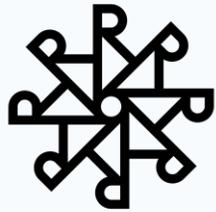


NHH ICC 2023

INVITATIONAL



REITAN

RETAIL





REITAN
RETAIL

Letter From the CEO

Dear students,

In 1948, my grandparents moved from the countryside to the city to pursue their dream. They gave up their right to inherit the family farm and opened our first grocery store, which soon became the beating heart of their local community.

Now, 75 years later, we have grown to become a leading Nordic and Baltic retail company, with operations in discount grocery, convenience and mobility across seven countries. Our brands include REMA 1000, Narvesen, R-Kioski, Pressbyrån, 7-Eleven, Uno-X Mobility, serving two million customers every day. We now count more than 43,500 positive and proactive colleagues, operating close to 4,000 sales outlets.

Reitan Retail is tied together by strong values and our guiding philosophy of responsible and efficient operations, and local ownership. We share a common goal, to create the best customer experiences in people's everyday lives and contribute to a more sustainable future.

REMA 1000 Norway and REMA 1000 Denmark are our largest business areas and are leaders within franchise-based grocery retailing in Scandinavia. REMA 1000 has worked to cut food prices since 1979 and has grown to a network of more than 1,000 stores in Norway and Denmark.

The needs of the planet and customers are rapidly evolving. At Reitan Retail, we can and will make a positive difference, and sustainability is integrated in our strategy. Our pledge is to contribute to good public health, reduce greenhouse gas emissions, create greater diversity and equality, and ensure sustainability and transparency across the value chain. For the discounter REMA 1000, that means offering high-quality groceries, produced and sold in a responsible manner, at the lowest price, thereby making it easy for the customers to make the right choices. With food and drinks making up a significant part of our business, one of the most complex issues we face as a company today is how to make this business sustainable. A piece of this

puzzle is understanding our emissions. Through a full value chain mapping in 2022, we now have a complete baseline for our collective emissions.

Another piece was published in June this year, namely the sixth edition of the Nordic Nutrition Recommendations (NNR2023), comprising national dietary guidelines and nutrient recommendations. For the first time, the NNR considers both what is good for our health and what is good for the environment. This leads us to the questions we have for you today: how may REMA 1000 reach the strategic goal of a sustainable grocery store assortment by 2030 without losing market share or compromising on the social, environmental and economic dimension? What are the biggest challenges to overcome, and what should be Reitan Retail's prioritised roadmap initiatives? Together with all my colleagues, I look forward to hearing your solutions and thank you all in advance for your time and engagement.

Kind regards,

Ole Robert Reitan
Chief Executive Officer



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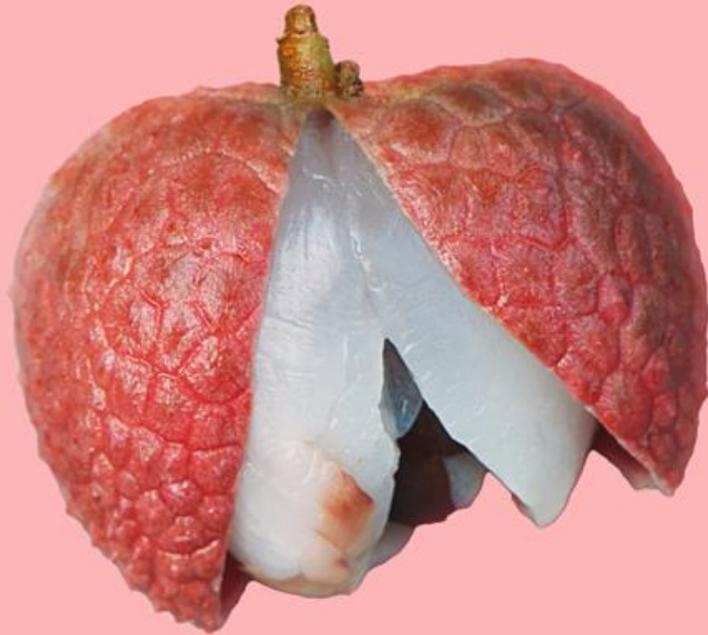
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LAYING THE FOUNDATION



LAYING THE FOUNDATION

Reitan Retail is a leading retail company across seven countries in the Nordic and Baltic regions.



With a track record of over **75 years**, the legacy of Reitan Retail have played its part in forming and shaping the day-to-day lifestyle choices of millions of people. After Ole and Margit Reitan opened the family's first grocery store in Trondheim, Norway in 1948, the company have expanded their area of expertise, having added **kiosks**, **convenience** and **mobility** to the portfolio. A long story of growth and specialisation has led to Reitan Retail being synonymous with every-day retail and household items across vast regions.

The company is **privately owned** and is therefore not traded publicly on an ordinary stock exchange. This is due to the strong family roots of the company. However, the company is considering publicly noting the company.

The Reitan Retail family have since grown to over **43 500** employees. Today, Reitan Retail have annual systemwide sales closing in on **NOK 120 billion**, with the grocery giant REMA 1000 achieving

the biggest grocery market share in Norway in 2022, as well as the fastest growing discount grocer in Denmark. It is safe to say that the company has a vast influence on people and their respective lives.

People have increasingly become environmentally conscious. However, the COVID-19 pandemic has introduced significant shifts in consumer behaviour. The rapid surge in e-commerce, especially in grocery shopping, has transformed traditional shopping habits. As a result of this digital acceleration, there's been a **global decline** in visits to brick & mortar grocery stores. This change is further emphasised by consumers' preference for trusted brands, a reduction in discretionary spending, and a trend towards larger basket sizes but reduced shopping frequency.¹

On its journey towards further growth, Reitan Retail now face some important considerations on how to move forward. There are many obstacles on the way to achieving a **healthier selection** for a **sustainable future**. While consumers have changed their habits, Reitan Retail must adapt to new trends.

¹ McKinsey: "How COVID-19 is changing consumer behavior—now and forever"

As a well-established brand, Reitan Retail is prepared to hear your solutions on how sustainable solutions and initiatives can be implemented for a better tomorrow. Reitan Retail is ready to continue its journey as a market pioneer.

Being one of the leaders in grocery banners in Norway and Denmark, Reitan Retail have established themselves as a brand synonymous with household necessities. With the biggest chain out of the **NOK 300 billion** grocery market, the company have established themselves well in a highly competitive market.

The world and our habits are inevitably changing. We're living in a fast-paced world where it ultimately is not the strong that beats the weak, but it's the fast that beats the slow. This parallel can be drawn into the retail business as well. New initiatives, solutions and ideas are all key factors when it comes to differentiating yourself as a brand and branch from the red sea of competition in the ever-so big market. Ole Robert Reitan said the following when summing up 2022 from the top management-perspective:

Summing up 2022, we navigated a challenging and highly competitive environment while making concrete steps on our strategy, which will be the foundation for 2023. Our 2023 focus will be on improvement and growth, including:

- *Efficiency and simplification*
- *Restructuring of convenience in Norway and Finland*
- *Conclude the ALDI acquisition and incorporate new stores into REMA 1000 Denmark*
- *Open and renew REMA 1000 stores in Norway*
- *Open new distribution centre in Horsens, Denmark*
- *Further develop ultrafast EV charging and Swan Eco-labelled car wash*
- *Innovate and invest in next-generation retail – "Retail 2050".*

Reitan Retail is confident that they're in an ideal position to pursue their strategy. However, the company is eager to listen to your ideas and considerations on how to move forward. They hereby ask you to help answer the following question:



How may REMA 1000 in Norway and Denmark reach the strategic goal of a sustainable grocery store assortment by 2030 without losing market share or compromising on the social, environmental and economic dimension?

When answering these broad questions, you may consider e.g., which subsegments to target, customer groups and environmental considerations. It is especially important that your solutions capture the core values of Reitan Retail. However, Reitan Retail welcomes other factors that the teams may find important when developing your proposals and solutions.

While Reitan Retail encourages you to think innovative and be creative when developing your solutions, it is important that the solution is implementable. Your proposal must be aligned with the values of the company, as well as its ongoing strategies to avoid cannibalism. The solution must also be based on thorough and solid analysis, and it ultimately has to be financially valid. Revolving the environmental aspects and ideology of the company, you may build onto existing initiatives or pinpoint new directions the company may pursue.

Your solutions will be evaluated thoroughly on the following criteria, with the weight being equally distributed between the different points:

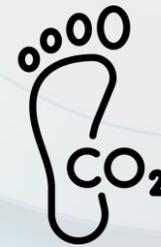
1. **Creativity** of the solution
2. The level of the conducted **analysis**, which is used to construct your answers
3. The **feasibility** and underlining of specific **impacts** of your solutions
4. The validity of the **financial** and **environmental** aspects
5. The **structure**, **storyline** and **way of presenting** your solutions and answers to the case questions

Additionally, we incentivise you to focus on the following key points when constructing your proposals:



**1.
Organic
Growth**

Reitan Retail ultimately seeks to leverage its key capabilities and strengths, namely being within retail. This means your focus should be shifted towards REMA 1000 in Norway and Denmark.



**2.
Environmental
Footprint**

Being a pioneer when it comes to sustainability in its value chain, the environmental aspects are of high priority when options are to be considered.



**3.
Brand
Perception**

Because of the size and ability of market impact of the company, the conducted actions will be thoroughly evaluated by both customers and competition. Brand perception is therefore crucial.



THE REITAN RETAIL HISTORY & PHILOSOPHY

THE REITAN HISTORY

Originating back to 1948, the Reitan family embarked on a journey that would eventually shape the retail landscape of the Nordic and Baltic regions.

In 1948, in Trondheim, Norway, Ole Reitan founded the **O. Reitan Kolonial** store. This establishment marked the beginning of a retail journey that would significantly influence the retail industry in Northern Europe. Under the leadership of his son, Odd Reitan, the company experienced further growth and transformation.

In 1972, after gaining insights from the Retailing Institute in Bærum, Odd Reitan embarked on his own venture, launching the shop **Sjokkpris (Shock Price)** in St. Olav's gate, Trondheim. This was a collaborative effort between father and son, and together they expanded their business throughout the 70s. However, it was in 1979 that Odd Reitan's vision truly materialised. Inspired by the hard-discount chain model of ALDI in Germany, he introduced **REMA 1000** (an acronym for REitan MAt or "Reitan Food"). The unique proposition of this chain was its standardised range of goods, initially limited to 1,000 products, combined with a simple

shop design and competitive pricing. This concept was groundbreaking and marked the dawn of discount grocery chains in Norway. The success of REMA 1000 was not limited to Norway. By 1994, the brand had **expanded its footprint to Denmark**, further solidifying its position in the retail market.

