



**PUUILO**

# **Net sales and adjusted EBITA increased significantly, relative profitability at excellent level**

**Business review Q3/2024**

**Puulo Plc**


**11 December 2024**

**Juha Saarela, CEO**

**Ville Ranta, CFO**

# Agenda

1. Key figures and main events
2. Financial development
3. Outlook for financial year 2024
4. Q&A



**TAMFORCE  
ELECTRIC SNOW  
SHOVEL 20V +  
STARTER KIT**  
(incl. 4Ah 20V Battery  
and Rapid Charger)

**129,00**  
(normally 149,89)

**PUUILO**

**COME AND GET IT?**

**NO. YES.**

# Key figures Q3/2024 (August – October 2024)

## Growth

**+10.8% (+15.4%)**

Net sales

**-0.4% (+5.3%)**

Like-for-like net sales

**+28.9% (+2.6%)**

EBITA (adj.) growth



**47 (40)**

Number of stores at the end of the reporting period

## Profitability

**38.0% (36.0%)**

Gross margin

**19.2% (16.5%)**

EBITA margin (adj.)

## Earnings per share

**0.17 € (0.13 €)**

## Events during the reporting period

- One new store was opened during the period (Oulu Karjasilta)
- Growth in customer traffic continued in both new and old stores. The increase in number of customers was the main driver of sales growth
- Like-for-like sales growth was affected by a decrease in average basket size
- Additionally, the timing of the winter season differed from last year, which partly affected sales development
- Gross margin increased. The increase was driven by a favourable sales mix and sales growth in private label products
- Adjusted EBITA was 19.7 M€ and grew by 28.9% relative to the comparison period

# Key figures Q1-Q3/2024 (February – October 2024)

## Growth

**+13.8% (+14.7%)**

Net sales

**+1.9% (+6.3%)**

Like-for-like net sales

**+21.4% (+11.1%)**

EBITA (adj.) growth



**47 (40)**

Number of stores at the end of the reporting period

## Profitability

**37.5% (36.6%)**

Gross margin

**17.7% (16.6%)**

EBITA margin (adj.)

## Earnings per share

**0.45 € (0.37 €)**

## Events during the reporting period

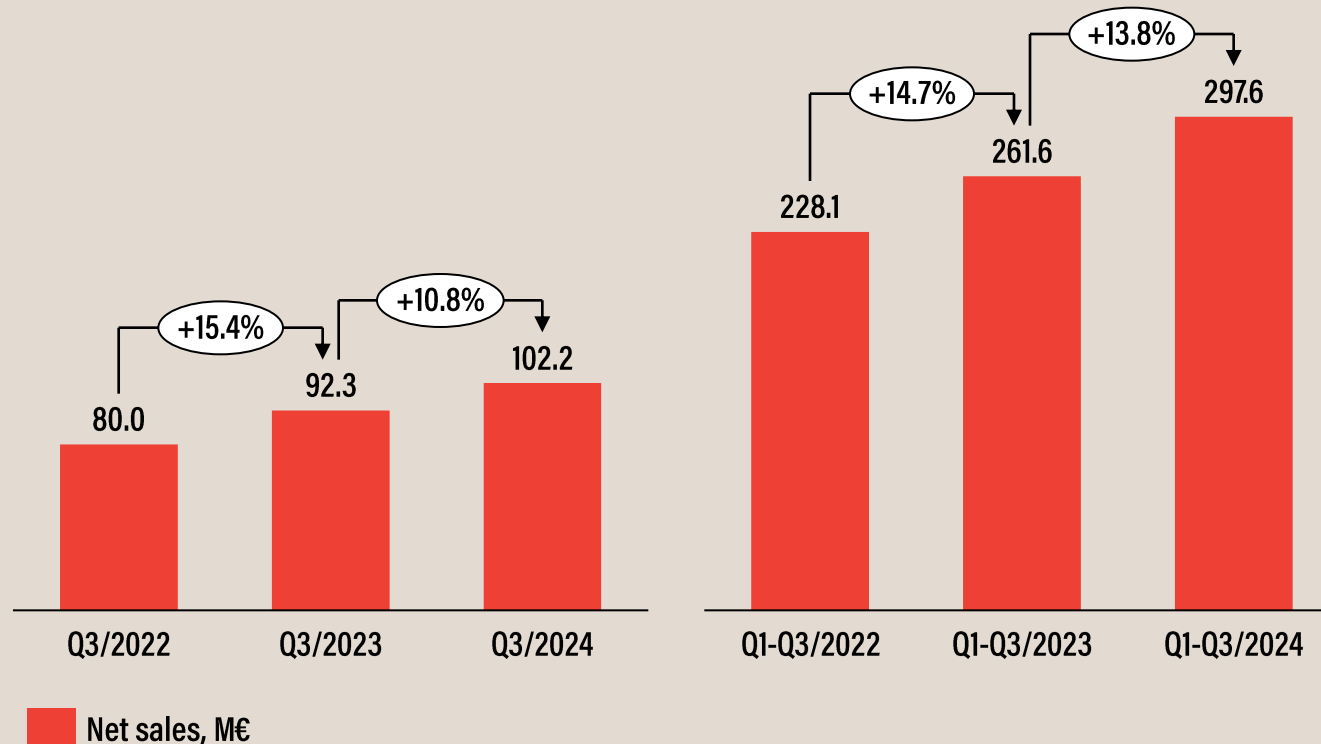
- Five new stores were opened during the period (Nokia, Ylöjärvi, Forssa, Tampere Lahdesjärvi and Oulu Karjasilta)
- The increase in customer traffic was the main driver of sales growth. Strong growth in customer traffic continued in both new and old stores
- Like-for-like sales growth was affected by a decrease in average basket size
- Gross margin increased. The increase was driven by a favourable sales mix and sales growth in private label products
- Adjusted EBITA was 52.7 M€ and grew by 21.4% relative to the comparison period



