1% (+17.3%)**

EBITA (adj.) growth



**54 (46)**

Number of stores at the end of the reporting period

## Profitability

**37.7% (37.2%)**

Gross margin

**17.3% (16.9%)**

EBITA margin (adj.)

## Earnings per share

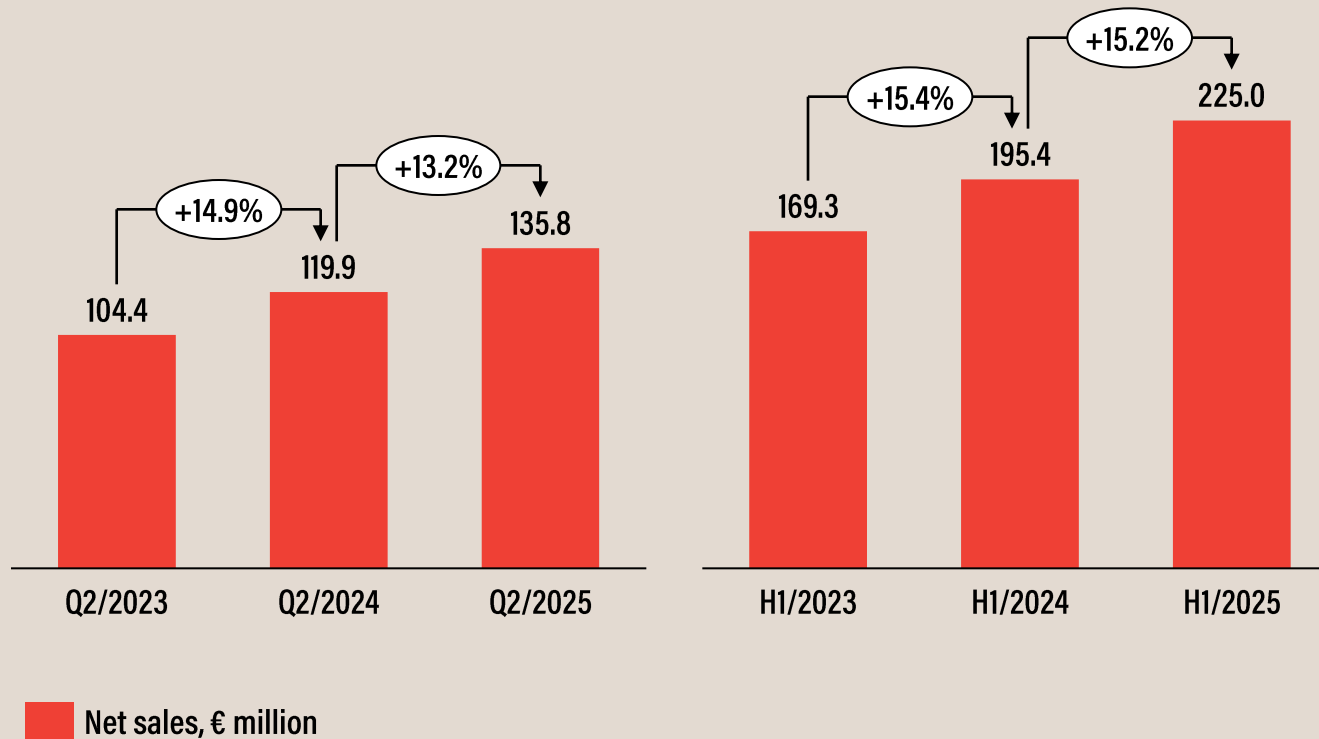
**€0.33 (0.28)**

## Events during the reporting period

- Five new stores were opened during the period: Varkaus, Savonlinna, Lohja, Mäntsälä and Jyväskylä Keljo
- Growth in customer traffic was the main driver of sales growth in both new and old stores
- The decline in average basket size slowed down
- Gross margin increased. The increase was driven by significant sales growth in private label products and a favourable sales mix
- Adjusted EBITA was €39.0 million and grew by 18.1% relative to the comparison period

# Financial development

## Net sales increased driven by store additions and LfL customer traffic growth



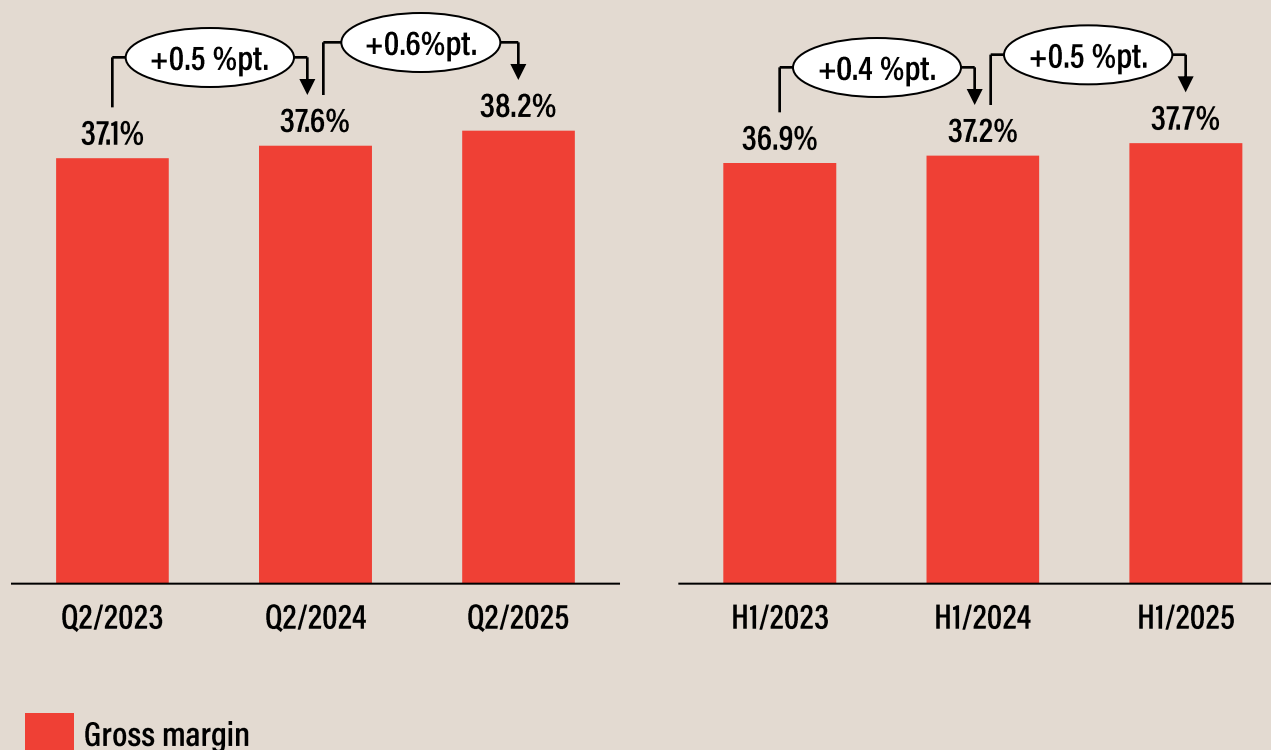
### Q2/2025

- Net sales increased by 13.2%. Like-for-like store net sales increased by 1.3%
- The customer traffic increased in like-for-like stores by approx. 2.8%
- Customer traffic increased by approx. 14.6% in all stores
- The average basket size decreased slightly, but the rate of decline has slowed down