The historical journey of the company is a tale of **vision**, **perseverance**, and **innovation**. From a single store in Trondheim to a multinational company with a presence across the Nordic and the Baltic regions, the Reitan legacy stands as a **beacon of entrepreneurial success** in the retail industry.

Photo: REMA 1000 Norway

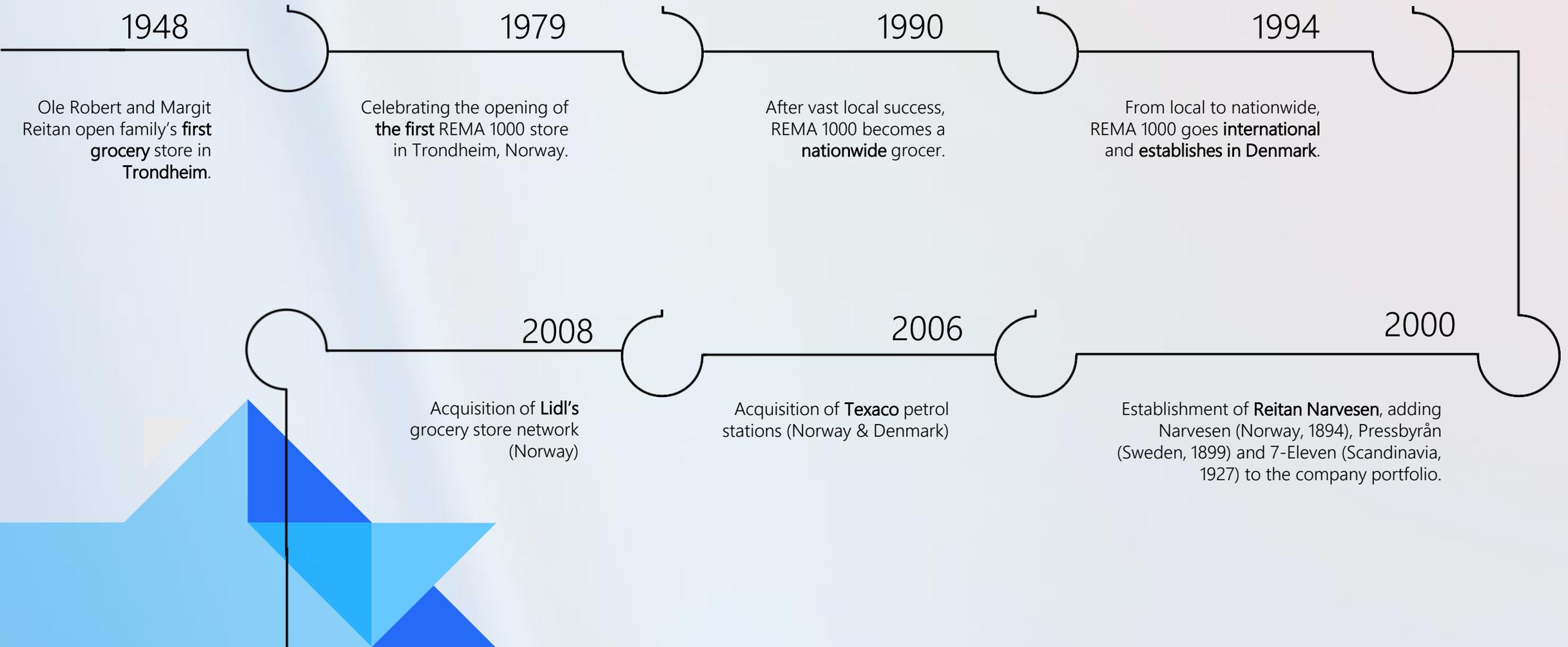


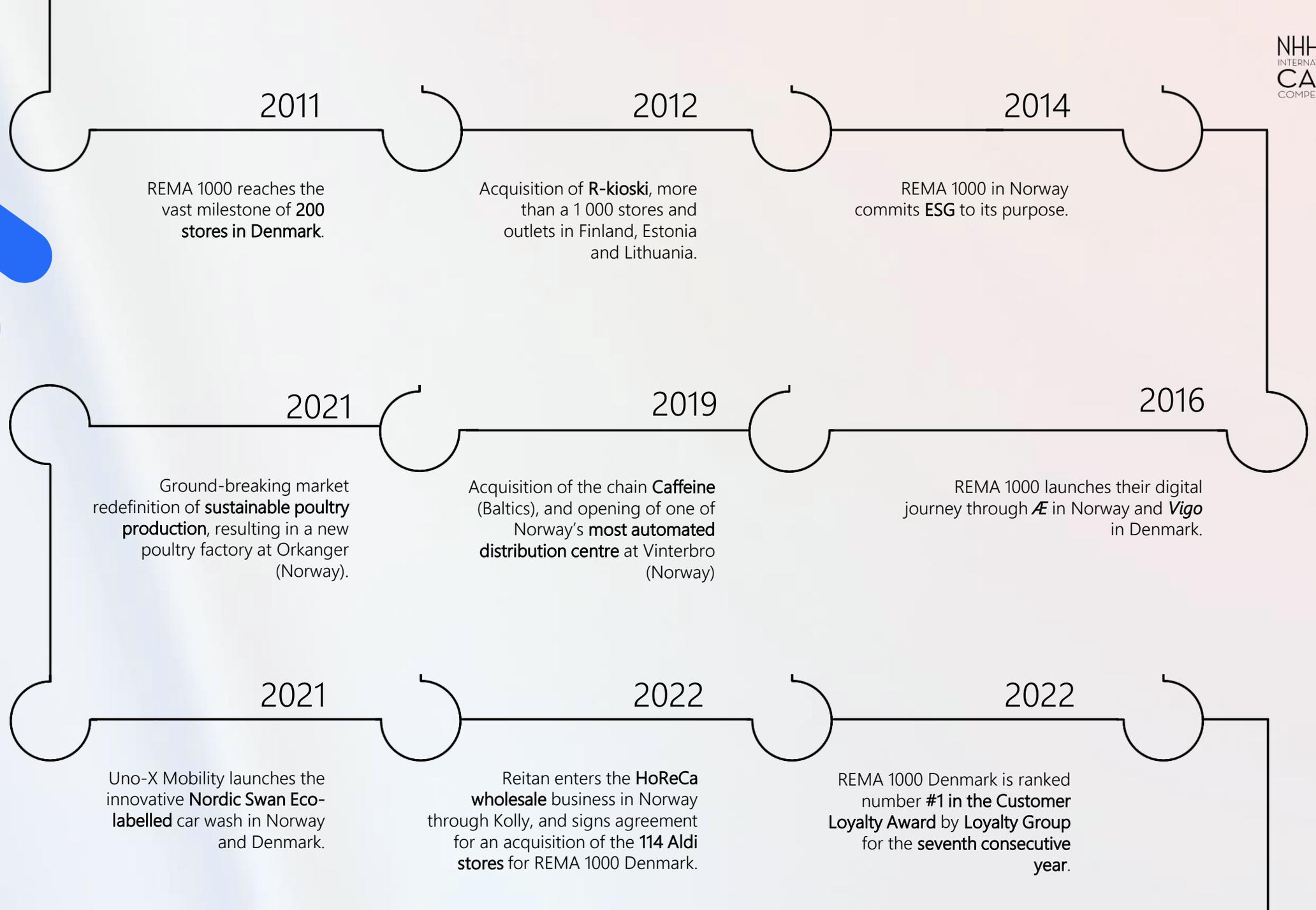
The success of REMA 1000 was not limited to Norway. By 1994, the brand had **expanded its footprint to Denmark**, further solidifying its position in the retail market.

"Freedom and dialogue are at the core of the Reitan philosophy, which has guided our operations since Ole and Margit Reitan opened their first store in Trondheim in 1948"

Ole Robert Reitan
Chief Executive Officer

THE REITAN TIMELINE





ORGANISATIONAL STRUCTURE

Corporate authority is divided between the board of directors and executive management, existing independently of each other. The board oversees development and gradually implement systems necessary to comply with governance, vision and strategy. The day-to-day management of Reitan Retail is led by their CEO, Ole Robert Reitan, with assistance and support from the executive management team which acts as an advisory management body.

Members of the executive management are responsible for the daily operations of their respective business areas whilst also having a collective duty to safeguard and promote the corporate interest of Reitan Retail.

Board of Directors

EXECUTIVE MANAGEMENT

Ole R. Reitan
CEO

Monica Ødegaard
COO

Kristin S. Genton
CFO

Inger Sethov
CCO

Tom Kristiansen
CEO REMA 1000 Norway

Henrik Burkal
CEO REMA 1000 Denmark

Mariette Kristenson
CEO Reitan Convenience

Vegar Kulset
CEO Uno-X Mobility

THE REITAN PURPOSE

As one of the largest family-owned companies in the Nordics, Reitan Retail possess long-term perspectives of their business. While here and now is important, the opportunities of tomorrow are of high priority.

Ever since the opening of the first store in 1948, **values** and **integrity** have been central for how the company conducts business. Reitan Retail seek to meet the vast needs of the current generation, without reducing the opportunities for coming generations. In an era where businesses are increasingly scrutinised for their environmental and social impacts, Reitan Retail is a **great example** of responsible and sustainable practices. This philosophy is deeply embedded in its DNA, ensuring that every business decision is made with a long-term perspective in mind.

From the very beginning, their commitment has been clear: to **serve** and **care** for their customers, suppliers, and the local community. Fast forward to today, three generations later, this commitment has only deepened. The world

today faces unprecedented challenges, from climate change to social inequalities. And as the world evolved, so did Reitan Retail. With a presence spanning **3 800 outlets** across seven countries, their influence reaches local communities through their dedicated franchisees and extensive supplier network.

Embracing sustainability is not just about reducing one's carbon footprint or implementing recycling programs. It's about creating a **holistic approach** that considers the environmental, social, and economic impacts of business operations. For Reitan Retail, this means continuously innovating to offer products and services that not only meet the needs of its customers but are also green and positive social and environmental contributions.

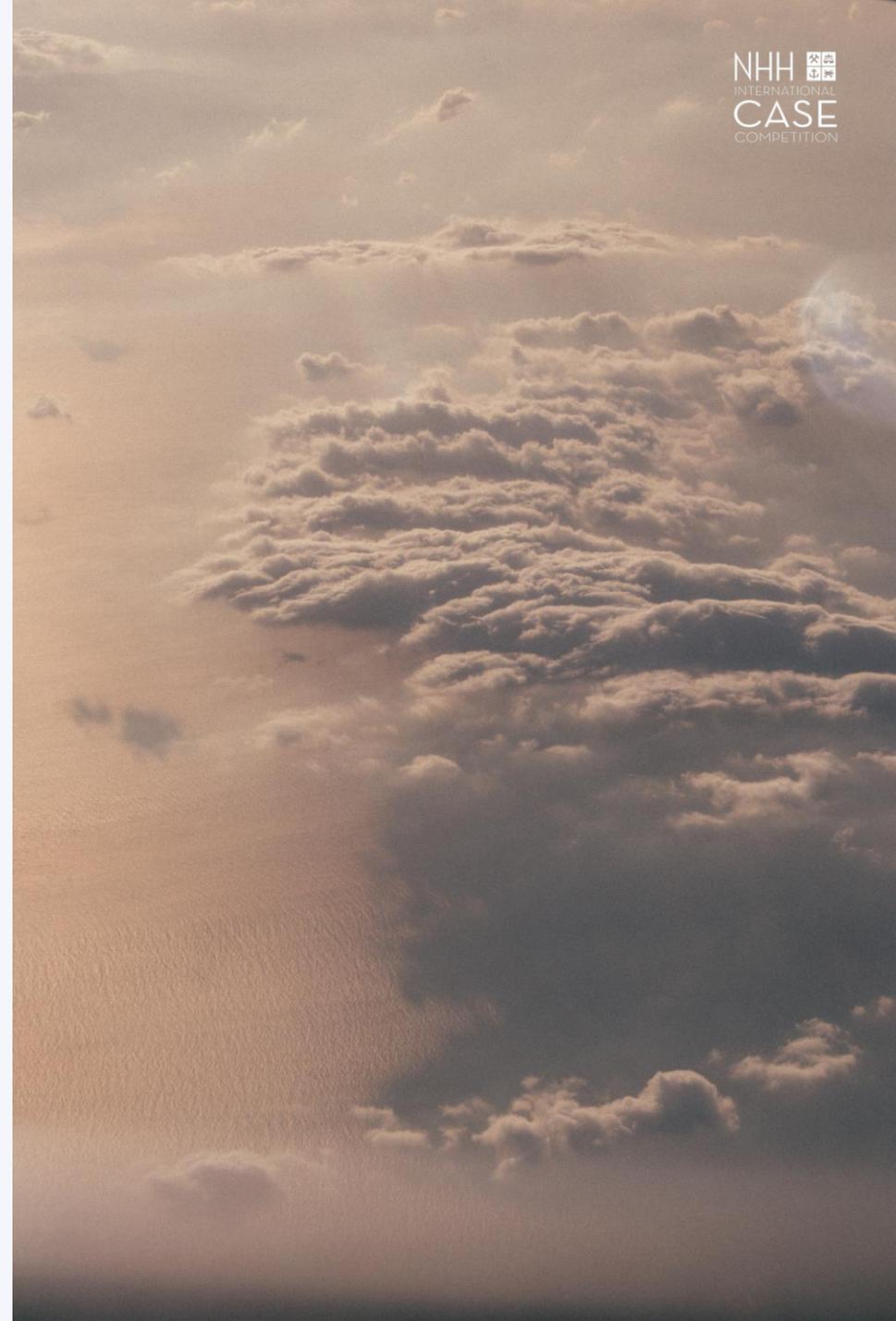




Photo: REMA 1000 Denmark

But it's not just about what the company does; it's also about **how** it does it. The employees, franchisees and customers are at the core of the business. The company prioritise the eight core values, which, along with the company's culture and philosophy, form the approach to valuing customers, employees, and partners. Reitan Retail emphasise sustainability and collaboration across its business areas. They focus on four key areas: environment, health, people, and value chain, aiming for future-ready solutions that benefit both the company itself and its stakeholders.

The growth of Reitan Retail have positioned them as a **leading retail company in the Nordic and Baltic regions**, amplifying their capacities to make a meaningful difference. Mainly operating in the food and energy sectors, which together account for nearly 40% of global carbon dioxide emissions, the company recognise the profound responsibility it bears. It's not just about reducing the environmental footprint; it's about enhancing the value they bring to both the people and our planet.

At Reitan Retail, the journey is guided by the unwavering **values** and a **sense of responsibility**. They navigate through value chains, emphasising the significance of health, fostering human connections, ensuring fair working conditions, and work towards more environmentally friendly operations. Reitan Retail aims to contribute to good public health, reduce greenhouse emissions, create greater diversity and equality in working life, and ensure sustainability and transparency throughout the value chain. The company is driven by a singular vision: *together, we make everyday life a little bit easier, and the world a little bit better.*

In a world where short-term gains often overshadow long-term benefits, Reitan Retail's steadfast commitment to sustainability is both commendable and inspiring. It serves as a reminder that **businesses can indeed be a force for good**, driving positive change for the planet and its people. As the company looks to the future, one thing is clear: sustainability is not just a buzzword for Reitan Retail; it's a way of life.

THE REITAN SUSTAINABILITY STRATEGY

Being a leading retail company across large regions, the company must have a firm and exploratory strategy for achieving their sustainability goals. Take a look at the following extract from the company's own strategy:



Environment

We aim to lead the green transition in our industries via our sustainability initiatives, helping our customers make climate-friendly choices and working towards a sustainable value chain that protects soil and biodiversity

1. **By 2030**, the ambition is to become net zero in our own companies (Scope 1 and 2)
2. **By 2050**, the ambition is to become net zero in the entire value chain
3. **By 2030**, the ambition is to cut food waste in our value chain by 50%
4. **By 2030**, the ambition is to have a total sorting rate of 90% of all waste



Health

We aim to offer healthier products at affordable prices for everyone. We inspire a healthier, active and sustainable lifestyle through our products, services and sponsorships

5. **By 2025**, the ambition is for 18% of sales in REMA 1000 to be fruit, vegetables, berries, whole grains, fish and seafood
6. **We will increase our efforts** for physical and mental health through our collaborations within grassroots sports, activities and organisations



People

We aim to lead by example in equal opportunity and firmly believe in an inclusive work environment where people from all backgrounds are given the opportunity to succeed

7. **By 2025**, we will have at least 40% representation per gender among new franchisees in Reitan Retail
8. **By 2025**, the ambition is for there to be at least a 40% gender balance for new hires in top and middle management combined in Reitan Retail
9. **All companies** must have conducted internal employee surveys or use tools that measure how employees experience our diversity work



Value chain

We have a high level of business morale and hold our suppliers accountable to our rigorous ethical code of conduct in order to offer responsibly produced products to our customers

10. **We want to help prevent** deforestation and work to reduce soy in feed and palm oil in the products sold in our companies
11. **We will integrate** the OECD Due Diligence Guidelines for responsible business conduct into our risk management processes. Our ambition is to screen 100% of our suppliers based on environmental and social criteria. Reitan Retail has a zero-tolerance approach to any breach of human rights, and we strive to minimise our environmental impact across the value chain



Photo: REMA 1000 Norway

THE EIGHT CORE VALUES

Being a family-owned company with a long history, Reitan Retail uses the integrity and experience for a better tomorrow. They're a value driven company, with the values representing the foundation for making customers, employees and partners feel valued.



We stick to our business model



We are positive and proactive



We keep high moral standards



We talk to each other, not about each other



We aim to be debt-free



The customer is our boss



We cultivate a winning culture



We work for fun and profit



THE BUSINESS AREAS

REMA 1000 NORWAY



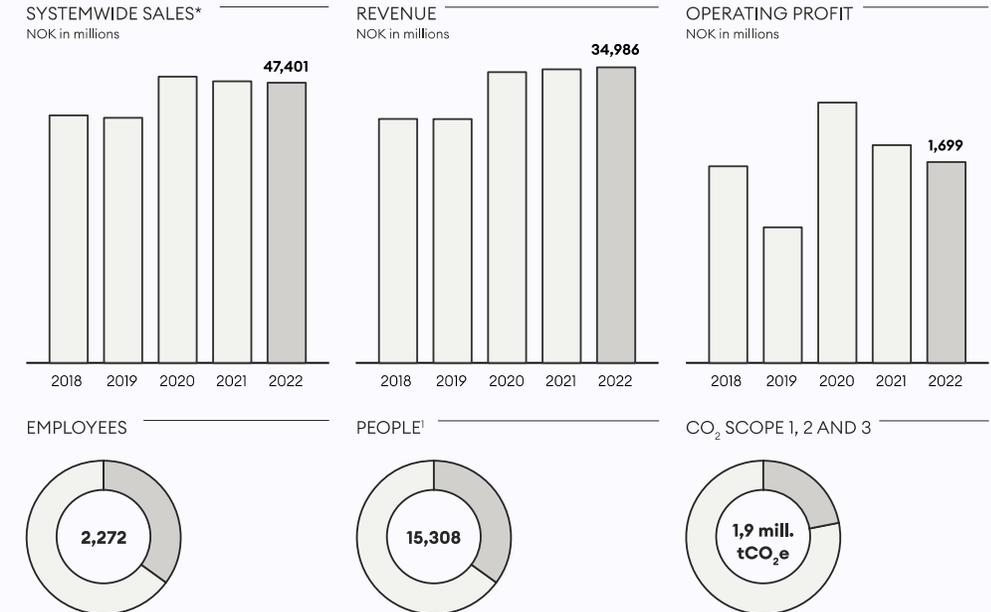
REMA 1000 Norway has a proud history as the pioneer of discount grocery offerings in Norway.

REMA 1000 Norway operates as the **franchisor** for Reitan Retail's REMA 1000 sales outlets, all managed by **franchisees**. It stands unique in the Norwegian grocery sector, employing a franchise-centric model. While the **distribution part of the company** primarily distributes goods to its outlets, in 2022, it expanded its distribution to the **HoReCa** sector (hotels, restaurants, and catering). Additionally, REMA 1000 Norway holds stakes in some of the companies producing its **private labels**. Based in Oslo, the company's idea revolves around offering customers the best prices on responsibly produced and sold quality products.

Since its inception in 1979, REMA 1000 Norway has championed the discount grocery segment in Norway, marking over four decades of consistent growth in income, outlet count, and market share. The company was recognised as Norway's **premier grocery** brand in 2022. The company's ongoing

focus is on refining the REMA 1000 concept, enhancing the customer experience through product variety, digital advancements, and streamlined operations. Strategic expansion into prime locations remains a top priority.

The onset of 2023 witnessed heightened price competition in the Norwegian grocery landscape, challenging profit margins. However, REMA 1000 Norway remains unwavering in its commitment to offering the **lowest prices**, striving to uphold its reputation as the most cost-effective grocery entity. Collaborative efforts with owned and exclusive suppliers, under the umbrella of REMA Industrier, are set to further develop. The company also anticipates improved operations at Norsk Kylling (Norwegian Chicken) post the opening of a new poultry factory in 2021, ensuring the delivery of sustainable, top-quality poultry at competitive prices.



NOK in millions	2018	2019	2020	2021	2022
Result					
Revenue	28,885	28,876	34,421	34,764	34,986
EBITDA*	3,449	3,348	4,248	3,896	3,840
Operating profit	1,663	1,146	2,201	1,841	1,699

Systemwide sales* and no. of sales outlets	2018	2019	2020	2021	2022
Systemwide sales*	41,861	41,457	48,411	47,642	47,401
Growth in systemwide sales*	4.4%	-1.0%	16.8%	-1.6%	-0.5%
Like-for-like growth in systemwide sales*	1.9%	-2.6%	16.1%	-2.4%	-1.7%
Number of sales outlets	633	644	648	657	668

Margins	2018	2019	2020	2021	2022
Operating profit as % of revenue*	5.8%	4.0%	6.4%	5.3%	4.9%
Operating profit as % of systemwide sales*	4.0%	2.8%	4.5%	3.9%	3.6%

THE "Æ" LOYALTY APP

In early January back in 2017, the Æ loyalty app (Norwegian slang for *me*, pronounced as *a* in *ash*), was launched by REMA 1000 Norway.

In the ever-evolving retail landscape, Reitan Retail has consistently been at the forefront of innovation. One of its most notable achievements is the introduction of the "Æ" app. Designed to **revolutionise** the shopping experience, "Æ" seamlessly integrates technology with everyday grocery shopping.

Upon its launch, the app was met with quick adoption, and became an indispensable tool for REMA 1000 shoppers. Its primary appeal lies in its ability to offer **personalised discounts** directly at the checkout counter, eliminating the need for cumbersome bonus point systems. With features like a 10% price cut on fresh fruits and vegetables, and significant discounts on essential products like diapers and sanitary products, "Æ" has truly redefined value for its users.

The app's success can be attributed to its **user-centric design**. By providing a comprehensive overview of purchase history, it allows users to track their spending habits, making budgeting more straightforward. Moreover, the move towards digital receipts not only offers convenience but also aligns with REMA 1000's sustainability initiatives.

Over the years, the app has seen consistent growth in its user base, with over **two million active users** as of the end of 2022. Its presence on major app stores, coupled with positive ratings, is a testament to its popularity. The "Æ" app by REMA 1000 is not just a digital tool; it's a reflection of the brand's dedication to enhancing the customer experience, offering value, and embracing technological advancements. It is as of now **only available** in Norway.



KEY FEATURES

Personalised Offers

The app curate **special offers** based on the user's purchase history, ensuring that they receive discounts on products they frequently buy.

Tailored Experience

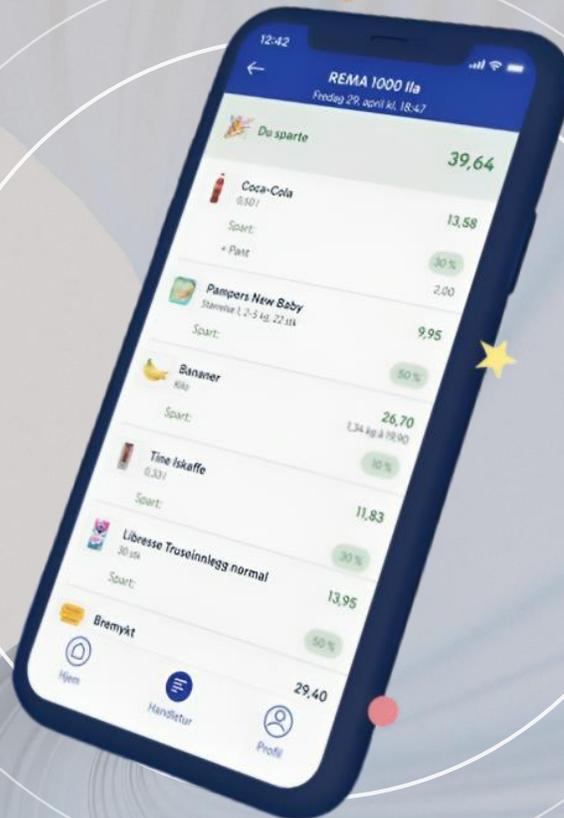
The *Æ* app provide links to weekly **recipes**, **magazines** and other writings of relevance to the users. This ultimately leads to a more tailored user experience.

Digital Receipts

Say goodbye to paper receipts! With "*Æ*", users can view and store their **receipts digitally**, making it easier to manage and reference past transactions.

Discount Campaigns

Special offers called "*CrÆzy DÆys*" will frequently occur. Special product groups, such as *tex mex*, will be heavily discounted for customers using *Æ*.



KEY BENEFITS

Cost Savings

By utilising the **personalised offers** and **discounts**, users can significantly reduce their **grocery bills**.

Convenience

The digital nature of the app means users can access their **purchase history**, **receipts**, and **offers**. Anytime and anywhere.

More Eco-friendly

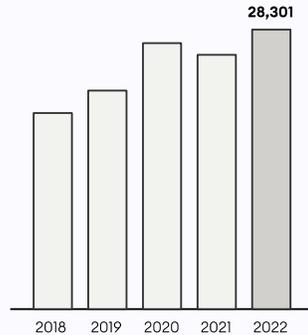
The move towards digital receipts reduces the need for **paper**, contributing to a more **sustainable** and eco-friendly **shopping experience**.



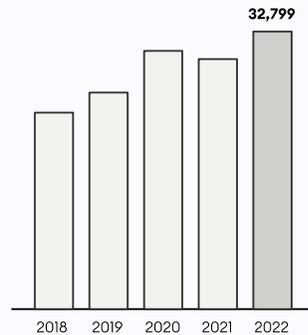
REMA 1000 DENMARK

REMA 1000 Denmark's business model is based on high sales productivity and low costs.

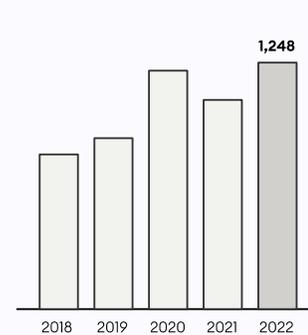
SYSTEMWIDE SALES*
NOK in millions



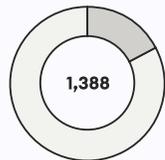
REVENUE
NOK in millions



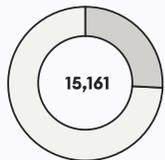
OPERATING PROFIT
NOK in millions



EMPLOYEES



PEOPLE¹



CO₂ SCOPE 1, 2 AND 3



NOK in millions	2018	2019	2020	2021	2022
Result					
Revenue	23,208	25,584	30,510	29,541	32,799
EBITDA*	1,472	1,656	2,126	1,971	2,185
Operating profit	783	865	1,207	1,059	1,248

Systemwide sales* and no. of sales outlets	2018	2019	2020	2021	2022
Systemwide sales*	19,846	22,128	26,931	25,752	28,301
Growth in systemwide sales*	11.2%	8.8%	11.5%	0.8%	10.4%
Like-for-like growth in systemwide sales*	5.0%	2.8%	6.6%	-1.2%	9.5%
Number of sales outlets	326	343	357	360	363

Margins	2018	2019	2020	2021	2022
Operating profit as % of revenue*	3.4%	3.4%	4.0%	3.6%	3.8%
Operating profit as % of systemwide sales*	3.9%	3.9%	4.5%	4.1%	4.4%

REMA 1000 Denmark serves as the franchisor for the Danish REMA 1000 outlets, which are also operated by **franchisees**. Distinctively, it is the sole retail entity in Denmark's grocery sector that predominantly employs a franchise-based operational model. Beyond its core outlets, REMA 1000 Denmark extends its distribution to various convenience stores, notably including the 7-Eleven chain within Denmark. The company's central operations are based in Horsens, Denmark.

The foundational business strategy of REMA 1000 Denmark hinges on optimising sales productivity while minimising operational costs. Since establishing its footprint in the Danish grocery landscape in 1994 with the opening of its initial two outlets, the company has consistently expanded. Drawing inspiration from its Norwegian counterpart, REMA 1000 Denmark, like REMA 1000 Norway, is committed to delivering **quality products at low prices**. In the Danish market, this value proposition is encapsulated in the slogans "Much more discount" and "Discount with value."

Moving forward, REMA 1000 Denmark remains steadfast in amplifying its core principles of "Discount med holding" ("Discount with value") and "Meget mere discount" ("Much more discount"). This approach underscores the company's dedication to offering products at **affordable rates** without compromising on quality, societal impact, or environmental considerations. A sustained emphasis will be placed on organic and sustainable products, while curtailing food wastage.

In a strategic move in December 2022, REMA 1000 Denmark entered into an **acquisition agreement** with the German discount retailer, ALDI, to assimilate the majority of ALDI's Danish store network. The acquisition promises to unlock prime locations, propelling the company's growth trajectory and amplifying its market presence in Denmark. The seamless integration rebranding and reopening of these stores is one of the key activities in 2023.



REITAN CONVENIENCE

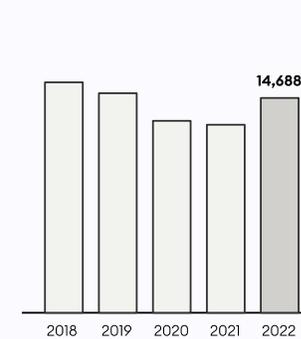
Reitan Convenience is a specialist in developing food and beverage on the go in a fast and accessible way.

Please note that this should not be focused on in your solution.

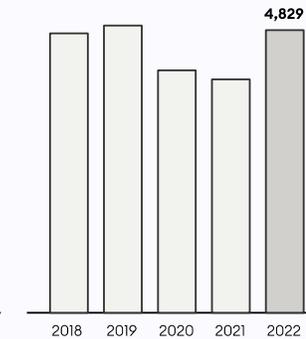
Reitan Convenience dominates the convenience sector across Norway, Sweden, Denmark, Finland, and the Baltics, primarily operating through **franchising**. Its portfolio boasts both international and local brands, such as Narvesen, Pressbyrån, 7-Eleven, R-kioski, and Caffeine, among others. With a rich history spanning over a century, the company is dedicated to providing quick **on-the-go**-solutions while intertwining sustainability with convenience.

Specialising in franchise-based convenience concepts, Reitan Convenience emphasises organic growth, both in existing outlets and through new store launches. The company's focus remains on enhancing food, beverages, and bakery offerings via innovative and digital strategies to cater to a **broader customer base**. Given the shifts in regulations and consumer behaviour, convenience must adapt. It is important to keep optimising the portfolio, improving the customer offerings and boost overall customer satisfaction and footfall, and this is especially important in Norway and Finland.

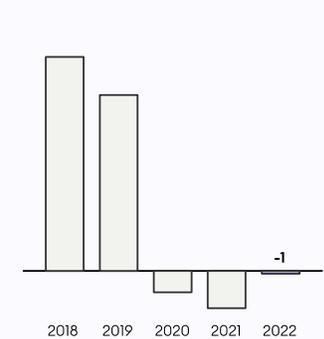
SYSTEMWIDE SALES*
NOK in millions



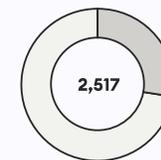
REVENUE
NOK in millions



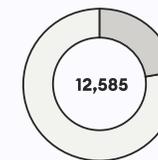
OPERATING PROFIT
NOK in millions



EMPLOYEES



PEOPLE!



CO₂ SCOPE 1, 2 AND 3



NOK in millions	2018	2019	2020	2021	2022
Result					
Revenue	4,776	4,908	4,142	3,987	4,829
EBITDA*	1,881	1,655	1,182	1,006	1,110
Operating profit	512	421	-51	-89	-1
Systemwide sales* and no. of sales outlets					
Systemwide sales*	15,748	15,008	13,124	12,853	14,688
Growth in systemwide sales*	1.4%	-5.8%	-18.1%	1.2%	16.1%
Like-for-like growth in systemwide sales*	2.6%	1.1%	-13.7%	3.2%	15.0%
Number of sales outlets	2,173	2,098	2,017	2,002	1,953
Margins					
Operating profit as % of revenue*	10.7%	8.6%	-1.2%	-2.2%	0.0%
Operating profit as % of systemwide sales*	3.2%	2.8%	-0.4%	-0.7%	0.0%



UNO-X MOBILITY

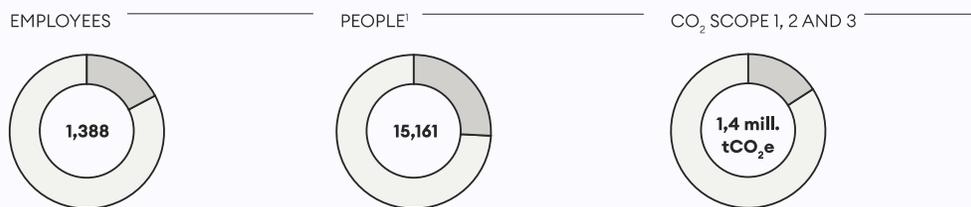
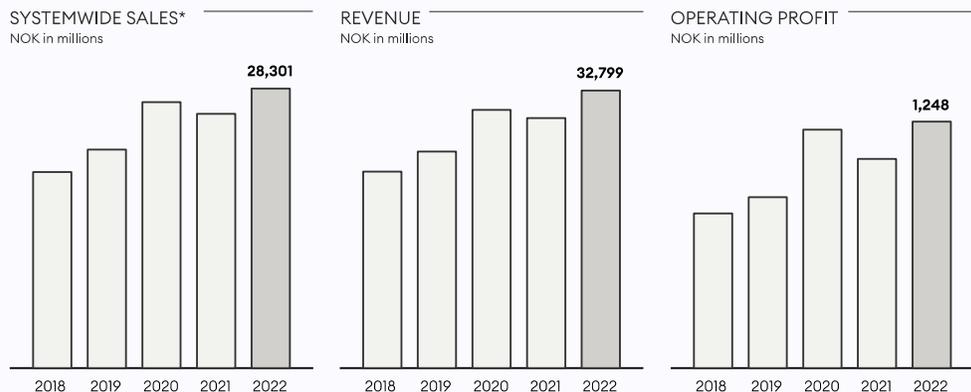
Uno-X Mobility's mission is to develop and promote solutions for sustainable mobility.

Please note that this should not be focused on in your solution.

Uno-X Mobility has a **diverse portfolio** that includes liquid fuels, lubricants, Nordic Swan ecolabelled car washes, and ultrafast EV charging. Operating prominently under the Uno-X and YX brands, the company has established a strong presence in both Norway and Denmark.

In 2021, Uno-X Mobility marked a significant milestone by introducing the **Nordic Swan ecolabelled car wash**, emphasising their commitment to eco-friendly solutions. This dedication was further underscored in 2022 with the launch of Ultrafast EV charging stations, strategically placed at Reitan Retail locations across Norway and Denmark. Beyond their core services, Uno-X Mobility actively promotes sustainable transportation through the Uno-X Pro Cycling Team, advocating for the benefits of everyday cycling.

As Uno-X Mobility looks to the future, they will continue developing and promoting solutions for a more sustainable mobility. The company recognises the evolving demands of its customers and is poised to adapt accordingly. A significant part of this adaptation involves reducing the dependence on fossil fuels and embracing technologies that not only reduce emissions but also safeguard the environment. While maintaining an efficient fuel network remains a priority, Uno-X Mobility is equally invested in expanding its ecolabelled car wash services and further establishing its ultrafast EV charging infrastructure.



NOK in millions	2018	2019	2020	2021	2022
Result					
Revenue	23,208	25,584	30,510	29,541	32,799
EBITDA*	1,472	1,656	2,126	1,971	2,185
Operating profit	783	865	1,207	1,059	1,248

Systemwide sales* and no. of sales outlets	2018	2019	2020	2021	2022
Systemwide sales*	19,846	22,128	26,931	25,752	28,301
Growth in systemwide sales*	11.2%	8.8%	11.5%	0.8%	10.4%
Like-for-like growth in systemwide sales*	5.0%	2.8%	6.6%	-1.2%	9.5%
Number of sales outlets	326	343	357	360	363

Margins	2018	2019	2020	2021	2022
Operating profit as % of revenue*	3.4%	3.4%	4.0%	3.6%	3.8%
Operating profit as % of systemwide sales*	3.9%	3.9%	4.5%	4.1%	4.4%

THE VALUE CHAIN



TAKING ACTION

Reitan Retail's value chain is intricate, encompassing both vast multinational corporations and small-scale farmers from various global regions. It is imperative for the company to operate in an **ethical and transparent** manner that resonates with its core values.

This figure is extracted from the 2022 Annual Report of Reitan Retail, which showcases the value chain and its many elements.

The following slide represents the net-zero targets Reitan Retail work towards.

Value and impact along our value chain

Reitan Retail creates value for customers and different stakeholders in our operations. As a leading retail company in the Nordic and Baltic regions with operations in discount grocery, convenience and mobility across seven countries, we acknowledge our impact throughout the value chain, both positive and negative.

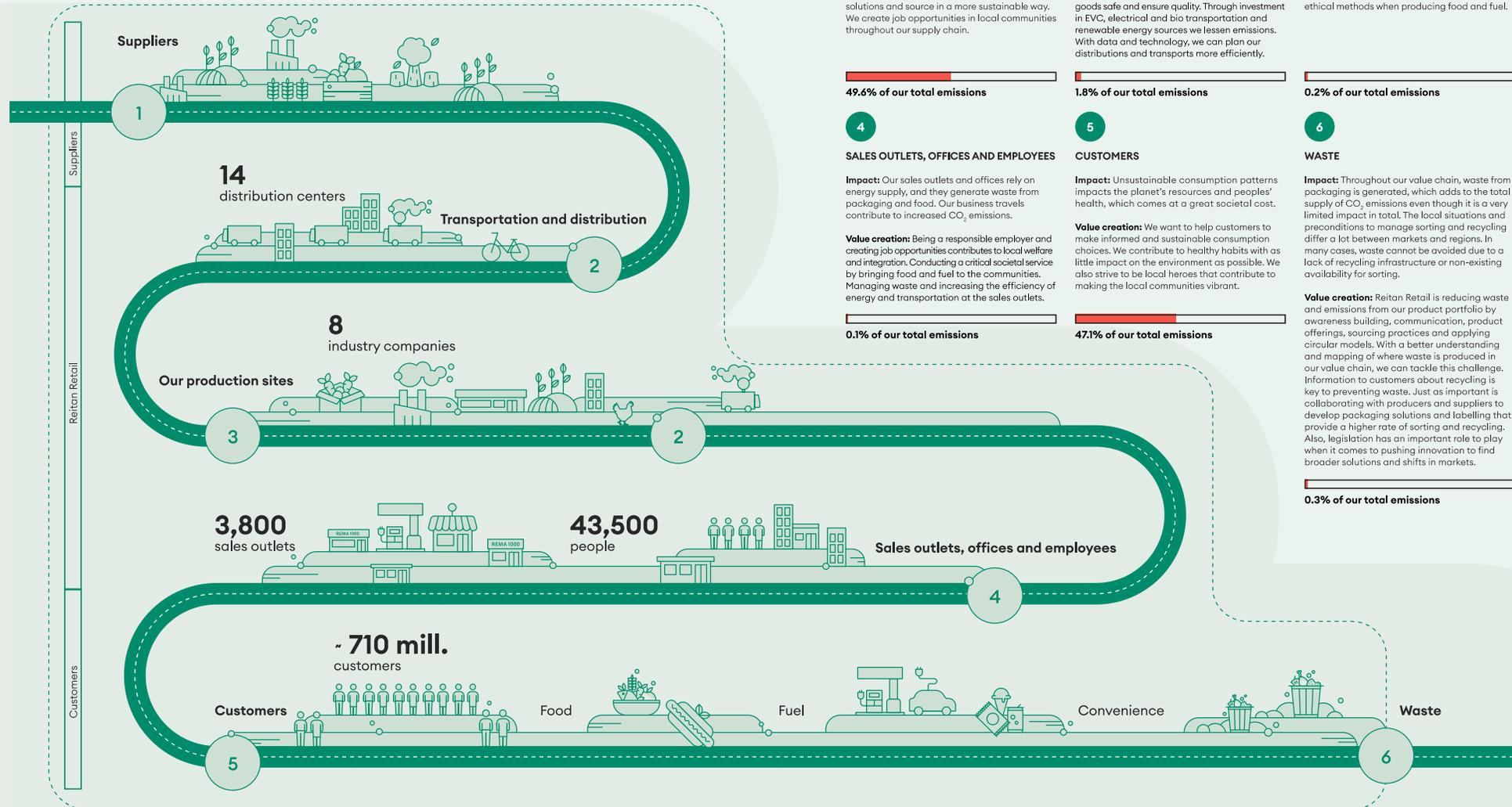
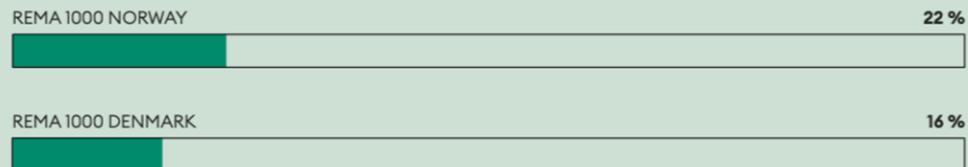




Photo: REMA 1000 Denmark

SCOPE 3 EMISSIONS PER BUSINESS AREA



Net zero – in own companies and value chain

EMISSIONS FROM MAIN CATEGORIES SOLD AND PURCHASED PRODUCTS



TARGET

Reitan Retail is working towards two net zero targets. First, by 2030, to become net-zero in our own companies (Scope 1 and 2) and, by 2050, the ambition is to become net zero in the entire value chain (Scope 3)



REMA 1000 has been **proactive** in its approach to sustainability and environmental responsibility. Amongst **various other actions** towards a more sustainable business, one of the significant steps taken by REMA 1000 Norway was the decision to **remove palm oil** from all of its private-label products. This decision was driven by concerns about the environmental and social impacts of palm oil production, particularly deforestation and habitat loss for endangered species. By eliminating palm oil from their products, REMA 1000 aimed to **reduce its environmental footprint** and promote sustainable sourcing practices. This move was well-received by environmentalists and consumers alike, further **solidifying** REMA 1000's **commitment** to sustainability and ethical business practices.



Photo: Reitan Retail

In 2018, Norsk Kylling, a subsidiary of REMA 1000 Norway, **transitioned to a slower-growing chicken breed**, prioritising the well-being of the chickens. Their overarching goal is to establish the world's best value chain for food production. Collaborating closely with the 136 central Norwegian farmers who supply the chickens, Norsk Kylling aims to **ensure sustainable and responsible** chicken production. The company opened a new poultry factory in 2021, focusing on animal welfare and sustainable production. This dedication ensures that customers receive healthy, safe, and high-quality food, reflecting the company's commitment to both ethical practices and consumer satisfaction. Following the opening of a **new hatchery in 2023**, REMA 1000 Norway is all set for sustainable production in the years to come.

Building on this commitment, in 2022, all chickens under Norsk Kylling's value chain began to be produced in accordance with the stringent animal welfare requirements set by the European Chicken Commitment (ECC). This significant move made Norsk Kylling the **world's first industrial producer** to shift 100% of its production to meet these rigorous animal welfare standards, which were developed in collaboration with animal welfare organizations. Norsk Kylling continues to lead in ethical chicken production, setting new standards for animal welfare in the poultry industry.

Guidelines From the NNR23

In the Nordic and Baltic regions, a critical examination of the intricate relationship between dietary patterns and greenhouse gas emissions (GHG) came in the new report by the Nordic Nutrition Recommendation in June 2023¹. This comprehensive analysis unveils the **environmental footprint** of current dietary practices and proposes actionable steps towards a sustainable future. According to the background paper, the Nordic studies conclude that **animal-based foods** are the largest contributors to dietary GHG emissions and land use in current diets.

Modelling, optimisation, and intervention studies confirm the potential to reduce negative environmental impacts, like GHG emissions, but also to improve positive impacts e.g., on biodiversity, by **shifting towards a pre-dominantly plant-based diet** that is both nutritionally balanced and supported by evidence regarding the health-based recommended amount of specific food groups.

The Red Meat Dilemma

Red meat emerges as a prominent contributor to GHG emissions, attributed to methane emissions from ruminants and the environmental toll of feed production. The NNR2023 report underscores the **urgency to limit red meat** consumption, aligning with both health and environmental imperatives. The largest proportions of overall environmental impacts from meat production tend to come from feed production and manure management

Dairy's Environmental Footprint

Several studies have indicated that all stages of the production of livestock, including growing, transport, processing, and ultimately consumption have a relatively large impact on climate change. Dairy products such as hard cheese and butter, are identified as **significant contributors to GHG** emissions. The variance in environmental impacts across the Nordic countries is influenced by feed ingredients and their

associated use of fertilizer, pesticide, water, and land.

Nordic agriculture

Historically, the geographical location of the Nordic countries has determined the characteristics of food production in each country – mirrored in local food heritage. A substantial part of Nordic land is above the Arctic Circle, limiting the growth season and choice of crops. Forests dominate large parts of Nordic lowlands. Norway have large patches of mountainous terrains unfit for crop cultivation, yet have large coastal regions suitable for extensive fishing and aquaculture.

At high latitudes farming is dominated by dairy and meat production, including cattle, sheep, goats and reindeer. Together with Denmark, the southern parts of Norway are more suitable for growing plant foods such as cereals, oilseeds, legumes and vegetables.

Beyond the plate

While urgent and fundamental changes to food production and consumption are required to help meet climate change and biodiversity goals, tackling such issues does not remove the need for urgent reform in other sectors, including energy. Instead, transformation of food systems should be incorporated as one part of a comprehensive **'green transition' plan** that includes all systems.

Although the Nordics score high in overall global assessments like the Sustainable Development Indexes, there is a **long way to go to reach net zero emissions** and implement thoroughly sustainable practices within food production and consumption. Furthermore, when the total global effects of the Nordic consumption are assessed, the countries are not top performers. Thus, for optimising the total sustainability of Nordic diets, the global food system must be considered.



THE REITAN ASPIRATIONS





SUSTAINABILITY INITIATIVES

Reitan Retail is actively working to reduce its CO2 emissions and minimise negative environmental effects in its operations and value chain. The company aims to **lead the green transition in its industries** through sustainability initiatives, helping customers make climate-friendly choices and working towards a sustainable value chain that protects soil and biodiversity.



THE FRANCHISE MODEL

The Reitan Format Franchise model has been a central driver of the group's successful development since its inception. Reitan Retail was the **first grocery company in Norway** to implement **franchising**, and REMA 1000 is the only purely franchise-based grocery player in the Nordics. This franchise model allows for large-scale economies and agility due to a **decentralised** decision-making structure with aligned performance incentives for both the franchisor and franchisees.



CUSTOMER-CENTRIC APPROACH

The company emphasises that "**the customer is our boss**", aiming to create the best customer experiences in people's everyday lives. The franchise model is believed to be the winning recipe for achieving this goal serving **2 million customers daily**, from the first cup of coffee in the morning to the last bite of sourdough bread before bedtime.



STRONG FINANCIAL POSITION

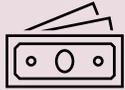
Reitan Retail's value principle is "**we aim to be debt-free**", guiding the company towards a robust financial position. This foundation, combined with the company's history of **solid value creation** through long-term investments, positions Reitan Retail for continuous growth and development. The company actively assesses opportunities for its businesses, ensuring a promising outlook for the future.

THE REITAN ASPIRATIONS

HEALTHIER AND MORE SUSTAINABLE OPTIONS

Through the ambition of accelerating healthier choices by consumers, the keyhole label, both private and label, has become more accessible in stores which aims to put Reitan Retail on a long-term sustainable growth trajectory. The growth ambition is strategised to be driven by multiple initiatives:

Low prices on fruits and vegetables



Actively promoted discounted fruits and vegetables in sporting events and in-store has led to an average increase in sales of **38.9%** for those healthier products.

Apps which provides easy and affordable recipes



Strategic partnership in Denmark with Mambeno; a food planning app. The app designs a family-meal for less than 500DKK, and the recipes **promote healthier options**. With better-planned purchases, food waste can be reduced.

Balancing environmental impact and farmer prosperity

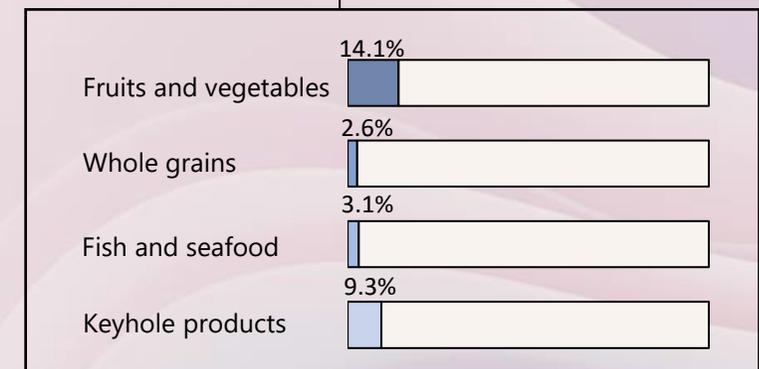
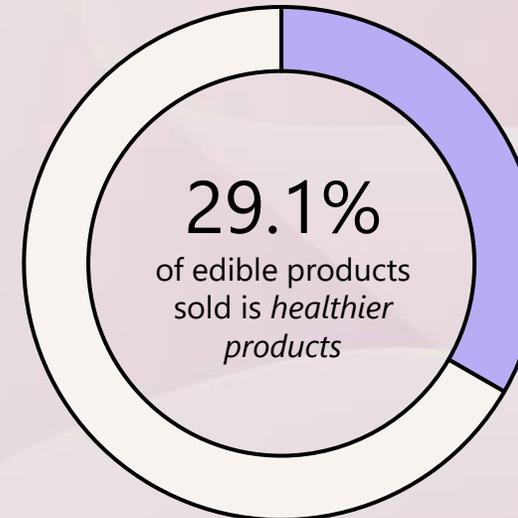


Supporting **EUs Farm to Fork** strategy which aims to reduce environmental and climate impact of primary production whilst ensuring fair economic returns for farmers.

Fostering healthier choices through sponsorships



Sponsorships with grassroots sports and Nobel Peace Centre. Reitan Retail has **offered healthier food options** at both sports and cultural events like the Oslo Marathon and football schools.

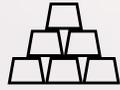




MARKET TRENDS

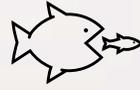
Although Reitan is one of the largest retail chains in both Norway and Denmark, they are currently **facing several key challenges** in the market including pressured margins, increased competition from the discount segment, an emerging segment within e-commerce, as well as new eating habits among consumers.

Pressured Margins



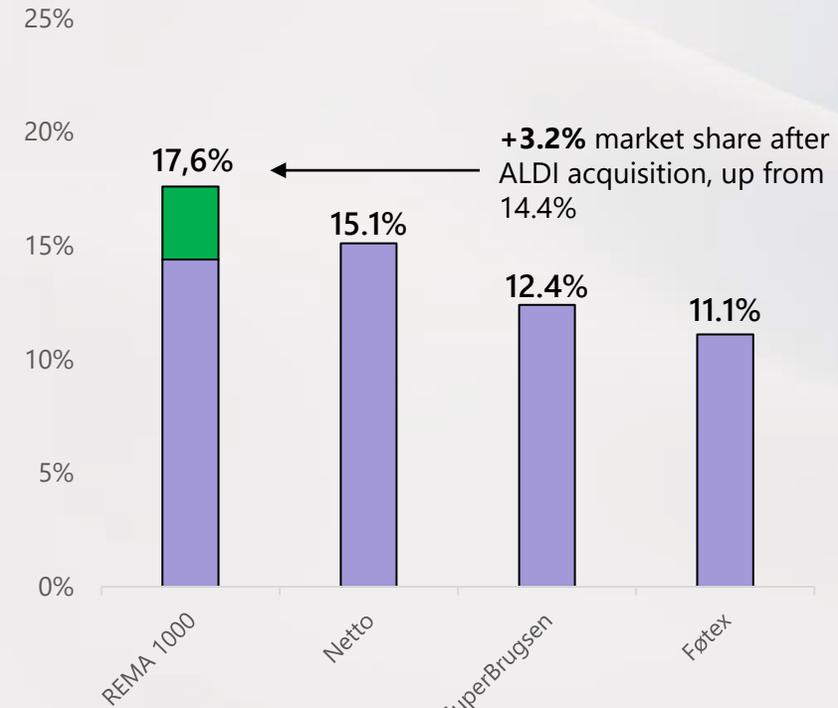
Reitan Retail and competing grocery companies are experiencing a **flat market growth**, which puts pressure on total earnings. One of the reasons is the **high store density** in both Norway and Denmark compared to European standards. This implies a highly competitive landscape, where the stores must stand out to attract customers. Now, more than ever, retailers will be interested in **identifying, improving, and creating efficiencies** across all areas of the business, and focused on maximising the value of available assets. As a result of **ongoing cost pressures**, several chains have closed non-profitable stores, and some have found themselves closing entire chains such as the Kiwi chain in Denmark.

Competition

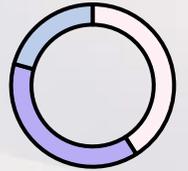


Within the last years, the competitive landscape has shifted as the discount chains increasingly dominate the market. The **consumers traded down** due to unprecedented inflation and increasing consumer price sensitivity. However, REMA 1000 was **Norway's largest discount** chain last year with a *market share of 23.5%*, ahead of Kiwi's 22.5% and Extra's 16.8% in Norway¹, and in Denmark after **acquiring Aldi** which increased their market share to 17.6%.²

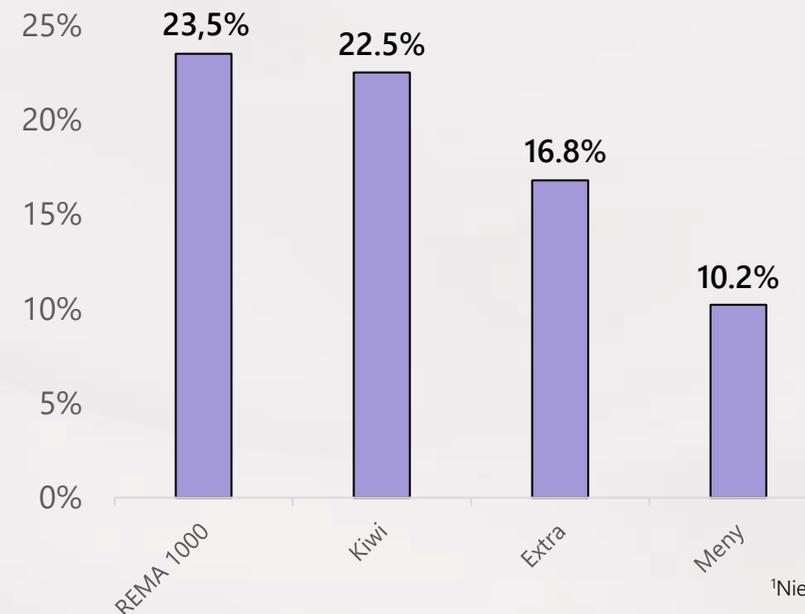
Still, REMA 1000 is the smallest of the three major grocery retailers in both Norway and Denmark, as Norgesgruppen, Coop and Salling Group have multiple concepts.



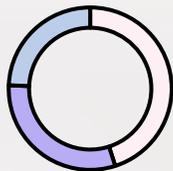
Denmark



- Salling Group (34,9)
- Coop (32,6)
- Reitan Retail (17,6)



Norway



- Norgesgruppen (43,5)
- Coop (29,6)
- Reitan Retail (23,5)

¹NielsenIQ: Dagligvarefasiten 2022 (Retail Report 2022)

²Retail Institute Scandinavia



E-COMMERCE

During the pandemic, a growing customer segment discovered the convenience of online shopping which led to **increased online grocery demand**. Many new start-ups and established retailers fought to respond, signalling a landmark year in 2021. Traditional grocery retailers quickly set up logistics, warehouses and online sales channels for customers to be able to conveniently purchase their daily needs and have them delivered to their door-step. Due to the **uncertain economic environment** causing consumers to become more price-conscious, the growth has slowed down in 2022. However, the e-grocery market constituted 2% of the total market size for retail in 2022, equivalent to NOK 4,5 billion. This was a decrease from 2021, where the total e-grocery market accounted for 2,1% of the retail market size, equalling to NOK 4,7 billion.¹

The growing market of online grocery retail is fundamentally reshaping the competitive landscape among discount retailers. With the **convenience of online shopping** becoming more prevalent,

traditional discount retailers are facing both new opportunities and challenges. To remain competitive, they must invest in robust e-commerce platforms, optimise logistics for efficient delivery, and focus on enhancing the overall online shopping experience. Price transparency is more pronounced in the digital realm, leading to **intensified price competition** as discount retailers vie to offer the best deals to attract online customers.

Additionally, the rise of data analytics provides a valuable tool for **tailoring product offerings** and marketing strategies, allowing discount retailers to better align with customer preferences. As tech giants and specialised start-ups enter the online grocery market, discount retailers must continually innovate, leverage their private label brands, and adopt omnichannel strategies to adapt and thrive in this evolving landscape. Regional dynamics and local preferences will also play a pivotal role in determining the success of discount retailers in this increasingly digital grocery retail era.²



HABITS

In recent years, a shift has occurred in buying habits with the Norwegian and Danish customer. Instead of going for regular large-scale shopping trips, consumers prefer more **frequent and spontaneous visits** to local stores. In the retail industry, the small shops, also called neighbourhood shops, hold an important market share, which is unusual compared to other European countries³.

Scandinavian retailers have long been at the forefront of promoting organic products in their stores. Over time, consumers have **grown more conscious** of their overall health, well-being, and environmental concerns. However, in 2023, a notable shift in consumer behaviour has emerged, marked by a trend toward less sustainable habits and products, as seen in the *Sustainable Brand Index* (appendix, p. 45). This change can be attributed, in part, to the economic factors affecting most Norwegians as the majority are grappling with higher floating mortgage rates and becoming price-sensitive.



¹ NielsenIQ: *Dagligvarefasiten 2022 (Retail Report 2022)*

² McKinsey: "The State of Grocery Retail 2023 - Europe"

³ Retail Institute Scandinavia



CLOSING REMARKS

CLOSING REMARKS

“Freedom and dialogue are at the core of the Reitan philosophy, which has guided our operations since Ole and Margit Reitan opened their first store in Trondheim in 1948”

Reitan Retail and its associated brands have long been an example of **retail excellence** in the Nordic and Baltic regions. This position has been carefully crafted over the company's long history, where it has not only met the everyday needs of its customers but has also consistently delivered on **quality, value,** and **innovation**. The trust and loyalty that Reitan Retail enjoys today are testaments to its commitment to its customers and its ability to adapt to the **ever-evolving** retail landscape.

From its inception, Reitan Retail's reputation for reliability and its **top-of-mind** recall among consumers have been

involved in establishing its dominance across various retail segments. As the world has transitioned, with a significant shift towards **digital platforms** and sustainable practices, Reitan Retail has been a leading example. While the group has already made significant strides in **digital integration** and **sustainable operations**, the company now aims forward to create the solutions of tomorrow.

However, the journey ahead is not without its challenges. Success in one segment does not guarantee success in another. While there are synergies between the different retail segments, each comes with its unique set of

customer expectations and market dynamics. For Reitan Retail, the challenge is to leverage its historical strengths while innovating for the future. The strategy should not only position Reitan Retail as the go-to destination for everyday essentials but also as a leader in sustainable retailing. The goal is to ensure that every interaction, be it in-store or online, reinforces the trust and value that Reitan Retail stands for.

Now, it is on you and your team to chart the path forward for Reitan Retail. Senior executives from Reitan Retail, esteemed jury members, and the broader retail community eagerly await your insights and recommendations.

Given the strategic importance of this case, your proposals will be focal in shaping Reitan Retail's future direction. As you embark on this journey, bear in mind the balance of maintaining legacy while innovating for the future. Stay true to the values of Reitan Retail, think expansively, be bold, and most importantly, enjoy the process.

Good luck!



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LEGAL DISCLAIMER

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APPENDICES

KEY FIGURES: EMISSIONS

Purchased goods and services		Revenue REMA 1000 (NOK)	Revenue REMA 1000 (%)	Emissions REMA 1000	Emissions REMA 1000 (%)
Processed meat	tCO2e	7 702 634 358	11%	624 877	22%
Dairy products	tCO2e	10 749 784 505	15%	602 332	21%
Red meat	tCO2e	5 442 685 750	7%	503 148	17%
Fruit, vegetables & berries	tCO2e	10 840 914 373	15%	181 237	6%
Fish & seafood	tCO2e	2 028 365 811	3%	153 904	5%
Confectionary and snacks	tCO2e	-	-	-	-
Alcohol	tCO2e	-	-	-	-
White meat	tCO2e	-	-	-	-
Processed vegetarian	tCO2e	-	-	-	-
Soda & energy drinks	tCO2e	-	-	-	-
Vegetarian	tCO2e	303 338 779	0%	6 471	0%
Other food categories	tCO2e	18 575 850 982	25%	520 439	18%
Total food categories		73 346 681 525	100%	2 898 709	100%
Breakdown of emissions from processed meat (tCO2e)		Revenue REMA 1000	Revenue REMA 1000 (%)	Emissions REMA 1000	Emissions REMA 1000 (%)
Processed red meat		5 763 714 832	75%	509 165	81%
Processed white meat		621 893 779	8%	20 877	3%
Processed fish and seafood		1 317 025 748	17%	94 834	15%
Type of protein unavailable		-	0%	-	0%
Processed meat		7 702 634 358	100%	624 877	100%

STRICTLY CONFIDENTIAL

NOK/DKK 1,54

What impact does sustainability have on consumer purchasing decisions in 2021-2023?
Sustainable Brand Index™ 2023

Sustainable Purchasing Decisions in Various Industries
The share of respondents (%) for whom sustainability affects the purchasing decision to a certain or a large extent in a specific industry.



STRICTLY CONFIDENTIAL

Sustainable Purchasing Decisions In Various Industries
The share of respondents (%) for whom sustainability affects the purchasing decision to a certain or a large extent in a specific industry.



STRICTLY CONFIDENTIAL

Which industry-specific sustainability areas do consumers want to see more of from a company in your industry?

Sustainable Brand Index™ 2023

Consumers consider specific sustainability areas important for a company within your industry to work with. We have asked each respondent to choose the areas they think a company in your industry should work more with. These can be viewed as potential areas for differentiation.

Each respondent was allowed to choose an unlimited number of alternatives.

Areas consumers want to see more of – grocery stores
Total population

W 2023 W 2022



STRICTLY CONFIDENTIAL

SUMMARY of the two priority levels of sustainability areas - grocery stores

Which industry-specific sustainability areas are hygiene factors vs. potential differentiators?

Sustainable Brand Index™ 2023

We have asked each respondent to choose the areas they think a company in your industry must deliver on (hygiene factors), and the areas they want to see more of from a company in your industry (potential differentiator)

Each respondent was allowed to choose an unlimited number of alternatives.



KEY FIGURES: CONSOLIDATED P&L

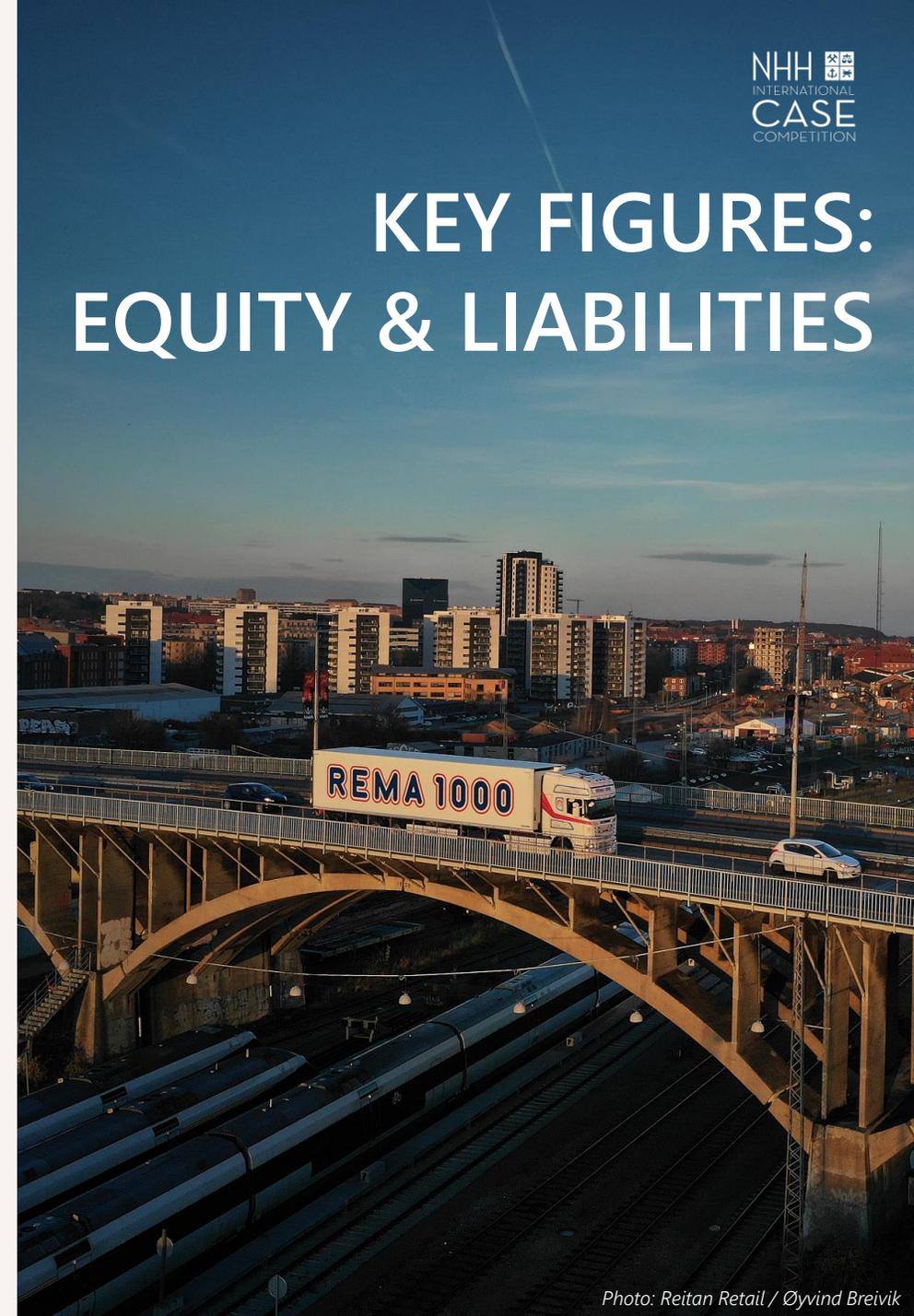
NOK in millions except per share data	2022	2021
Systemwide sales	94 367	81 502
Other income	1 001	898
Share of profit of associates	97	229
COGS	-77 395	-65 565
Salaries and employees	-4 003	3 784
Other OPEX	-5 805	5 064
EBITDA	8 262	8 216
Amortization and impairment of intangible assets	-281	-200
Depreciation and impairment of property, plant and equipment	-1 257	-1 157
Depreciation and impairment of right-of-use assets	-3 127	-3 019
Operating profit	3 597	3 840
Interest income	79	21
Interest expenses on lease liabilities	-811	-799
Other interest expenses	-228	-112
Net gains (losses) on financial investments	-246	200
Net other financial items	65	146
Net financial items	-1 141	-544
EBT	2 456	3 296
Income tax expenses	-611	-651
Profit for the year	1 845	2 645
Attributable to:		
Equity holders of the parent	1 831	2 612
Non-controlling interests	14	33
EPS, NOK		
Basic EPS	17,44	24,88
Diluted EPS	17,44	24,88

KEY FIGURES: ASSETS

MNOK	2022	2021
Non-current assets		
Deferred tax assets	591	571
Intangible assets	3 928	3 789
Investment properties	48	326
Property, plant and equipment	12 402	11 355
Right-of-use assets	22 297	20 966
Investment in associates	1 102	1 018
Financial investments	475	715
Pension assets	4	3
Derivative financial instruments	2	10
Receivables	400	471
Total non-current assets	41 249	39 124
Current assets		
Inventories	5 169	4 392
Trade and other receivables	9 860	8 136
Derivative financial instruments	31	36
Cash and bank balances	1 106	1 035
Restricted cash	114	62
Total current assets	16 280	13 661
Total assets	57 529	52 785

MNOK	2022e	2021e
Equity		
Share capital and premium	2 035	2 035
Other reserves	1 464	1 190
Retained earnings	10 462	8 815
Equity attributable to equity holders of the parent	13 961	12 040
Non controlling interests	135	150
Total equity	14 096	12 190
Liabilities		
Deferred tax liabilities	677	549
Pension obligations	82	94
Provisions	540	556
Borrowings	4 017	3 269
Lease liabilities	20 004	18 901
Other liabilities	4	6
Total non-current liabilities	25 324	23 375
Provisions	86	67
Income tax payable	124	195
Borrowings	1 124	715
Lease liabilities	3 861	3 646
Derivative financial instruments	-	3
Trade and other payables	12 914	12 594
Total current liabilities	18 109	17 220
Total liabilities	43 443	40 595
Total equity and liabilities	57 529	52 785

KEY FIGURES: EQUITY & LIABILITIES

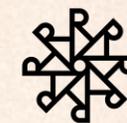


KEY FIGURES: CASH FLOW STATEMENT

Extract from the Reitan Retail 2022 Annual Report, p. 110

MNOK	2022e	2021e
EBT	2 456	3 296
Net gains (losses) excl. currency gains (losses) on operating act.	-75	-26
Share of profit of associates	-97	-229
Revaluation of investment properties	-51	-57
Depreciation and impairment of property, plant and equipment	1 257	1 157
Amortisation and impairment of intangible assets	281	200
Depreciation and impairment of right-of-use assets	3 127	3 019
Net financial items	1 141	544
Change in pension obligations	-10	-5
Change in inventories	-777	-983
Change in trade and other receivables	-1 716	-624
Change in trade and other payables	310	563
Cash flow from operating activities	5 846	6 855
Interest paid	-1 027	-896
Income tax paid	-537	-679
Net cash flow from operating activities	4 282	5 280
Purchase of intangible assets	-333	-143
Proceeds from sale of intangible assets	4	3
Purchase of investment properties	-19	-38
Proceeds from sale of investment properties	347	1
Purchase of property, plant and equipment	-2 690	-3 071
Proceeds from sale of property, plant and equipment	548	885
Purchase of associated companies	-85	-29
Proceeds from sale of associated companies	34	90
Purchase of financial assets	-3	-42
Proceeds from sale of financial assets	1	26
Interest received	79	21
Dividends received	72	152
Net cash flow from investing activities	-2 045	-2 145
Proceeds from borrowings	2 671	4 114
Repayments of borrowings	-1 904	-2 664
Proceeds from borrowings from parent company	-	16
Repayments of borrowings from parent company	-	-3 298
Payment of principal portion of lease liabilities	-3 095	-3 016
Dividend paid to parent company	-250	-
Dividends paid to non-controlling interests in subsidiaries	-30	-9
Net cash flow from financing activities	-2 608	-4 857
Change in cash and cash equivalents	-371	-1 722
Cash and cash equivalents as of 1 January	397	2 122
Effects of exchange rate changes on cash and cash equivalents	103	-3
Cash and cash equivalents as at 31 December	129	397





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