# Financial development

Net sales development

# Growth in customer traffic was the main driver of sales growth



## Q3/2024

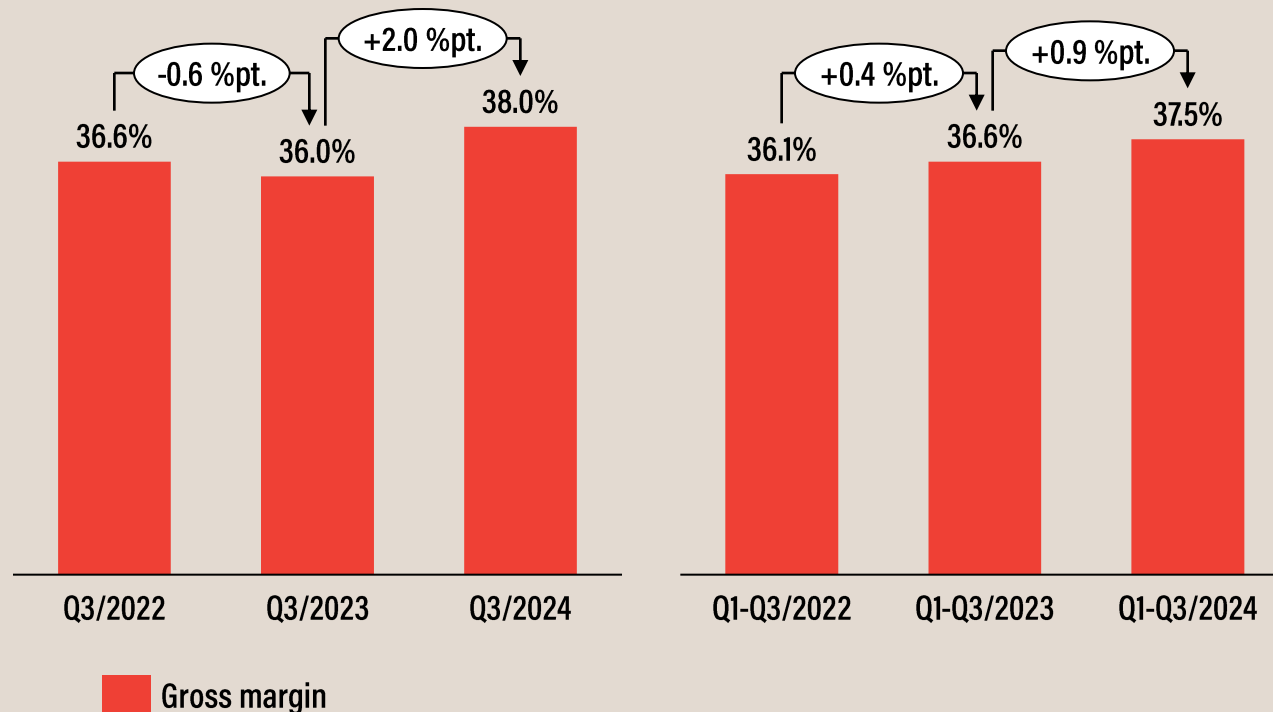
- Net sales increased by 10.8%. Like-for-like store net sales decreased by -0.4%
- The customer traffic increased in like-for-like stores by approx. 2.5%
- Customer traffic increased by approx. 14.7% in all stores
- The average basket size decreased by approx. 3.4%