### H1/2025

- Net sales increased by 15.2%. Like-for-like store net sales increased by 3.4%
- The customer traffic increased in like-for-like stores by approx. 4.6%
- Customer traffic increased by approx. 16.1% in all stores
- The average basket size decreased slightly, but the rate of decline has slowed down

## Gross margin increased, driven mainly by significant growth in the sales of private label products



### Q2/2025

- Gross margin increased to 38.2% of net sales
- Margin improvement was driven by significant sales growth in private label products and a favourable sales mix
- Sales of private label products increased by approx. 22%

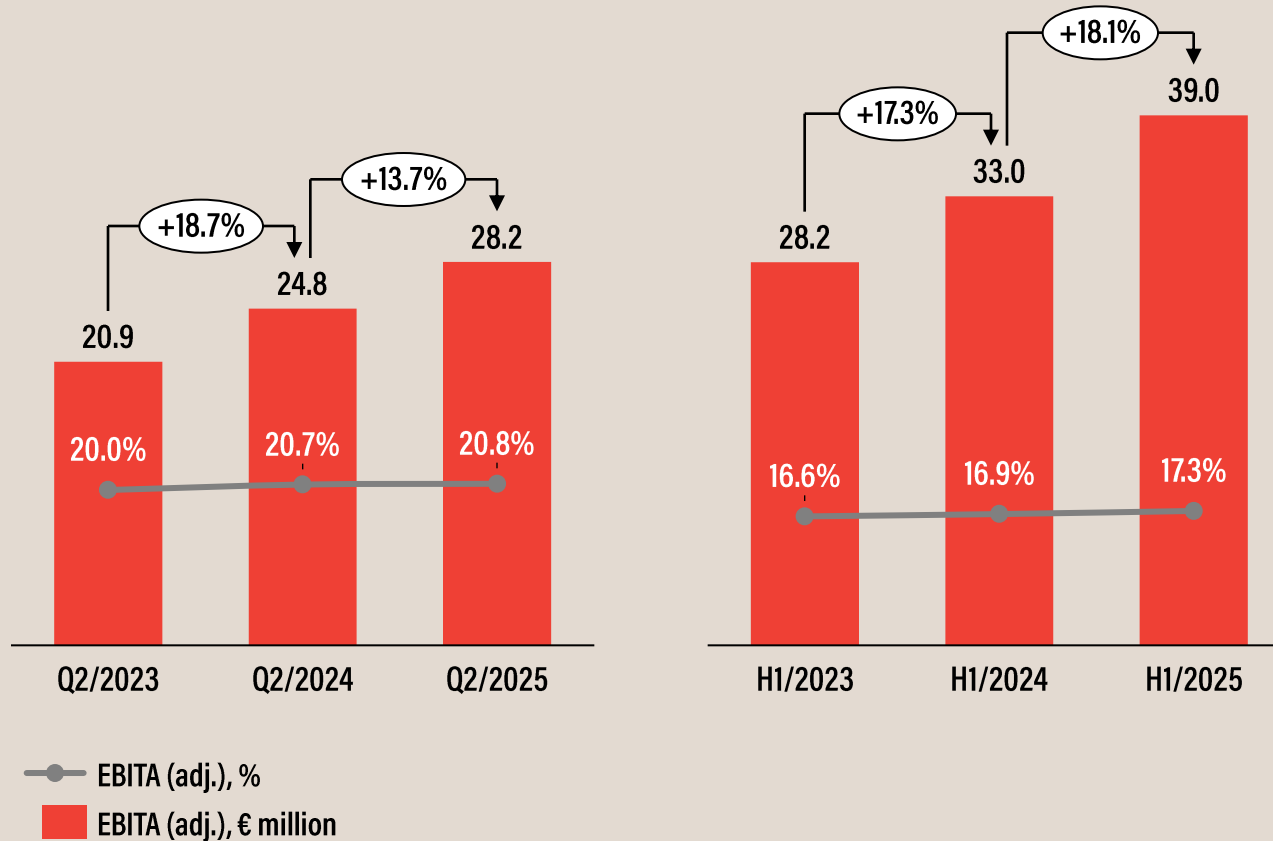
### H1/2025

- Gross margin increased to 37.7% of net sales
- Margin improvement was driven by significant sales growth in private label products and a favourable sales mix
- Sales of private label products increased by approx. 28%



## Profitability

## Good sales development, strong gross margin and cost control supported a good profitability level



### Q2/2025

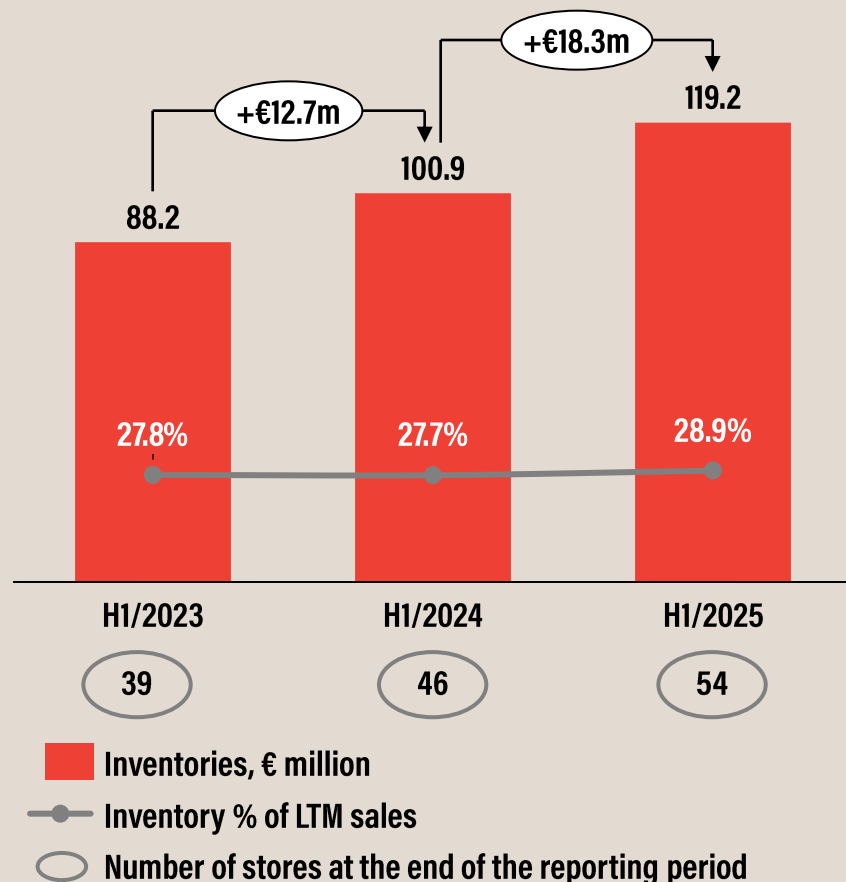
- Adjusted EBITA increased by €3.4 million
- Relative profitability was 20.8% of net sales, increasing from the comparison period
- Good net sales growth, favourable gross margin development and cost control were the drivers of EBITA margin expansion
- Operating expenses included €0.5 million items affecting comparability related to strategic projects

