

Strong growth and improved profitability in Q1

Highlights Q1/2026

- Net sales increased by 16.3% (+18.4%) and were €103.8 million (89.3)
- Like-for-like store net sales increased by 7.7% (+6.5%)
- Online store net sales increased by 17.6% (+19.6%)
- Gross profit was €40.5 million (33.1) and gross margin was 39.0% (37.1%)
- Adjusted EBITA was €16.3 million (10.8), increasing by 50.2%, which corresponds to an adjusted EBITA margin of 15.7% (12.1%)
- EBIT was €15.7 million (10.4) which corresponds to 15.1% of net sales (11.7%)
- Operating free cash flow was €17.1 million (13.6)
- Earnings per share were €0.13 (0.09)
- Two new stores were opened during the first quarter (three new stores)

Figures are in millions of euros unless otherwise stated and have been rounded. Hence the sum of individual figures may differ from the total shown. Puuiilo's financial year starts on 1 February and ends on 31 January the following year. The figures in parentheses refer to the comparison period the previous year, unless otherwise stated. The information in this report is unaudited.

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Conference call in English and webcast in Finnish

The report will be presented for analysts, investors, and the media on the publication date in English at 10:00 am EET (9:00 am CET) and in Finnish at 11:30 am EET (10:30 am CET).

The conference call in English can be followed live at <https://puuilo.events.inderes.com/2026-q1-results>. Asking questions requires participation in the conference call. You can access the teleconference by registering on the link <https://events.inderes.com/puuilo/2026-q1-results/dial-in>. After the registration you will be provided phone numbers and a conference ID to access the conference. If you wish to ask questions, please, dial *5 on your telephone keypad to enter the queue. The webcast in Finnish will begin at 11:30 am EET at <https://puuilo.events.inderes.com/q1-2026>.

Recordings of both events will be available later the same day at Puuiilo's Investors website at https://www.investors.puuilo.fi/en/investors/reports_and_presentations.

Key Figures

€ million	Q1/2026	Q1/2025	2025
Net sales	103.8	89.3	442.3
Net sales development (%)	16.3%	18.4%	15.4%
Like-for-like store net sales development (%)	7.7%	6.5%	3.7%
Online store net sales development (%)	17.6%	19.6%	5.6%
Gross profit	40.5	33.1	169.0
Gross margin (%)	39.0%	37.1%	38.2%
Adjusted EBITA*	16.3	10.8	77.4
Adjusted EBITA* margin (%)	15.7%	12.1%	17.5%
Adjusted EBITA* development (%)	50.2%	31.2%	15.5%
EBITA	16.1	10.8	76.8
EBITA margin (%)	15.5%	12.1%	17.4%
EBIT	15.7	10.4	75.1
EBIT margin (%)	15.1%	11.7%	17.0%
Net income	11.3	7.3	56.0
EPS (€)	0.13	0.09	0.66
Operating free cash flow	17.1	13.6	72.6
Net debt / adjusted EBITDA*	1.2x	1.3x	1.3x
Net debt / adjusted EBITDA excl. impact of IFRS 16*	0.3x	0.3x	0.5x
Number of stores (end of period)	58.0	52.0	56.0
Number of personnel converted into full-time employees (FTE)	974	877	950

Puulo's financial year starts on 1 February and ends on 31 January the following year

* Adjustments relate to items affecting comparability, which originate from significant items outside the ordinary course of the business and are related to strategic projects.

Outlook for the financial year 2026

Puulo reiterates the outlook for the financial year 2026 given in its financial statements release on 25 March 2026.

Puulo forecasts that net sales will be €480 – 510 million and the adjusted EBITA will be €80 – 90 million in the financial year 2026.

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 long-term targets

The company's long-term financial targets for the strategy period 2026 – 2030:

- Growth: Net sales CAGR above 10% and net sales above €800 million by the end of financial year 2030 (ends in January 2031)
- Profitability: Adjusted EBITA margin above 17% of net sales
- Profit distribution: The company aims to distribute at least 80% of net income for each financial year
- Leverage: Net debt to adjusted EBITDA below 2.5x

CEO Juha Saarela's review

Puuilo started the financial year strongly, and growth continued in the first quarter. Net sales grew by 16.3% to EUR 103.8 million and by 7.7% in like-for-like stores. Customer traffic continued to develop positively, increasing by 14.5%. In like-for-like stores customers traffic grew by 6.2%. The average basket size also increased slightly compared to the previous year.

Profitability also improved well. The gross margin improved to 39.0% (37.1%), supported in particular by the increased share of private label sales. The adjusted EBITA grew by 50.2% to EUR 16.3 million, which represents 15.7% of net sales. Profitability improved clearly compared to the previous financial year, and the scalability of the business was reflected in a lower expense ratio.

We expanded our store network in line with our plans. During Q1, we opened new stores in Hollola and Jyväskylä Vaajakoski, and in May (Q2) we opened a store in Espoo Espoonlahti. The new stores have performed well, and they got off to a good start as expected. We expect the new stores to support growth during the rest of the financial year. For the full financial year, we are targeting at least eight new store openings.

Preparations for the international expansion have progressed as planned. Our Country Manager for Sweden started at the beginning of June, and we have continued negotiations regarding the first store locations, with several negotiations underway. In-line with our previously communicated target, we expect to open the first store in Sweden within 15 months. Start-up costs related to the international expansion have so far remained moderate, and we expect the costs for the financial year to remain at approximately EUR 1 million, as previously communicated. As in all our operations, cost discipline remains strict.

Despite the consumer confidence remaining below normal levels, customers continue to find their way to Puuilo, and the customer traffic has continued to grow. Decks are being treated, lawnmowers are being serviced and punctured tyres are being repaired – everyday maintenance tasks continue. We continue to grow faster than the overall market, which shows that our strategy works and delivers value to customers also in an uncertain market environment.

I would like to thank our customers, personnel and shareholders for a good start to the year. We will continue our work to deliver profitable growth and a good customer experience.

I wish everyone a great grilling season and strong summer for sales!

Growth strategy

Puulo's target is to continue strengthen its position as one of the leading discount retailers in Finland by utilising its key strengths: maintaining an attractive and wide product assortment, low prices and a convenient shopping experience.

In line with its updated growth strategy, the company aims to open approximately 7 – 10 new stores in Finland per year and to continue to increase its like-for-like net sales by further increasing Puulo's brand awareness. As part of its updated growth strategy, Puulo will also begin international expansion by opening pilot stores in Sweden during the strategy period 2026 – 2030. The company has an efficient and standardised store opening process, which enables the opening of several stores each year without negatively affecting other operational activities. New stores are, on average, profitable after the first full month of opening.

Puulo continuously aims to enhance its value proposition by offering a wide product assortment that meets the customer needs at competitive prices. The company also aims to further develop its online store to provide customers with the opportunity for an omnichannel shopping experience.

Store network development

In the financial year 2026, our target is to open at least eight new stores. In Q1/2025, the company has opened two stores: Hollola and Jyväskylä Vaajakoski. In May (Q2) a store was opened in Espoo Espoonlahti. During the remaining financial year, Puulo will open new stores Lahti Holma, Kangasala, Raasepori Karjaa, Kurikka and Turku. For the financial year 2027, Puulo has announced store opening in Jämsä and Ylivieska. Additional openings for both years will be announced as they are finalized.

Our store in Vantaa Virkamies will be relocated to new premises in Vantaa Tammisto in June 2026 and stores in Jyväskylä Seppälä and Kajaani will be relocated in 2027. According to Puulo's definition, a store is considered new during the year of opening and the following financial year. Relocated stores are considered like-for-like stores.

Preparations for the first pilot stores in Sweden are progressing as planned. The target is to open the first store within 15 months.

On 30 April 2026, Puulo had a total of 58 stores (52 stores) across Finland. The current store network is young, approximately half of the stores have been opened during the last five years.

Financial development

Seasonality

Puulo's business is, in part, seasonal in nature. As such, there are seasonal peaks in Puulo's net sales, operating result and cash flows, although seasonal dependence is relatively low compared to the trade sector in general. Historically, Puulo's most important seasons in terms of net sales have been the second and third quarter of each financial year. Additionally, Puulo's net sales are to some extent impacted by exceptional, harsh, or seasonally atypical weather.

Financial year

Puulo's financial year starts on 1 February and ends on 31 January the following year. The figures in parentheses refer to the comparison period the previous year, unless otherwise stated.

Q1/2026

In February – April, Puuilo's net sales increased by 16.3% (+18.4%) to €103.8 million (89.3). Net sales of Puuilo's stores were €101.4 million (87.2) and net sales of the online store were €2.4 million (2.1), which corresponded to 2.3% (2.3%) of net sales. Like-for-like store net sales increased by 7.7% (6.5%) in the first quarter. Online store net sales increased by 17.6% (19.6%) in the first quarter.

The development of net sales was driven by both new and like-for-like stores. Customer traffic continued to increase also in like-for-like stores. The average basket size increased slightly compared to the same period last year.

Puuilo's gross profit for the reporting period was €40.5 million (33.1) and the gross margin was 39.0% (37.1%). Margin development was supported in particular by a significant increase in the relative share of private label sales.

Other operating expenses and personnel expenses totalled €19.1 million (17.4), which corresponds to 18.4% of net sales (19.5%). Adjusted operating expenses including personnel expenses were €19.0 million (17.4), or 18.3% of net sales (19.5%). The most significant item in operating expenses was personnel expenses. Personnel expenses were €11.7 million (10.4), which corresponds to 11.3% (11.6%) of net sales. The increase in personnel costs was mainly due to new stores. Operating expenses included €0.2 million items affecting comparability related to strategic projects. There were no items affecting comparability in the comparison period.

Adjusted EBITA was €16.3 million (10.8) and the adjusted EBITA margin was 15.7% (12.1%) increasing by 50.2% compared to the previous year. EBITA was €16.1 million (10.8) and the EBITA margin was 15.5% (12.1%).

Operating profit was €15.7 million (10.4), which corresponds to an EBIT margin of 15.1% (11.7%).

Net financial expenses were €-1.5 million (-1.4). Net financial expenses excluding the effect of IFRS 16 were €-0.5 million (-0.5).

Profit before taxes was €14.2 million (9.1). Total income taxes were €2.8 million (1.8). The net result was €11.3 million (7.3) and earnings per share were €0.13 (0.09).

Balance sheet, financing, and cash flow

At the end of the reporting period, Puuilo's inventories were €136.1 million (125.3). The increase in absolute inventory value is mainly due to six new stores opened during the past twelve months and private label products for upcoming stores. Additionally, the import volume of private label products increased as planned. Puuilo aims to further improve inventory turnover in the future.

Operating free cash flow in February - April was €17.1 million (13.6). Operating free cash flow was supported by strong EBITA.

At the end of the reporting period, cash and cash equivalents were €40.8 million (27.7) and the company's financial position is healthy. Puuilo's interest-bearing liabilities totalled €165.7 million (142.1), of which non-current financial loans amounted to €69.9 million (49.8). The Group did not have current financial loans (-). Other interest-bearing liabilities consisted of lease liabilities reported in accordance with IFRS 16. At the end of the reporting period, the ratio of net debt to adjusted EBITDA was 1.2 (1.3), which is in line with the long-term target. The ratio of net debt to adjusted EBITDA excluding the impact of IFRS 16 was 0.3 (0.3). Net debt excluding the impact of IFRS 16 was €29.1 million (22.1).

Investments

Puulo's investments in the first quarter were €1.8 million (1.5). Investments were mainly related to the furnishing of new stores.

Personnel

The number of full-time employees was 974 (877).

Significant events of the reporting period

The Shareholders' Nomination Board of Puulo Plc proposed to the Annual General Meeting that the number of the members of the Board of Directors will be five (previously five) and current members of the Board of Directors, Susanne Hounsgaard, Jens Joller, Mammu Kaario, Tuomas Piirtola, and Markku Tuomaala, be re-elected. The Nomination Board proposed that Mammu Kaario be re-elected as the Chair of the Board of Directors. The Nomination Board proposed a raise in the remunerations of the members of the Board of Directors. (Stock exchange release 20 March 2026)

Puulo repurchased 385,000 shares during 27.3.-9.4.2026. Amount corresponds to approximately 0.45% of the total number of the company's shares, which is 84,776,953. The average purchase price per share was €12.798540 and the total amount € 4,927,438. The repurchased shares are to be used primarily as part of the reward payments under the share-based incentive plans for key personnel. Following the repurchases, the company holds a total of 813,519 shares. (Stock exchange release 9 April 2026)

The Company launched a long-term incentive plan for its key personnel and those of its subsidiaries for the years 2026–2028. The purpose of the plan is, among other things, to encourage key personnel to acquire and hold shares in the Company and to align the interests of shareholders and key personnel. In addition, a new strategic performance-based share incentive plan was established for senior management for the earning period 2026–2030. Members of the Management Team are subject to holding obligations regarding the shares received under the incentive plan. (Stock exchange release 16 April 2026)

Significant events after the end of the reporting period

JPMorgan Chase & Co.'s total indirect holdings in shares and votes of the Company decreased below the threshold of 5% on 4 May and was 4.97% after the transaction. Total indirect holdings increased above the threshold of 5% on 5 May and was 5.03%. Total indirect holdings decreased below the threshold of 5% on 6 May 2026 and was 4.97% after the transaction. (Stock exchange releases 6, 7 and 8 May 2026)

Puulo Plc transferred without consideration a total of 142,573 own shares held by the Company to 27 key employees participating in the performance period 2023–2025 of the performance matching share plan for the payment of rewards in accordance with the terms of the plan. After the share transfer, Puulo holds a total of 670,946 own shares. (Stock exchange release 12 May 2026)

M.Sc. (Econ.) Annu von Weymarn was appointed as Chief Financial Officer (CFO) of Puulo and a member of the Management Team. (Stock exchange release 18 May 2026)

Shares and shareholders

Share information and share trading

Puulo Plc has one class of shares. Each share carries one vote at the company's Annual General Meeting. The shares have no nominal value. Puulo Plc's share capital was €80,000 at the end of the reporting period and the company had 84,776,953 shares.

On the last trading day of the reporting period, 30 April 2026, the closing price of the share was €13.00. The share turnover during the reporting period was €108 million and 8,737,402 shares. The highest intra-day share price during the reporting period was €13.66 and the lowest intra-day price was €11.30. At the end of the reporting period, the market value of the shares was €1,092 million.

At the end of the reporting period, Puulo had 36,585 registered shareholders.

The company held 813,519 treasury shares at the end of the reporting period, which corresponded to 1.0% of all the company's shares.

Further information on Puulo's shares and shareholders is available on the company's website at https://www.investors.puulo.fi/en/investors/share_information/shareholders and on the management's holdings at https://www.investors.puulo.fi/en/investors/share_information/management_shareholding.

Flagging notifications

During the review period, Puulo received the following shareholder flagging notifications in accordance with the Finnish Securities Markets Act:

- On 17 March 2026, Puulo received a notification in accordance with the Chapter 9, Section 5 of the Finnish Securities Market Act from The Capital Group Companies, Inc. according to which The Capital Group Companies, Inc. indirect holdings in shares and votes of the Company fell below the flagging threshold of 5 percent and was 4.98% after the transaction.
- On 9 April 2026, Puulo received a notification in accordance with Chapter 9, Section 5 of the Finnish Securities Markets Act, according to which JPMorgan Chase & