

2025 Strategy Update Session

13 February 2023



Agenda & Speakers

- About StrongPoint
- 2025 strategy update
- Trends driving StrongPoint's 'Double Opportunity'
- Updates from selected core markets, partners and white space opportunities
- Financial overview



Jacob Tveraabak

Chief Executive Officer



Hilde Horn Gilen

Chief Financial Officer



Magnus Rosen

MD & SVP Sweden



Lorena Gomez

MD & SVP Spain

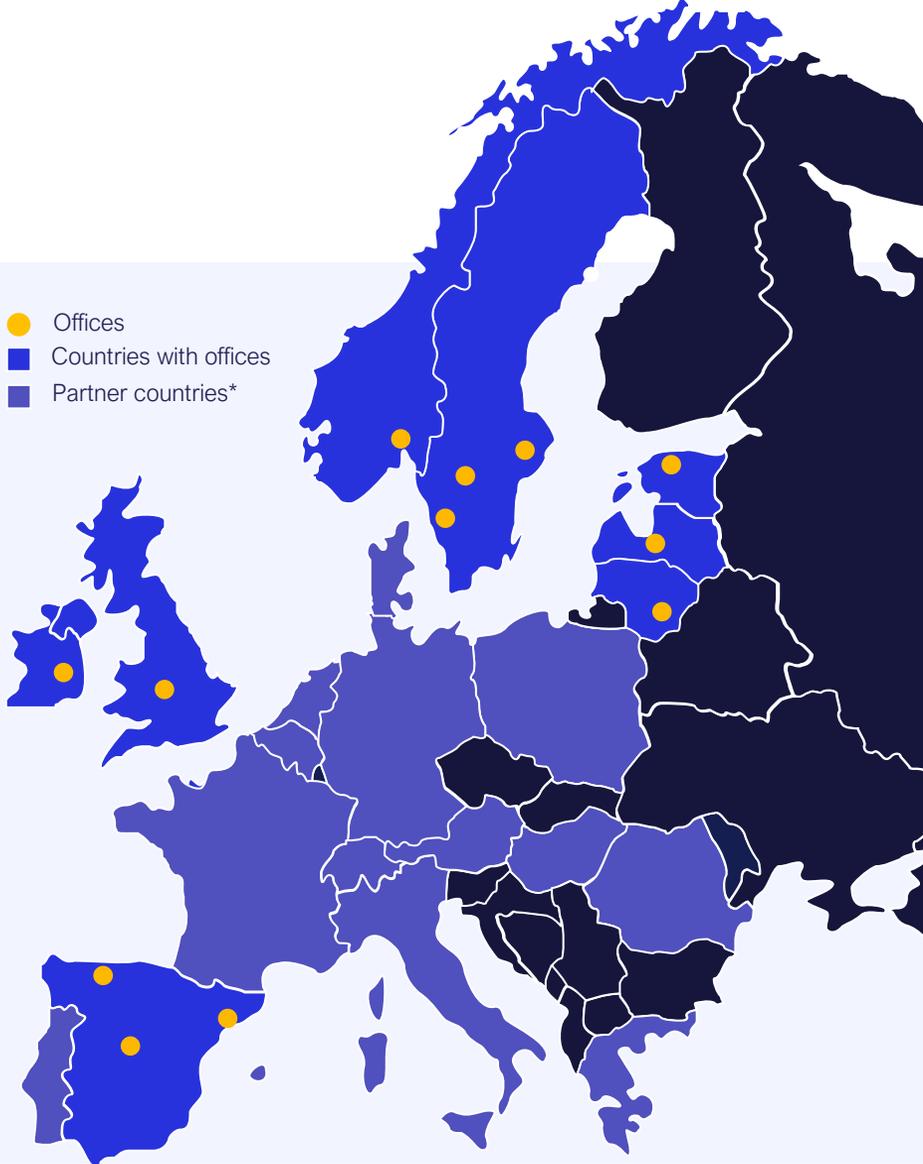


Magnus Larsson

CEO of Pricer

StrongPoint at a glance

	Years in business	37		Revenue from grocery retailers	>80%
	Countries with full sales, service and support	8		NOK Annual revenue	1.4Bn
	No. of Employees	500+		Listed on Oslo Stock Exchange since	2003
	Our Engagement eNPS score	36		Retail technology unit growth in last 3 years	67%
	Countries covered with partners	20		GRI reporting & member of UN Global Compact	2021



Future proofed 2025 strategy

StrongPoint before new strategy released

3 business areas, 16 offices incl. Russia & Malaysia

Mainly selling hardware with some service agreements

Organization with limited renewal or focus on competence enhancement

Serving leading Scandinavian & Baltic retailers only

Dependent on a few large customers in 2-3 countries

StrongPoint in 2023

Grocery retail tech focused with 8 priority countries, all in Europe, reduced risk

Solution sales with high potential for additional recurring software income and professional services

Strong leadership team and industry & solutions experts recruited, structured training and competence-enhancing programs established

Gained tier-1 European and global grocery retailer clients

Reduced risk profile: wider customer base across 8 priority countries and significant & meaningful partner network