### H1/2025

- Adjusted EBITA increased by €6.0 million
- Relative profitability was 17.3% of net sales, increasing from the comparison period
- Good net sales growth, favourable gross margin development and cost control were the drivers of EBITA margin expansion
- In relative terms, adjusted operating expenses were below the comparison period, amounting to 16.1% of net sales

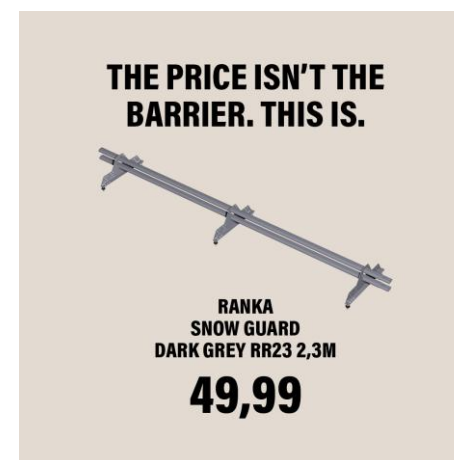


## Inventory increased due to fast-paced store openings and the increase in the import volume of private label products

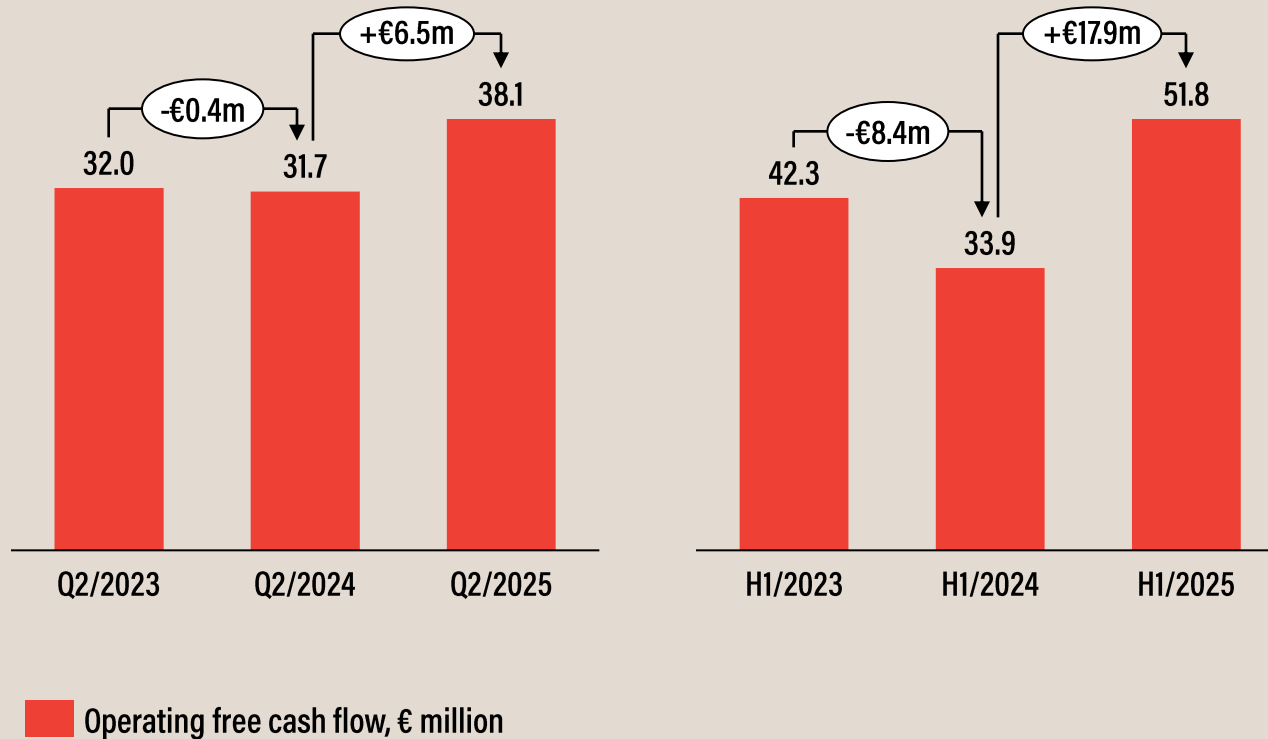


### H1/2025

- Inventories amounted to €119.2 million
- The increase in absolute inventory value is mainly due to eight new stores opened during the past twelve months and private label products for upcoming stores
- In addition, the import volume of private label products increased as planned
- Puuilo aims to improve inventory turnover in the future



## Strong free cash flow due to good development of net sales and EBITA



### Q2/2025

- Operating free cash flow was €38.1 million
- Operating free cash flow was supported by good EBITA and a positive change in working capital

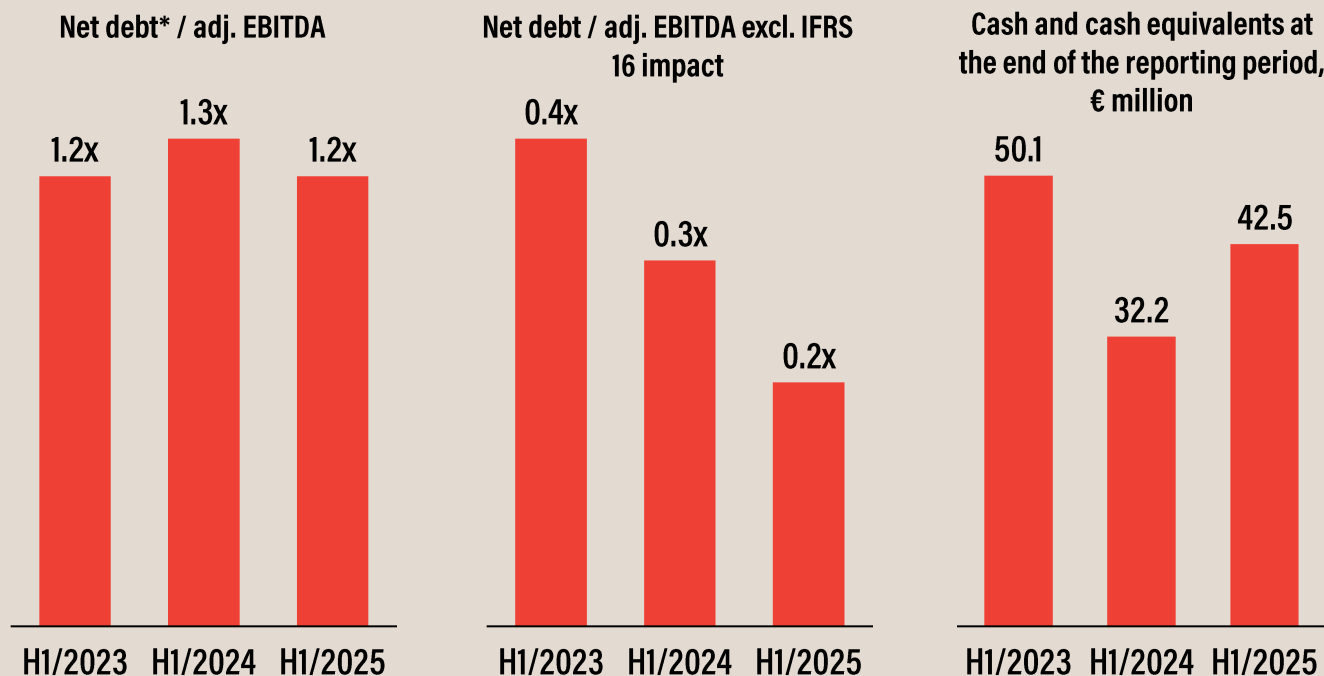
### H1/2025

- Operating free cash flow was €51.8 million
- Operating free cash flow was supported by good EBITA and a positive change in working capital
- The comparison period's operating free cash flow was negatively impacted by the Hurrikaani arrangement