## Q1-Q3/2024

- Net sales increased by 13.8% and like-for-like store net sales by 1.9%
- The customer traffic increased in like-for-like stores by approx. 4.4%
- In all stores customer traffic increased by approx. 17.1%
- The average basket size decreased by approx. 2.8%

Gross margin

# Increase in gross margin was driven by a favourable sales mix and sales growth in private label products



## Q3/2024

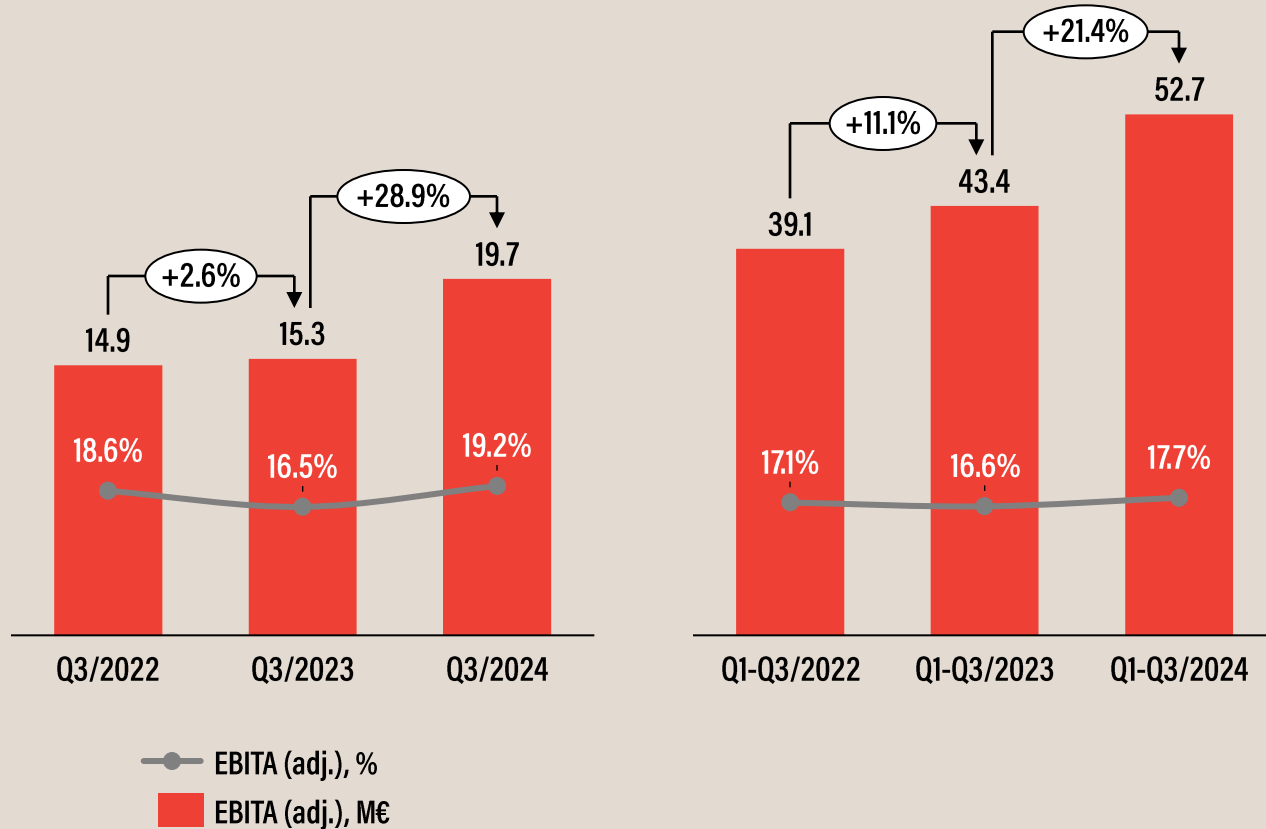
- Gross margin increased to 38.0% of net sales
- Margin improvement was driven by a favourable sales mix and sales growth in private label products
- Prior year comparison period gross margin was negatively affected by the one-off inventory adjustment made at that time. The impact of this adjustment was -0.6 %pt

## Q1-Q3/2024

- Gross margin increased to 37.5% of net sales
- Margin improvement was driven by a favourable sales mix and sales growth in private label products

Profitability

# Good gross margin and cost control resulted in excellent profitability



## Q3/2024

- Adjusted EBITA increased by 4.4 M€
- Relative profitability was 19.2% of net sales, increasing from the comparison period
- Good gross margin and cost control were the drivers behind profitability growth
- In relative terms, personnel expenses were below the comparison period

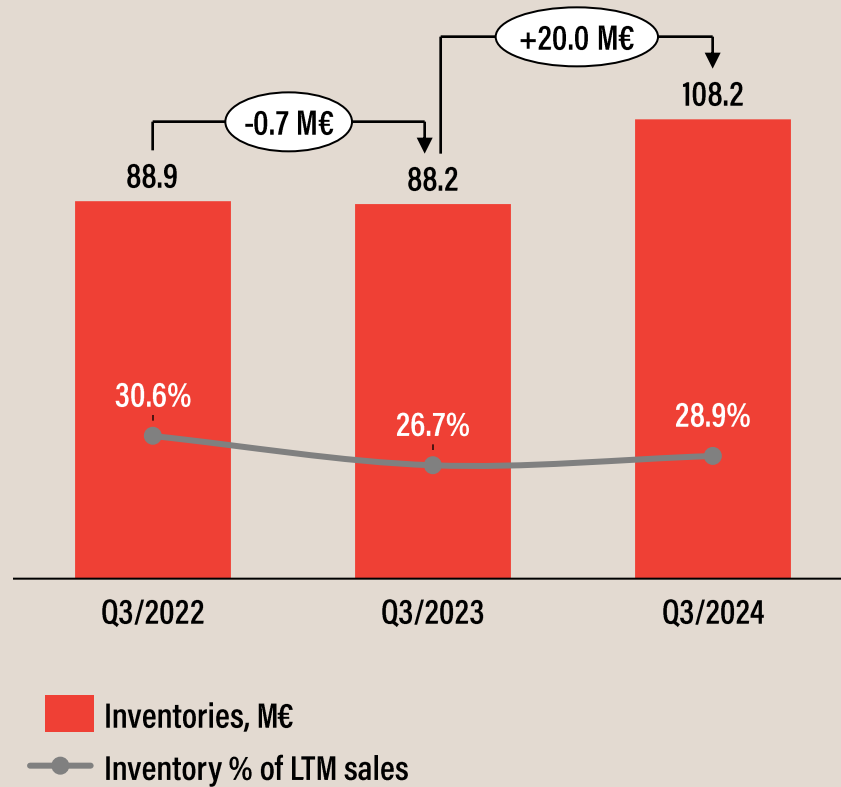
## Q1-Q3/2024

- Adjusted EBITA increased by 9.3 M€
- Relative profitability was 17.7% of net sales
- Cost control has remained good
- In relative terms, personnel expenses were below the comparison period



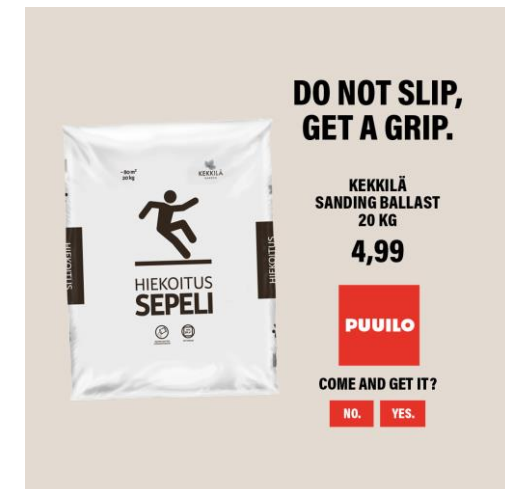
Inventories

The increase in inventory was driven by new store openings and an increase in import of private label products



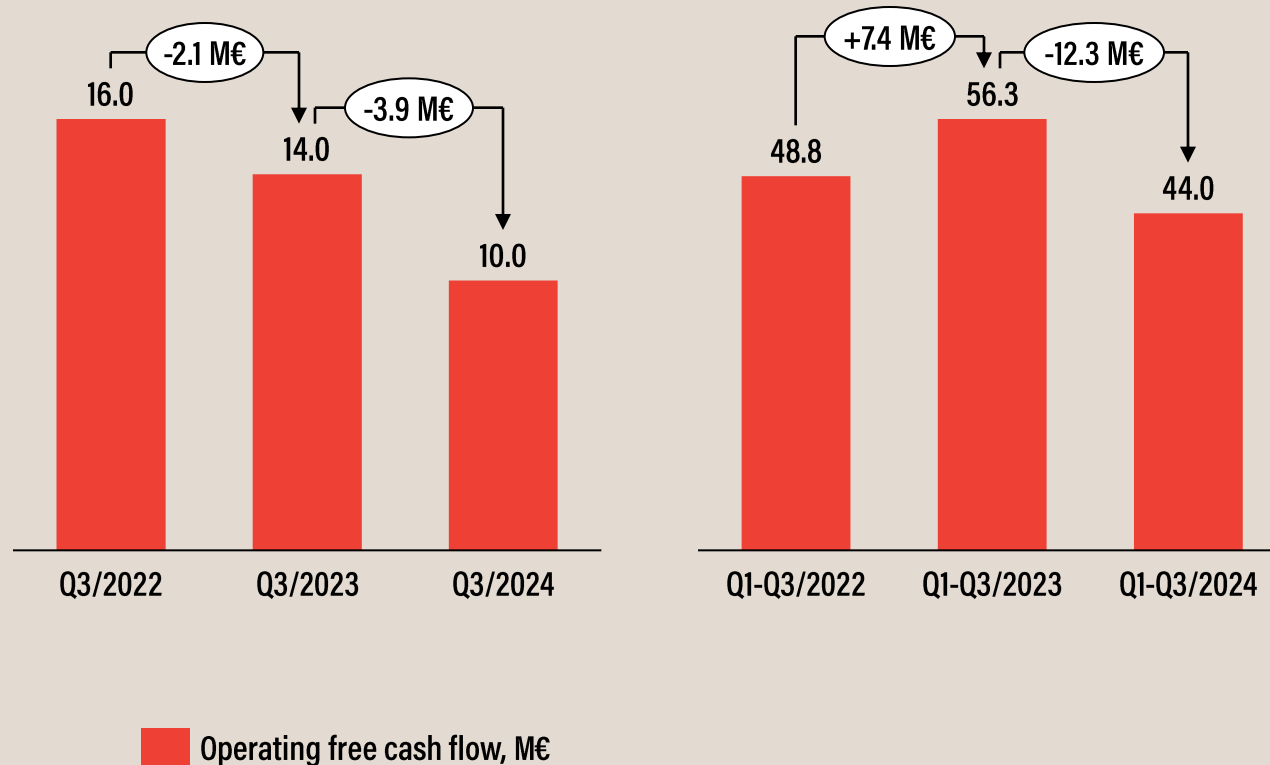
**Q3/2024**

- Inventories amounted to 108.2 M€
- The increase in absolute inventory level is primarily due to the inventories of seven new stores
- In addition, the volume of private label products increased
- Q3 2023 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 remained strong