Creating a NOK 2.5 billion retail technology company

	2022	2025
 Revenue	1.5Bn* NOK	2.5Bn NOK
 EBITDA	5.8%*	13-15%

*Proforma



Mega Trends Driving Opportunities

StrongPoint's double opportunity: technology to solve grocery retailer megatrends



Our grocery retail solution suite

In-store Solution

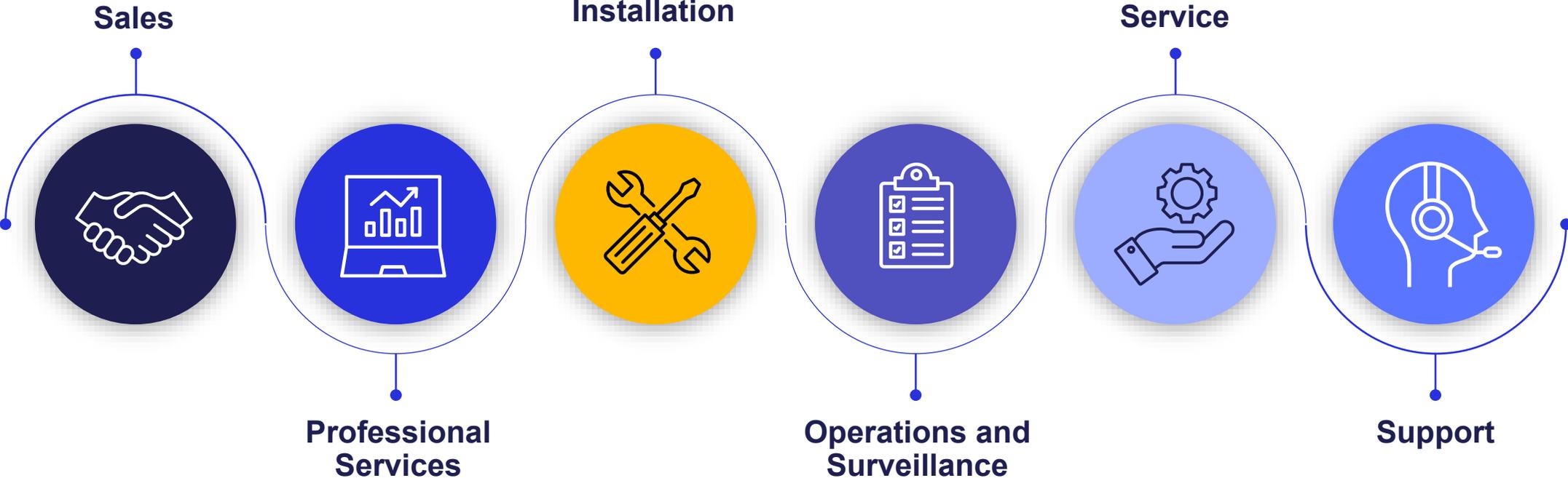
- 1  Electronic Shelf Labels
- 2  Self-Checkout
- 3  Cash Management (CashGuard)
- 4  In-store Product Collection (Vensafe)
- 5  Scales
- 6  Humanoid Grocery Robot
- 7  Shopfloor Logistics

E-Commerce

- 8  In-store Manual Picking
- 9  Dark Store Manual Picking
- 10  Automated Robotic Picking
- 11  Grocery Lockers
- 12  Home Delivery
- 13  Instore Pickup
- 14  Drive-thru Pickup