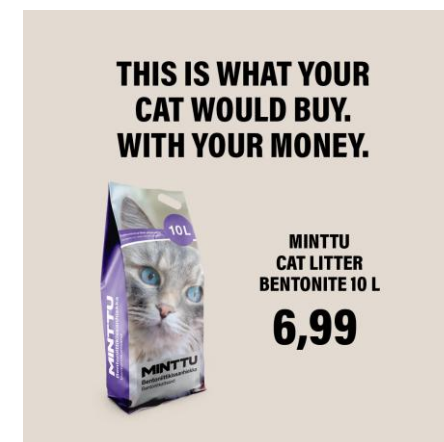
## Healthy financial position

H1/2025

- The ratio of net debt to adjusted EBITDA is in line with the long-term target
- The ratio of net debt to adjusted EBITDA excluding the impact of IFRS 16 was 0.2x
- Puuilo's long-term loans from financial institutions were €59.8 million (50.0) at the end of the period
- Net debt excluding the impact of IFRS 16 was approx. €17.4 million at the end of the period



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



## Q2/2025 (1 May 2025 – 31 July 2025)

- Net sales increased by 13.2% (+14.9%) and were €135.8 million (119.9)
- Like-for-like store net sales increased by 1.3% (+2.1%)
- Online store net sales increased by 2.4% (10.6%)
- Gross profit was €51.9 million (45.1) and gross margin was 38.2% (37.6%)
- Adjusted EBITA was €28.2 million (24.8), increasing by 13.7%, which corresponds to an adjusted EBITA margin of 20.8% (20.7%)
- EBIT was €27.3 million (24.4) which corresponds to 20.1% of net sales (20.3%)
- Operating free cash flow was €38.1 million (31.7)
- Earnings per share were €0.25 (0.22)
- Two new stores were opened during the second quarter (two new stores)

## H1/2025 (1 Feb 2025 – 31 July 2025)

- Net sales increased by 15.2% (+15.4%) and were €225.0 million (195.4)
- Like-for-like store net sales increased by 3.4% (+3.1%)
- Online store net sales increased by 8.4% (+3.9%)
- Gross profit was €84.9 million (72.7) and gross margin was 37.7% (37.2%)
- Adjusted EBITA was €39.0 million (33.0), increasing by 18.1%, which corresponds to an adjusted EBITA margin of 17.3% (16.9%)
- EBIT was €37.7 million (32.0) which corresponds to 16.8% of net sales (16.4%)
- Operating free cash flow was €51.8 million (33.9)
- Earnings per share were €0.33 (0.28)
- Five new stores were opened during H1 (four new stores)





# Outlook for financial year 2025



## Puulo's outlook for financial year 2025

Puulo reiterates the outlook for the financial year 2025 provided in its financial statements release on 27 March 2025 and reiterated in its Q1 business review on 10 June 2025.

The company forecasts that net sales will be €425 – 455 million and the adjusted EBITA will be €70 – 80 million in the financial year 2025.

The forecast includes elements of uncertainty related to changes in consumer purchasing power and behaviour. Additionally, geopolitical crises and international tensions may affect product availability and prices.



# Puulo's next new stores

## New store openings for FY2025

- Varkaus, opened 13 March 2025
- Savonlinna, opened 14 March 2025
- Lohja, opened 24 April 2025
- Mäntsälä, opened 15 May 2025
- Jyväskylä Keljo, opened 18 June 2025
- Iisalmi, opening by the end of 2025
- Heinola, opening by the end of 2025

## Published new store openings for FY2026

- Hollola, opening in spring of 2026
- Espoo Espoonlahti, opening in late spring of 2026
- Relocation of Vantaa Virkamies to Vantaa Tammisto, opening in autumn of 2026
- ... Other new store openings will be published closer to the time

### TAMFORCE BATTERY-POWERED CHAINSAW 20V KIT 4AH



**129 €**





# Strategy update and new long-term financial targets 2026 – 2030

# Strategy update and new long-term financial targets 2026 – 2030

1

**Puuiilo's story**

2

**Strategy for period 2026 – 2030**

- Expansion of store network
- International growth
- Like-for-like sales development
- High profitability and leading cost control
- Omnichannel customer experience
- Sustainability

3

**Capital allocation framework**

4

**Q&A**

*Puuiilo private label products*

# Puuiilo – a unique success story



**1982**

A small carpenter workshop in Puolanka, Finland. Passion for carpentry.

**1998**

No more buses – first store opens its doors in Kajaani.

**2008**

Puuiilo opens its web store: [www.puuiilo.fi](http://www.puuiilo.fi)

**2020**

Three new stores open their doors during 2020, total store count 30. New IT systems implemented.

**2022**

Total store count now 37, extensive internal process development.

**2024**

49 stores, €383m in sales, record profitability!

**1987**

Home supplies and tools are sold from six old buses at market squares around Finland.

**2006**

There are now four stores: in Kajaani, Oulu, Kuopio and Vantaa. New focus: assortment developed for DIY and handy customers.

**2015**

New PE owner, Management and strategy. Focus on accelerating growth.

**2021**

IPO, Puuiilo becomes publicly traded in 2021!



**2023**

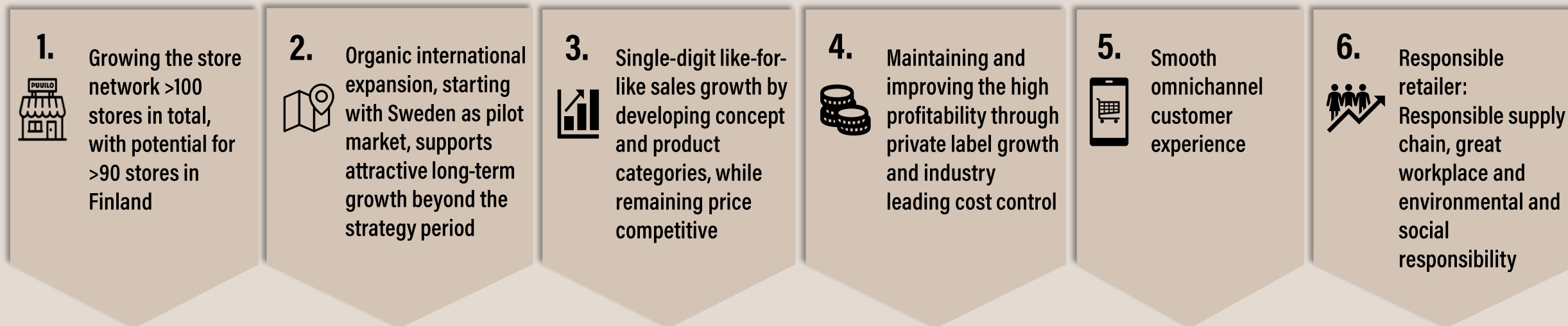
€338m in sales, 5 new stores opened. At the end of 2023 total number of stores was 42!