## Q3/2024

- Operating free cash flow was 10.0 M€
- Operating free cash flow was supported by strong profitability. New store openings increased absolute inventory level, which tied up capital
- Puuiilo continued to increase the import of private label products in line with the current strategy
- Cash generation in prior year comparison period was slightly flattered by excess inventory reduction

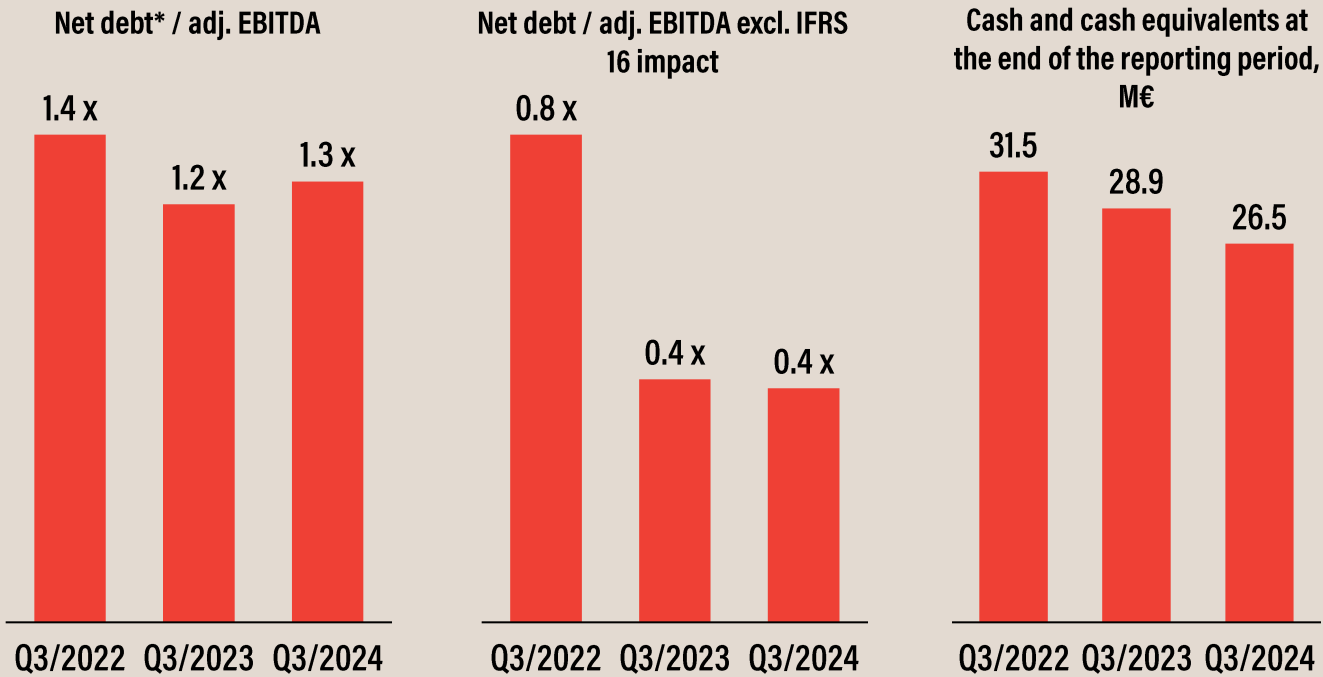
## Q1-Q3/2024

- Operating free cash flow was 44.0 M€
- 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 and investments related to Hurrikaani transaction
- Cash generation in prior year comparison period was significantly flattered by excess inventory reduction

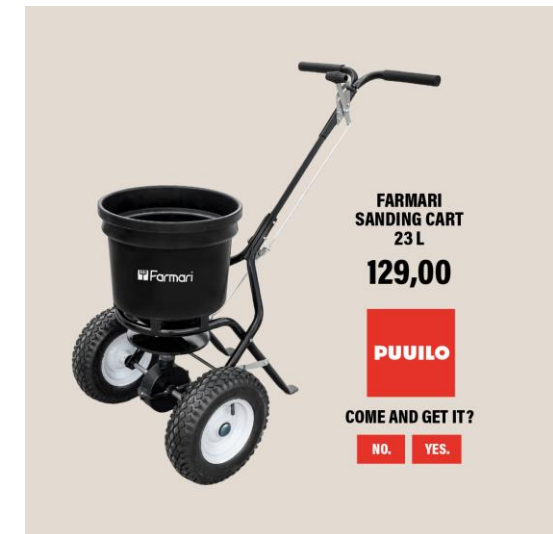
# Financial position is stable

**Q3/2024**

- 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 0.4x
- Puuilo’s long-term loans from financial institutions were 50.0 M€ (50.0 M€) at the end of the period
- Net debt excluding the impact of IFRS 16 was approx. 23.5 M€ at the end of the period



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



## Key figures for the reporting period

### Q3/2024 (1 August 2024 – 31 October 2024)

- Net sales increased by 10.8% (+15.4%) and were EUR 102.2 million (92.3)
- Like-for-like store net sales decreased by 0.4% (+5.3%)
- Online store net sales decreased by -0.8% (-10.3%)
- Gross profit was EUR 38.9 million (33.2) and gross margin was 38.0% (36.0%)
- Adjusted EBITA was EUR 19.7 million (15.3) increasing by 28.9%, which corresponds to an adjusted EBITA margin of 19.2% (16.5%)
- EBIT was EUR 19.3 million (15.0) which corresponds to EBIT margin of 18.8% (16.2%)
- Operating free cash flow was EUR 10.0 million (14.0)
- Earnings per share were EUR 0.17 (0.13)
- One new store was opened during the third quarter (one new store)

### Q1-Q3/2024 (1 Feb 2024 – 31 October 2024)

- Net sales increased by 13.8% (+14.7%) and were EUR 297.6 million (261.6)
- Like-for-like store net sales increased by 1.9% (+6.3%)
- Online store net sales increased by 2.3% (-10.4%)
- Gross profit was EUR 111.6 million (95.7) and gross margin was 37.5% (36.6%)
- Adjusted EBITA was EUR 52.7 million (43.4) increasing by 21.4%, which corresponds to an adjusted EBITA margin of 17.7% (16.6%)
- EBIT was EUR 51.3 million (42.6) which corresponds to EBIT margin of 17.2% (16.3%)
- Operating free cash flow was EUR 44.0 million (56.3)
- Earnings per share were EUR 0.45 (0.37)
- Five new stores were opened during the reporting period (three new stores)





# Outlook for financial year 2024

## Outlook

# Puuiilo's outlook for financial year 2024

Puuiilo repeats the outlook for the financial year 2024 given in its half-year report on 12 September 2024.

The company forecasts that net sales will be EUR 380 – 400 million and the adjusted operating profit (adjusted EBITA) in euros will be EUR 60 – 66 million in the financial year 2024.

The outlook is based on the development in the first three quarters and the outlook for the rest of the financial year.

The forecast includes elements of uncertainty arising from change in purchasing power and customer behaviour driven by inflation and interest rate levels. In addition, strikes in Finland, geopolitical crises and tensions may have an impact on the availability and price level of goods.





# Puulo's next new stores

## Remaining new store openings FY2024

- Kirkkonummi, opens in January

## Published new store openings for FY2025

- Savonlinna, opens in March 2025
- Varkaus, opens in March 2025
- Lohja, opens during spring of 2025
- Mäntsälä, opens during summer of 2025
- Jyväskylä Keljo, opens during summer of 2025
- ... Two additional new stores, of which we will provide more information later on



# Q&A

**Contact requests:**

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

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

## **NEXT FINANCIAL REPORTS AND EVENTS**

27 March 2025	Financial Statements Release 2024
10 June 2025	Business review Q1/2025
11 September 2025	H1 Financial Report 2025
10 December 2025	Business review Q3/2025



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