End-to-end provider from sales to support



Scandinavia embraces the race for efficiency-saving technologies



Highest penetration of ESLs in the world



Highest efficiency rates of **in-store picking** in the world



Largest Vensafe market in the world



~50% click & collect e-groceries in Sweden



Lowest volume of cash in the world but still use CashGuard



Highest penetration of **grocery lockers** in the world



Best conditions for self-checkout, high trust, low shrinkage

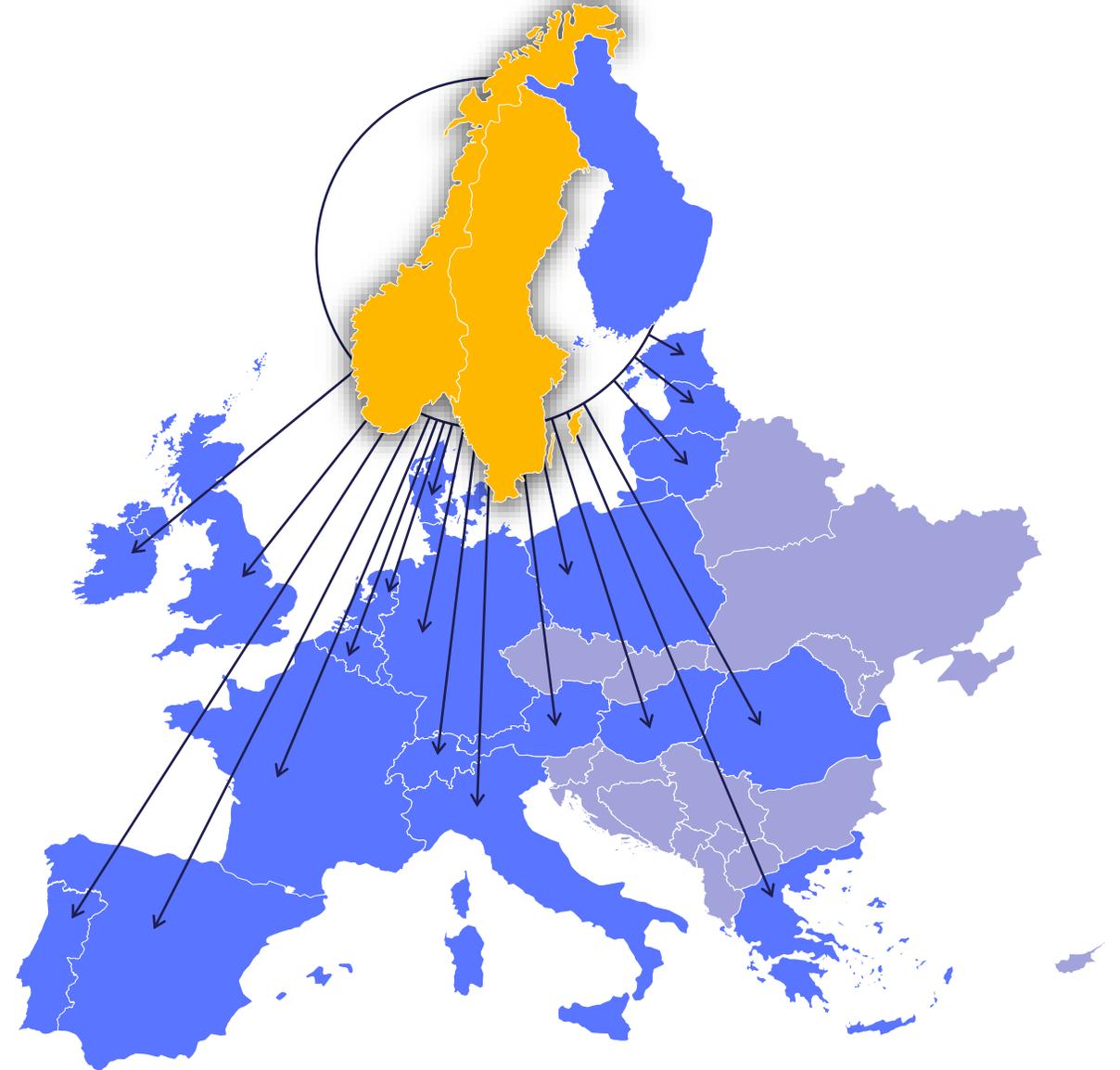


Birthplace of **AutoStore**

Exporting **efficiency saving solutions...**



...opportunities
across
Europe



With UK and Ireland as growth sweet spots



UK & Ireland facing challenges, some already overcome by Scandinavian retailers:

- Labour costs soaring
- Labour getting scarcer
- Inflation means frequent price changes



Driving opportunities:

- Electronic Shelf Labels
- Vensafe
- Order Picking
- Click & Collect Grocery Lockers
- Automated Fulfilment (AutoStore)