**2025**

7 planned store openings, growth continues!



# Puulo's strategy for period 2026 – 2030



## Long-term financial targets for period 2026 – 2030

**>10% net sales CAGR**

**NET SALES**

>€800 million net sales by the end of financial year 2030 (ends Jan-2031)

**>17% adj. EBITA margin**

**PROFITABILITY**

>€136 million adj. EBITA by the end of financial year 2030 (ends Jan-2031)

**>80%**

**PROFIT DISTRIBUTION**

Puulo aims to distribute at least 80% of net income each financial year to its shareholders

**<2.5x**

**NET DEBT**

Net debt to adjusted EBITDA below 2.5x (incl. IFRS16)

# Proven store concept enables growth to >100 stores

## Proven concept across market sizes

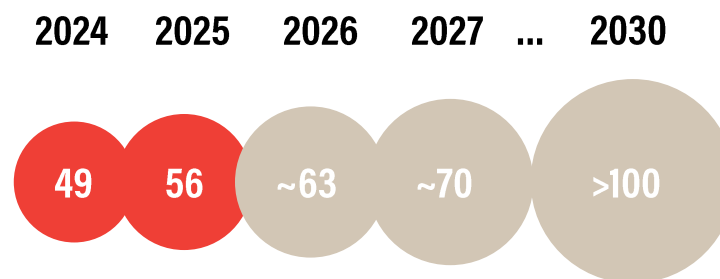
The Puuilo store concept has demonstrated strong performance also in smaller cities, confirming its adaptability across diverse market sizes



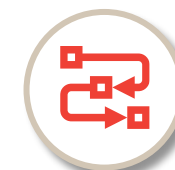
Long-term potential to grow the chain to >90 stores in Finland with the proven concept

During strategy period, most new stores will open domestically, with international expansion contributing to overall growth

## Forecasted total amount of stores



## Efficient launch program



Standardized process for new store openings



Going forward, Puuilo aims to open ~7-10 new stores p.a.



Average new store profitable in first full month after opening<sup>1)</sup>

Notes: 1) Based on average of 15 most recent store openings. Based on pricing margin (POS).

# Puuiilo aims to expand internationally during strategy period for long-term growth

## Expanding internationally

### GROWTH

Expanding internationally during strategy period supports attractive long-term growth beyond strategy period

### CAPABILITY

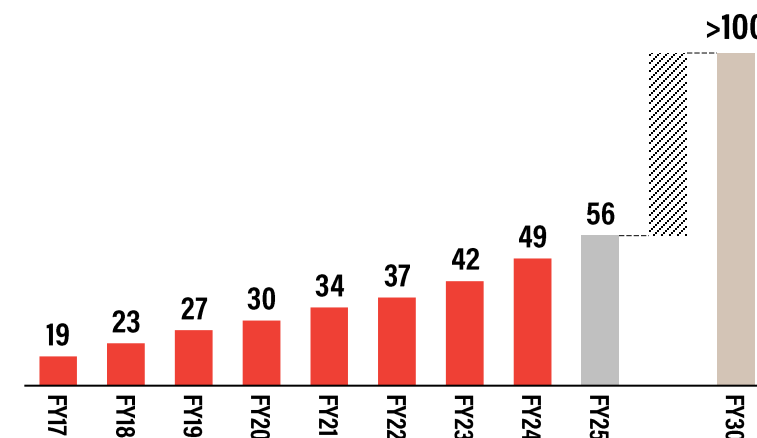
A proven, scalable concept ready for international roll-out

### STEP-BY-STEP APPROACH

A proof of concept outside Finland. Sweden selected as pilot market after thorough research. Additional markets may follow



## Store network growth



Attractive growth potential for years to come!

# Puuiilo's concept offers a strong value proposition

## BROAD ASSORTMENT

Our product range consists of more than 30,000 active SKUs

- ✓ Our assortment has been carefully selected to meet customer demand and current trends
- ✓ We strive to adapt our assortment to proactively meet with customer demand
- ✓ One of the key elements of the diverse product range is Puuiilo's own private label products developed with a high price-quality ratio

## LOW PRICES

"Always low prices" increases demand and customer loyalty

- ✓ We aim to ensure prices that are reliable and on average lower than those of our competitors
- ✓ Due to our low-cost structure, we are usually able to price our products lower than our competitors
- ✓ Puuiilo is perceived as affordable in its core categories and, for example, as the most affordable option in the DIY category

## EASE OF SHOPPING

Omnichannel concept

- ✓ Shopping in stores is quick and easy
- ✓ The stores are similar in products and their placement. This eases the customer experience while making the use of space more efficient
- ✓ Increasing e-commerce traffic also increases the traffic in stores

## SATISFIED CUSTOMERS

Like-for-Like growth in customer traffic FY2024:

**~4.3 %**

Customer traffic growth in all stores FY2024:

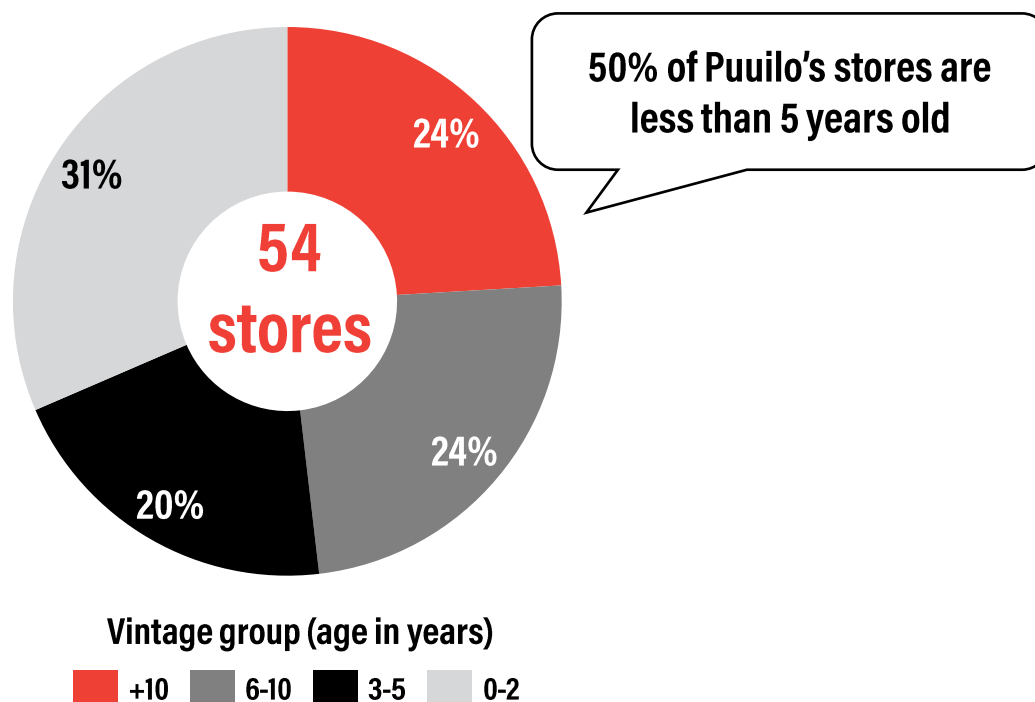
**~16.8 %**

**A successful concept based on broad assortment, low prices, affordable price image and ease of shopping!**



# Young store network with significant LFL-growth potential

## Puuiilo store split by vintage as of July 2025



## Actions supporting growing store awareness and traffic



New store openings expanding geographical reach



Continued increases in marketing budget. Proven track record of increasing brand awareness



Targeted marketing efforts for wider customer audience e.g. B2B customers



Further differentiation of product assortment from competitors

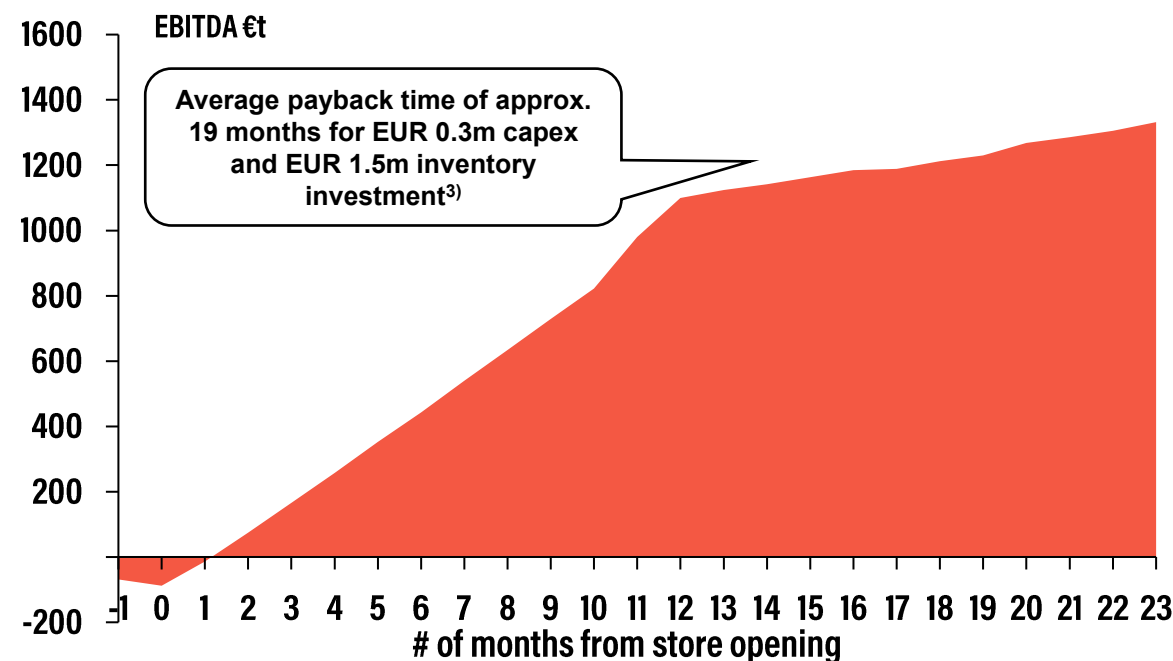
**LfL growth continues to be strong even in stores that are 10+ years old!**

# All stores are profitable. On average new stores are EBITDA profitable after 1-2 months

FY2024 store EBITDA-margins for all stores<sup>1)</sup>



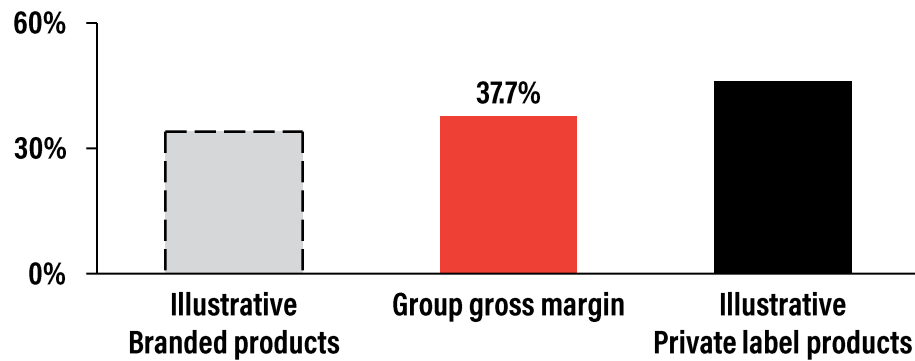
Rolling 12-month EBITDA for an average new store opening<sup>2)</sup>



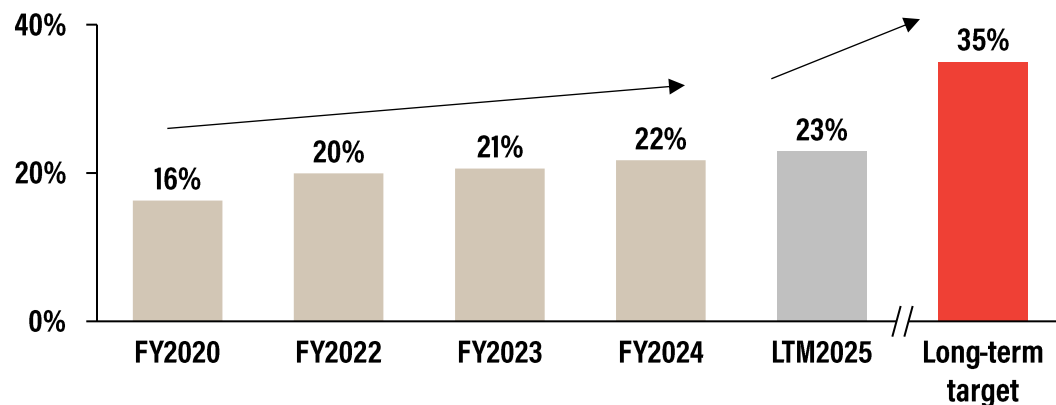
Notes: 1) FY2024 profitability based on FAS accounting EBITDA based on pricing margin. Recently opened stores are excluded: Tampere Lahdesjärvi (opened Jun 2024), Oulu Karjasilta (opened Sep 2024) Äänekoski (opened Nov 2024); Kirkkonummi (opened Jan 2025) 2) Based on average of 15 most recent store openings, excluding stores mentioned in note 1. Based on pricing margin and does not include e.g., loss of products. 3) Average payback time calculated as the time that cumulative store EBITDA takes to reach initial combined EUR 1.8m investment (Capex + inventory)

# Further margin potential from increasing share of private label sales

## Gross margin illustration



## Private label share of sales



PUUILO

Private labels

KRAMFORS

€6.99



TOMBER®

€9.99



NORONA®

€59.90



tamforce®

€79.90



Brand alternative

FISKARS®

€16.99



BAHCO

€37.99



HOZELOCK

€149.00



DEWALT

€269.00



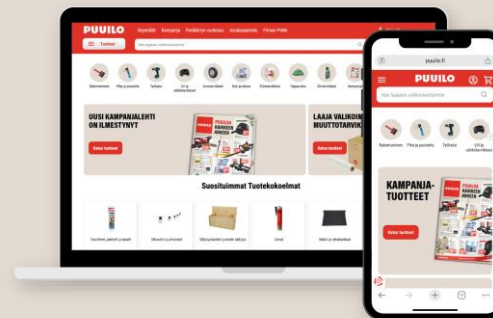
# A true omnichannel concept – several contact points for potential customers

## In media



- Puuilo's advertising is distinctive, well noticed and liked
- Especially when it comes to audio marketing, Puuilo can be recognized as a pioneer in Finland
- The effect of successful marketing can be seen in the positive development in brand recognition

## In web store



- A well functional web store is especially important for customers today. Customers search a lot of information (on e.g. availability) through our web store
- Most often customer's purchase process starts from web store and moves to brick and mortar

## In stores



- Due to clear store layouts, Puuilo is known for its convenient shopping experience and easy-to-find products
- Additionally, Puuilo's concept has store personnel replenishing the shelves during store opening hours – due to this customers can always find an employee if help is needed!

**Customers have several contact points in different channels before making their purchase decision**

# Responsible retailer

## RESPONSIBLE SUPPLY CHAIN



Product quality  
Value chain employees  
Reducing environmental impact

**amfori**   
Trade with purpose



## GREAT WORKPLACE



A workplace to commit to  
Full-time employment  
Job satisfaction



## ENVIRONMENTAL AND SOCIAL RESPONSIBILITY



Emissions  
Waste recycling  
Responsible taxpayer

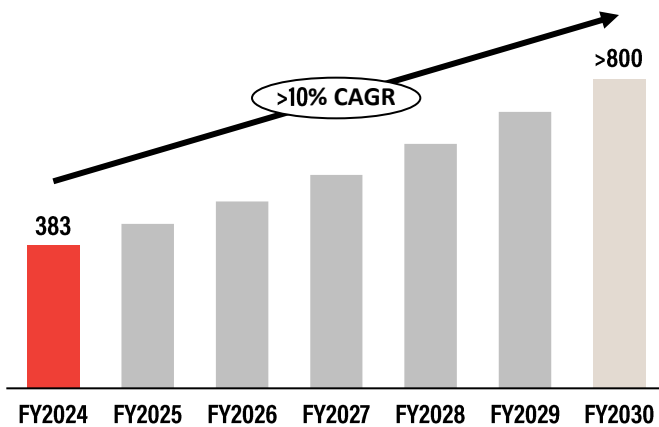
Energy efficiency  
Data security



CSR report is published alongside the annual financial statement 2024

# Financial KPI targets for new strategy period, growth based on growing the store network >100 stores

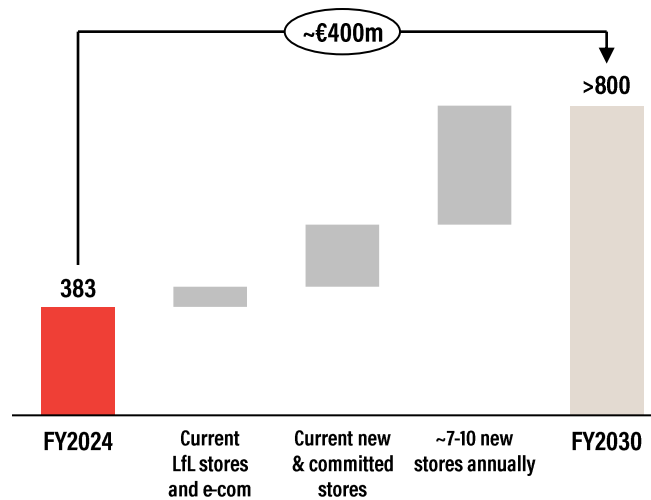
## Net sales development (€m)



### Sales development drivers:

- ✓ Growing the chain to >100 stores with the current concept
- ✓ Young store network, ~half of stores younger than 5 years old
- ✓ Still major untapped potential in smaller and larger cities especially in Finland
- ✓ International expansion contributes to overall growth

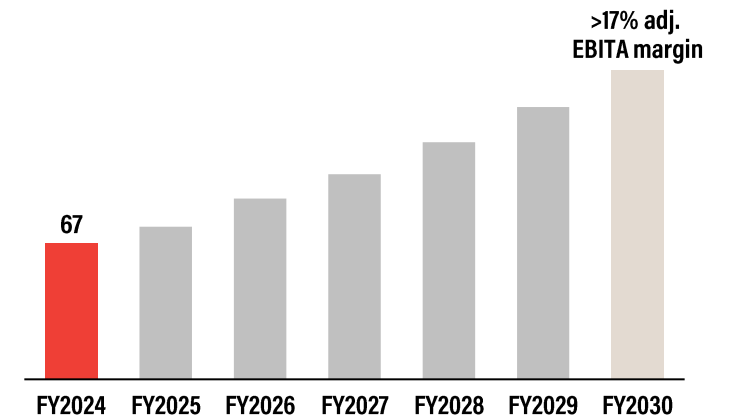
## Sales development components (€m)



### Sales development components:

- ✓ Strong LfL growth, historically ~4% p.a.
- ✓ Growth from maturing new and committed stores
- ✓ Rapid growth pace, opening ~7-10 stores annually

## EBITA development (€m) <sup>1)</sup>



### EBITA development:

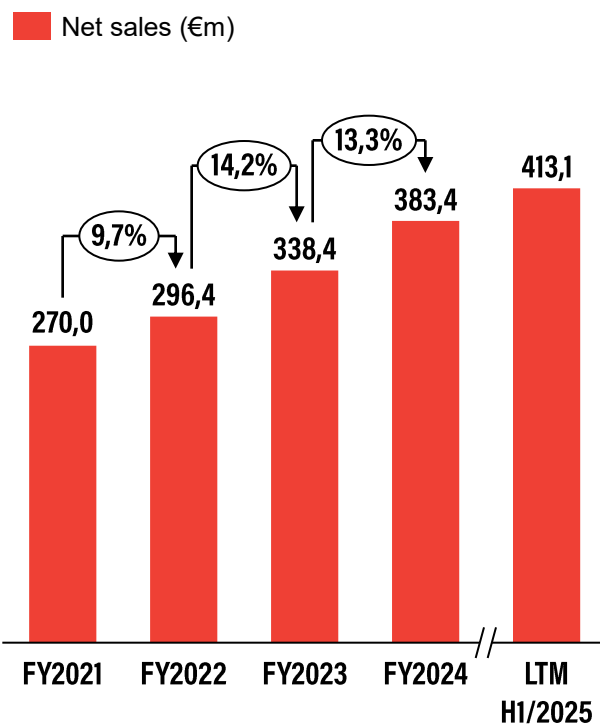
- ✓ Increasing private label share of sales
- ✓ Improving already light cost structure
- ✓ Economies of scale as the average sales per store increase

Notes: 1) Adjusted EBITA excludes items affecting comparability related to strategic projects

# Financial highlights, strong track record

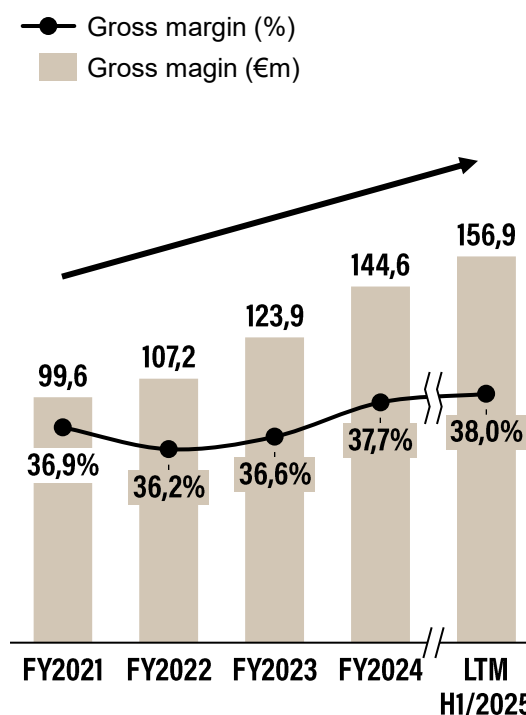
## Rapid growth

### Net sales development

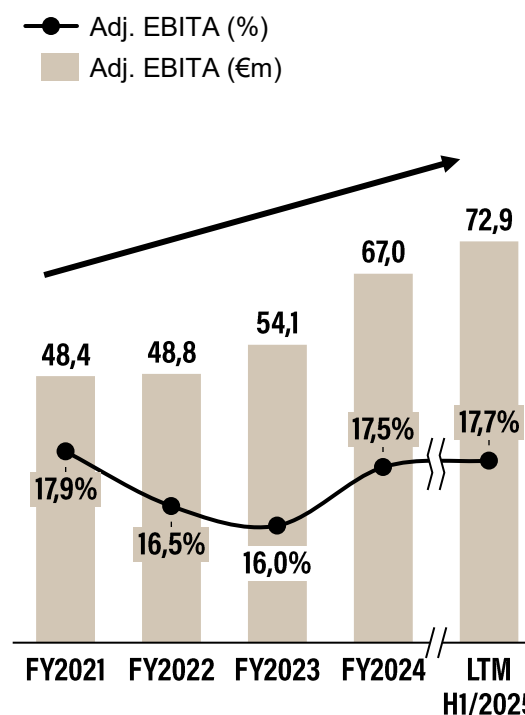


## High profitability

### Gross margin development

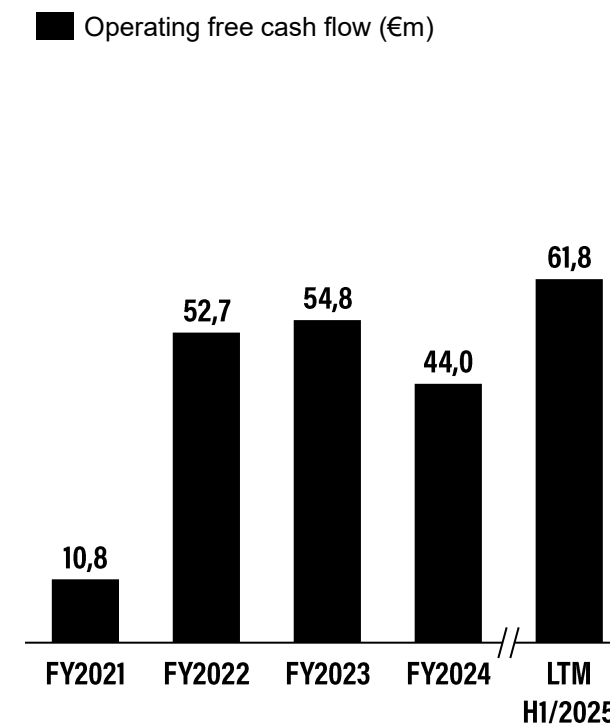


### EBITA development<sup>1)</sup>



## Strong cash flow

### Cash flow development



Notes: 1) Adjusted EBITA excludes items affecting comparability mostly related to IPO expenses and strategic projects



# Puulo capital efficiency creates opportunities

## 1. Strategic business re-investment

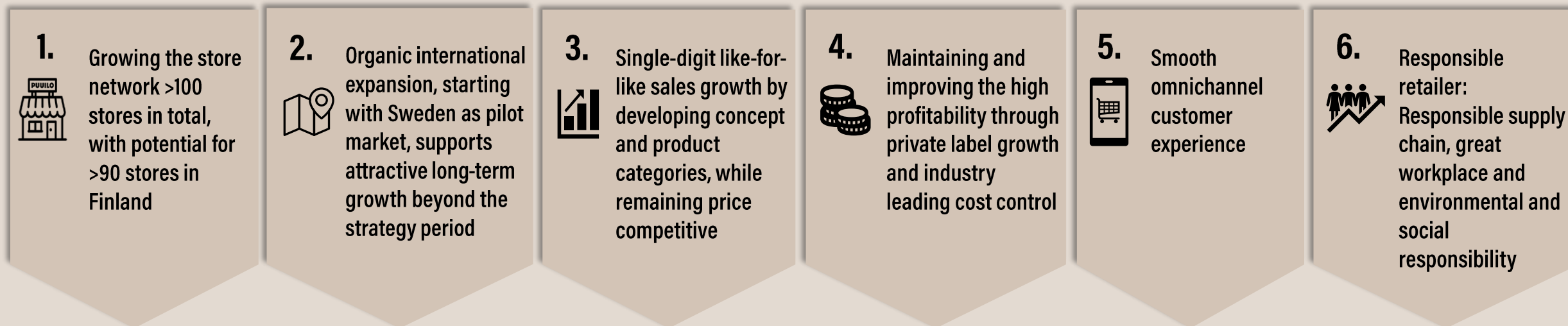
- Focus on investments aligned with strategic targets and high return expectations
- Key investment areas include:
  - New store openings (current pipeline at record levels)
  - Assortment (e.g. private label expansion)
  - Exceptional productivity enhancements (e.g. automatic workforce planning system, 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 ≥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 <2.5x net debt to adjusted EBITDA (incl. IFRS16)



# Puuiilo's strategy for period 2026 – 2030



## Long-term financial targets for period 2026 – 2030

### >10% net sales CAGR

#### NET SALES

>€800 million net sales by the end of financial year 2030 (ends Jan-2031)

### >17% adj. EBITA margin

#### PROFITABILITY

>€136 million adj. EBITA by the end of financial year 2030 (ends Jan-2031)

### >80%

#### PROFIT DISTRIBUTION

Puuiilo aims to distribute at least 80% of net income each financial year to its shareholders

### <2.5x

#### NET DEBT

Net debt to adjusted EBITDA below 2.5x (incl. IFRS16)



# Q&A

Contact requests:

[ir@puuilo.fi](mailto:ir@puuilo.fi)

[investors.puuilo.fi](https://investors.puuilo.fi)

## NEXT FINANCIAL REPORTS AND EVENTS

10 December 2025

Business review Q3/2025