Scandinavians excel at developing and adopting efficiency-saving technologies



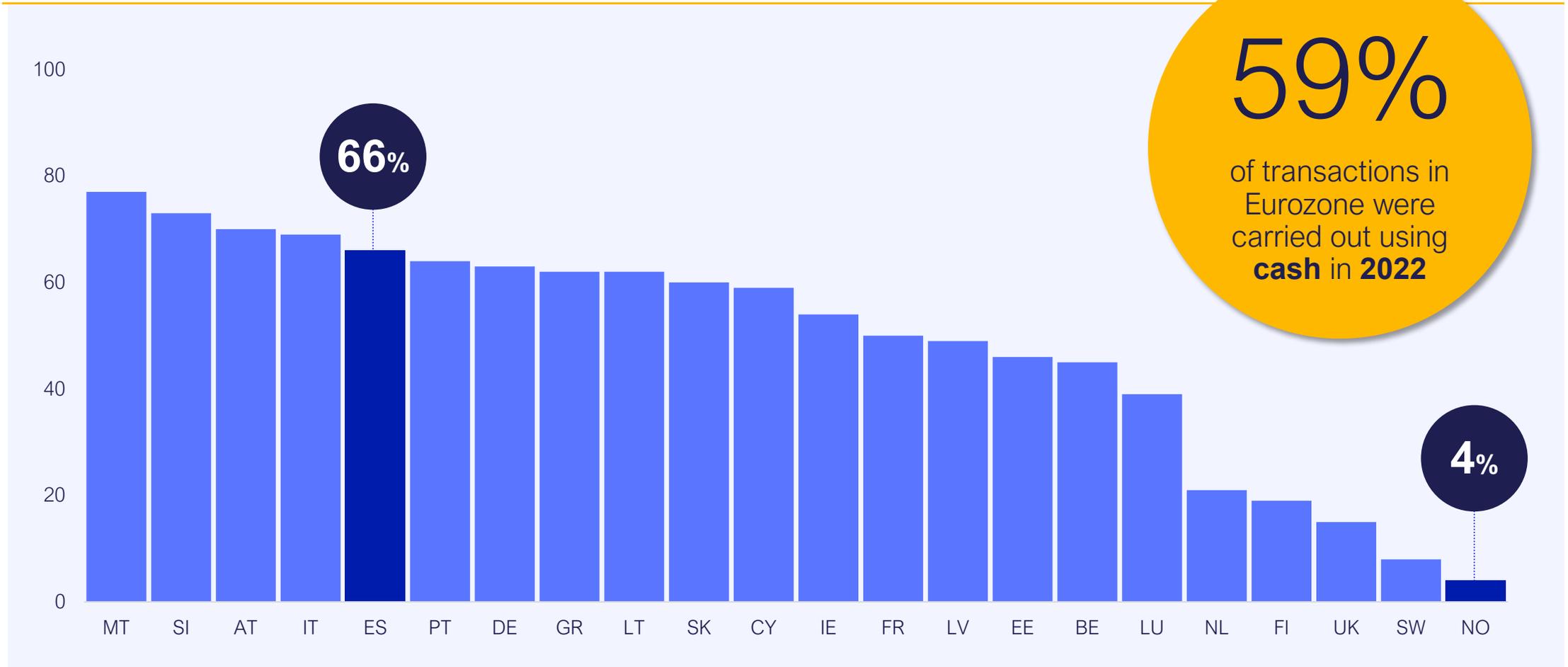
Established 1972



Established 1996

Cash: “the reports of my death are greatly exaggerated”

Percentage of cash-based payments at POS



Source: ECB, Sveriges Riksbank, Norges Bank, Bank of England

Next generation CashGuard solution

End-to-end cash automation
from customer to cash-in-transit
pickup with zero staff intervention at
checkout or back office



CashGuard
integrated into
cashier counter



Notes are automatically
counted, checked, flattened
and ready for cash-in-transit
pickup

White space opportunities

Country	Market size (BnNOK)*	StrongPoint grocery chain coverage	StrongPoint solution penetration	Examples of opportunities
Norway	270	100%		Vensafe, Self-checkout, E-Commerce
Sweden	300	100%		E-Commerce, Electronic Shelf Labels, Self-Checkout
Baltics	130	100%		Vensafe, Self-Checkout, Electronic Shelf Labels
Spain	1,230			Cash Management, E-Commerce, Self-Checkout
UK& Ireland	2,650			Electronic Shelf Labels, E-Commerce, Self-Checkout

*Source: IGD



APPLE SWEDEN
FRUIT KG
Sweden Class 1
391 €
Compare: 391
XLA 01250 Å 213 1

Pricer and AutoStore partnership update

Deeper and wider partnership with Pricer

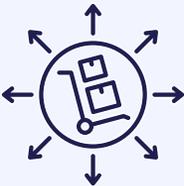
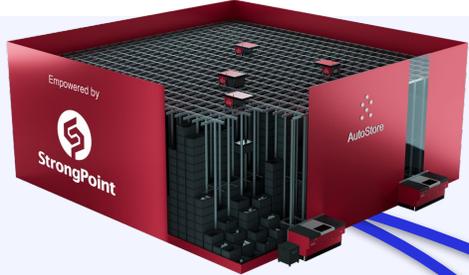


PRICER

- Partner since 1999, over 20 years partnership
- Installed over 15 million Pricer Electronic Shelf Labels in over 2,500 stores
- Deepened & widened relationship with strategic partnership in 2022 in Ireland & Spain



Expanded AutoStore partnership to UK & Ireland



Made AutoStore distributor for UK & Ireland in 2022, following on from Nordics & Baltics in 2021



Leveraging new and existing team in UK for sales opportunities to grocery retailers



Example of 2025 strategy in action: product market fit

World's first AutoStore for frozen products



- StrongPoint was chosen to design and install the world's first
- Purpose-built for groceries
- 30-40% energy consumption reduction



Food management is **so different** to any other retail segment which is why we decided to work with StrongPoint.

Jan Frode Johansen
DLVRY Co-Founder and CEO



Financial Overview



Creating a NOK 2.5 billion retail technology company



Revenue

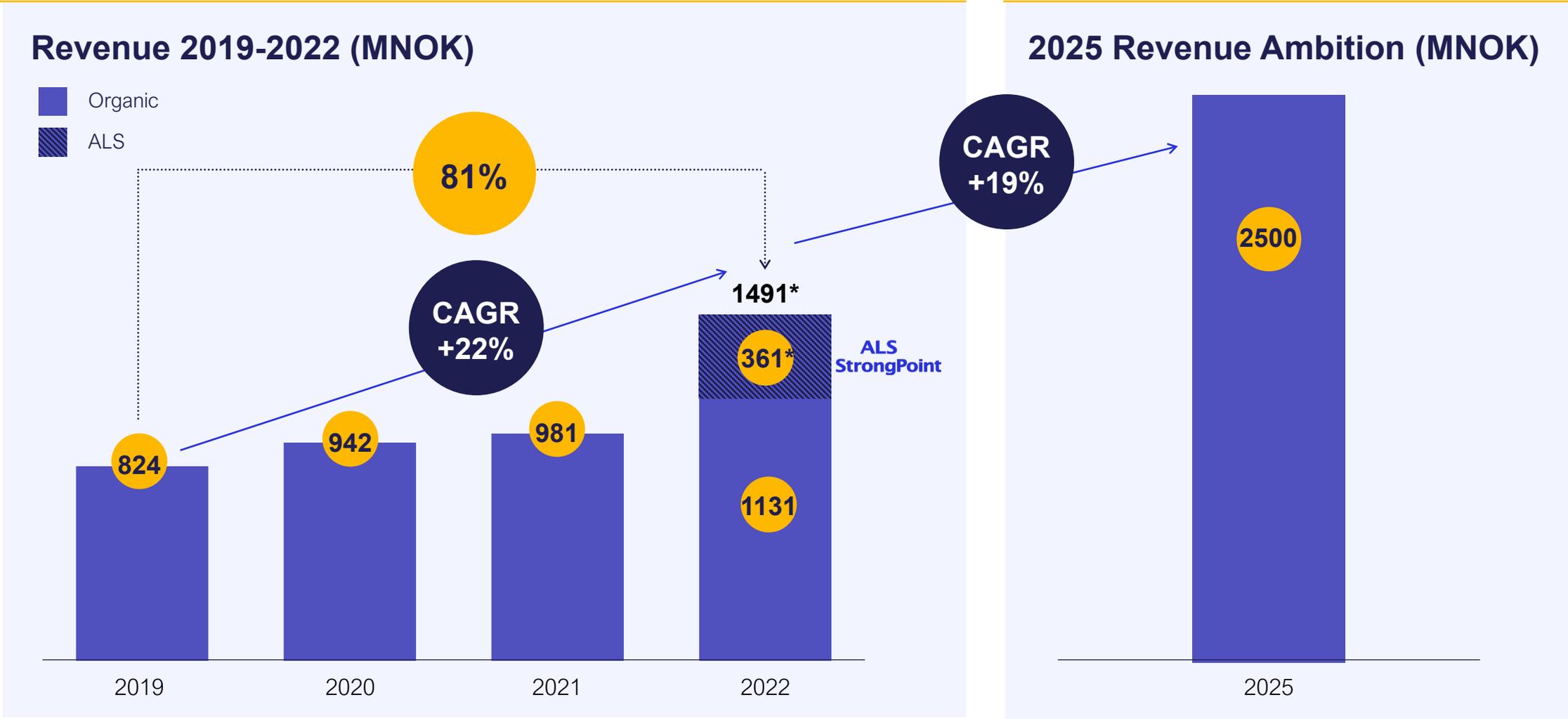
2.5Bn
NOK



EBITDA

13-15%

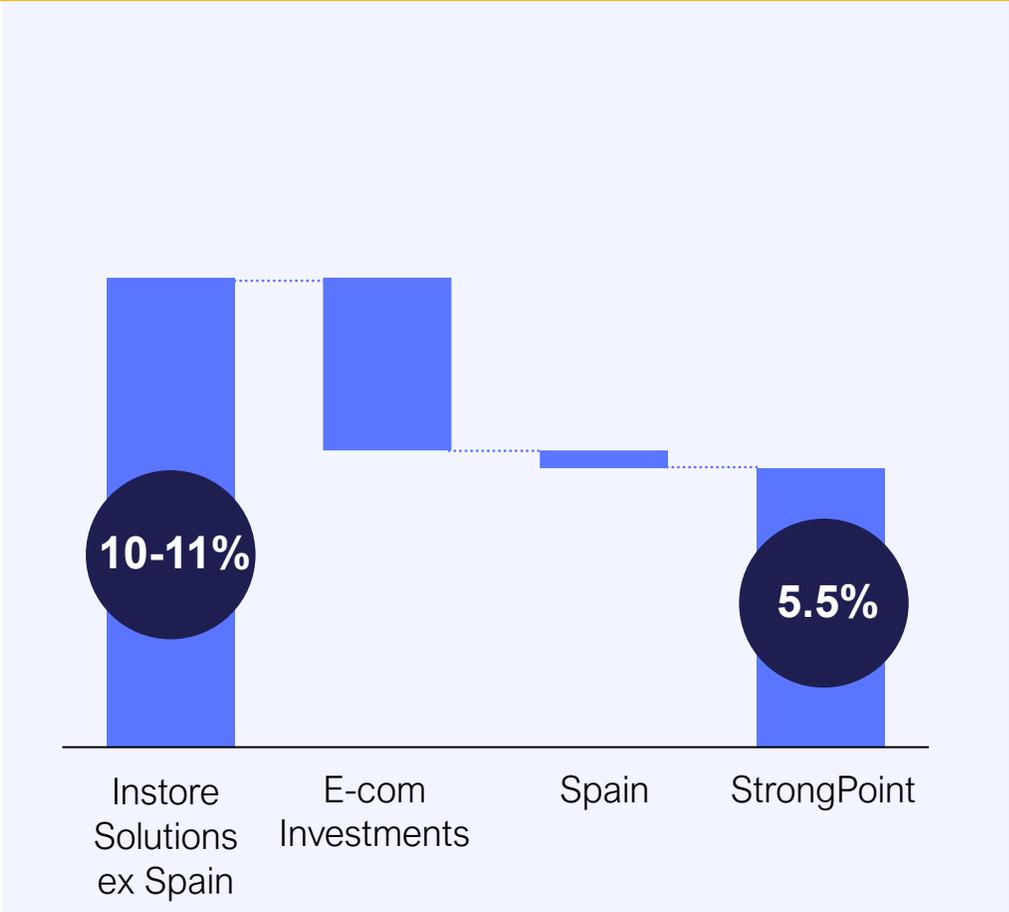
Continued strong growth



*Proforma

EBITDA margin – current and path ahead

2022 EBITDA Margin



2025 EBITDA Margin



Four areas for gross margin improvement



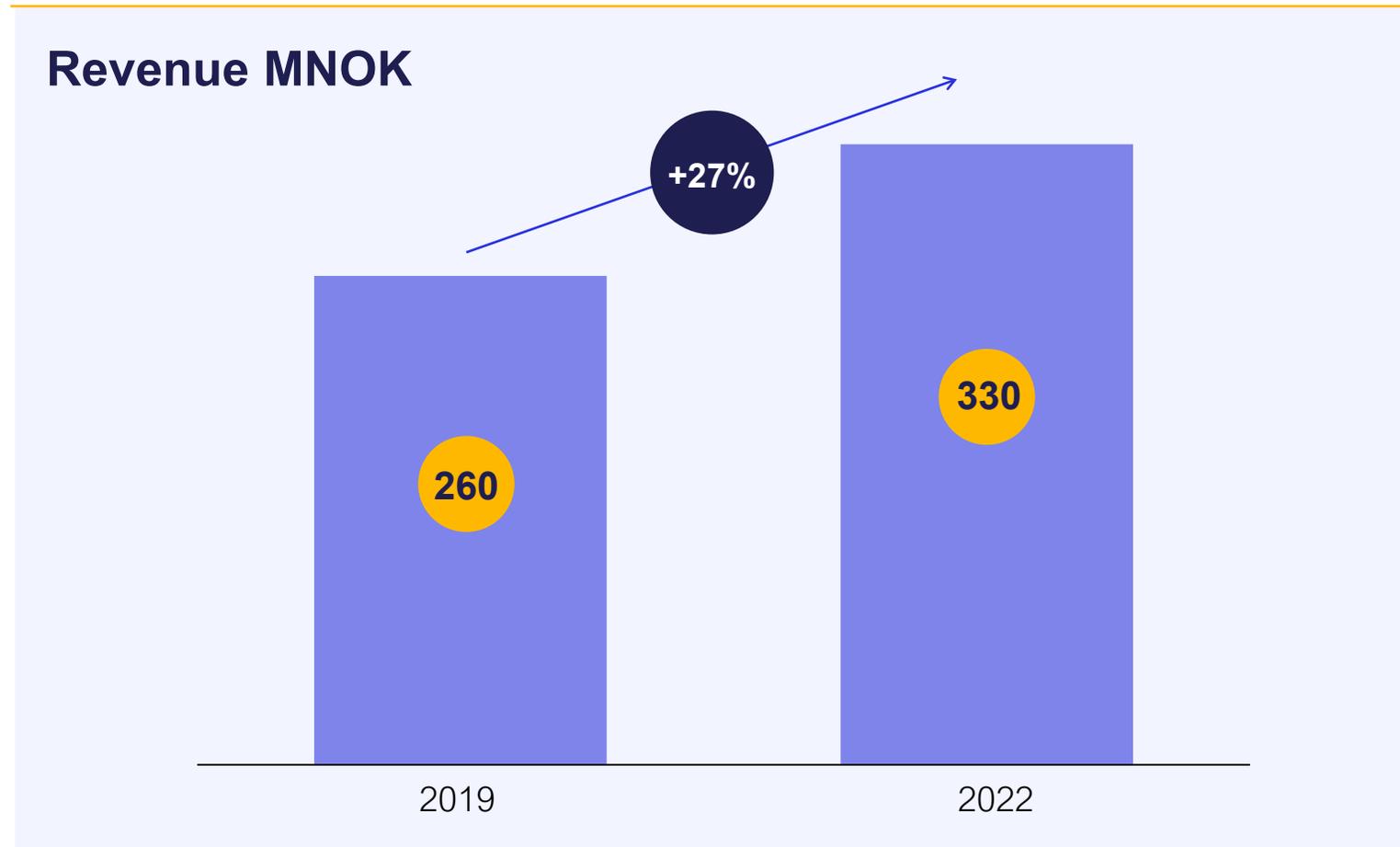
All ranges are on Gross Profit but all contributing positive to increased EBITDA margins

*Roll-out projects of proprietary solutions

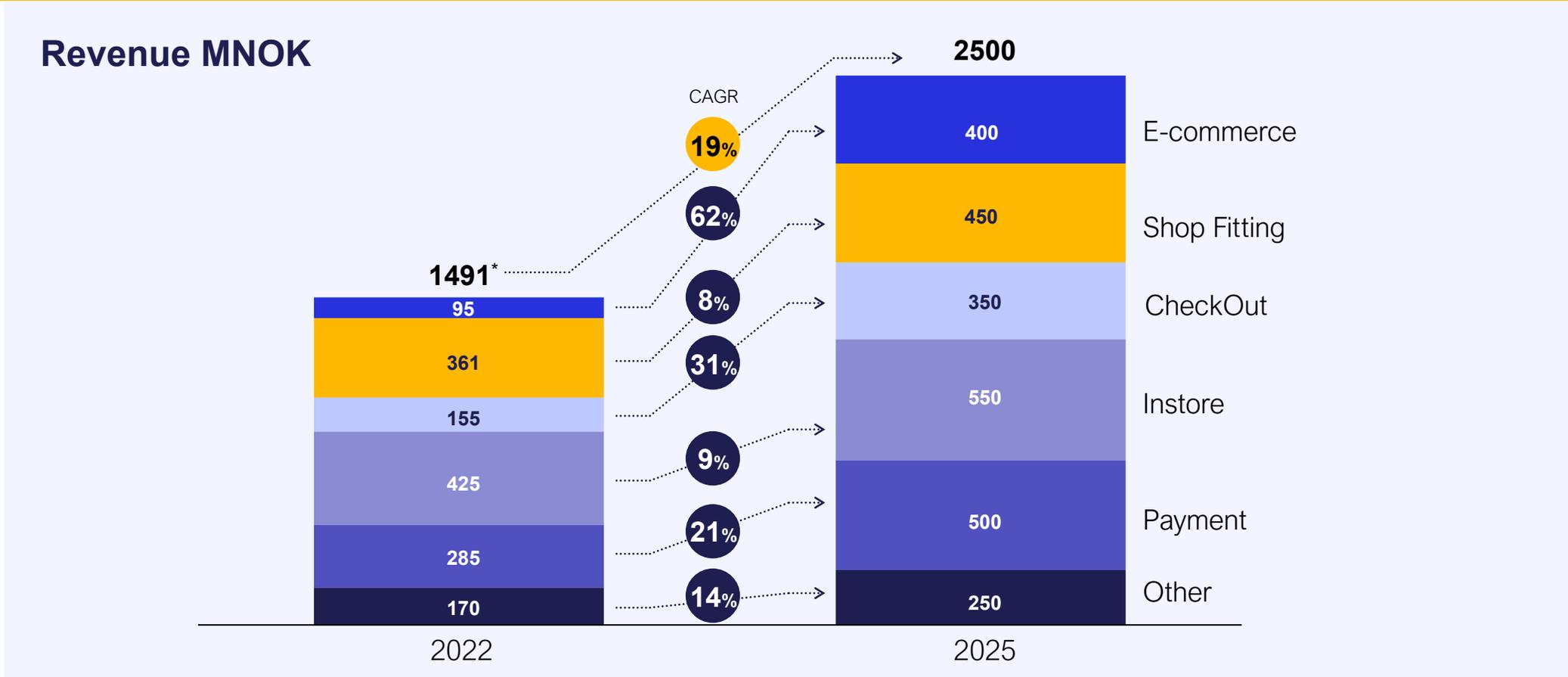
Developing a strong base of recurring revenue

Recurring revenue

- Service
- Support
- Rental
- Software Licences



Wide portfolio of solutions to capture variety of future market conditions

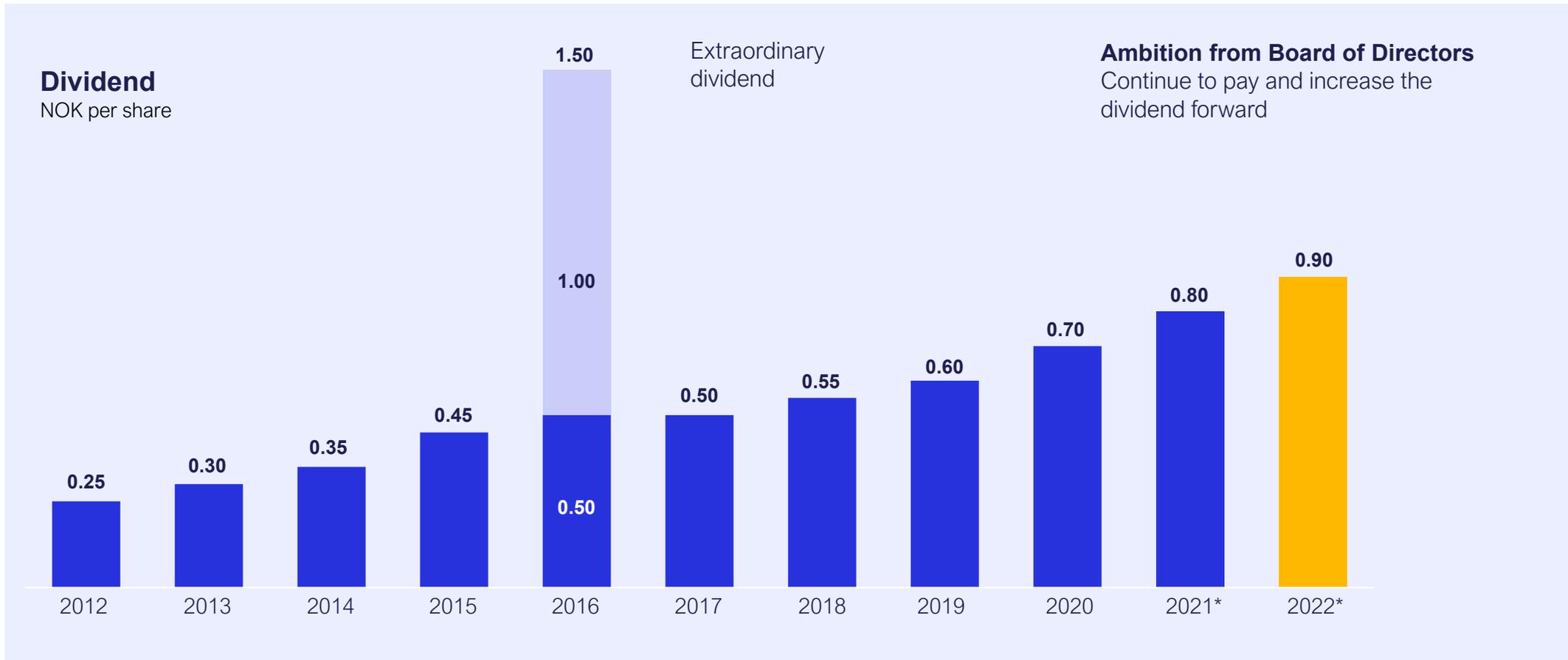


*Proforma

Summary of financial highlights



Ambition to gradually increase dividends



* The Board will propose a dividend of NOK 0.90 per share at the Annual General Meeting in April 2023.

M&A will contribute to long-term growth



Geography expansion (to markets with good product/market fit)

- UK
- Denmark
- Finland
- US
- ...



Strengthening of core markets

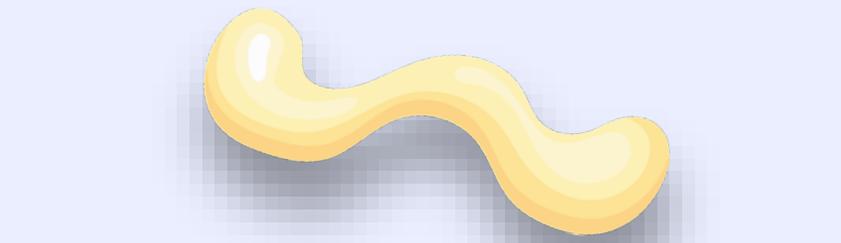
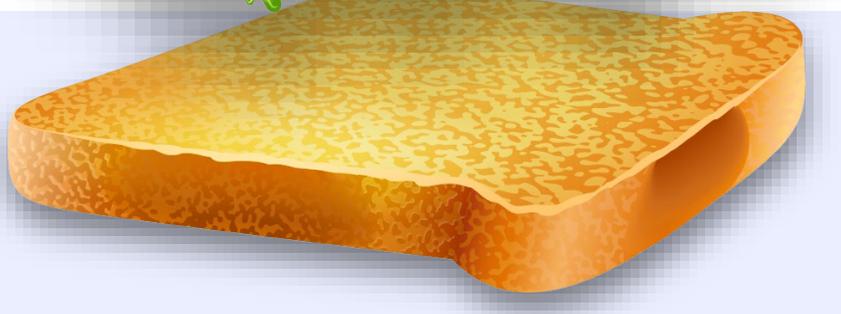
- UK
- Spain
- Norway
- Sweden
- Baltics



Technology additions

- AutoStore support infrastructure
- In-store & e-commerce
- Future-proofing technologies

The StrongPoint sandwich

<p>Sauce Tomorrow's solutions</p>	<p>Robotics, & Staffless shops</p>	
<p>Toppings E-commerce solutions</p>	<p>Order Picking, Last Mile, Automated MFC</p>	
<p>Bread & Butter In-store solutions</p>	<p>Self-checkout, Pay & Collect, Cash Management</p>	

Summary: creating a NOK 2.5 billion retail technology company



Operational leverage

- Leverage full sales, service and support structure in markets where demand continues to be strong, especially UK & Spain



Exporting efficiency saving technologies

- Grocery retailers need efficiency saving instore and online technologies to drive long-term profitability → the StrongPoint 'Double Opportunity'



Product innovation and M&A

- Delivered on M&A commitments and investing in solutions for future customer value

Thank you



StrongPoint

www.strongpoint.com
Slynga 10 2005 Rælingen, Norway



Reitangruppen



NorgesGruppen



ICA

Axfood

MAXIMA

ALIMERKA



Sainsbury's



Carrefour

TESCO

ASDA

Thank you for shopping with
StrongPoint

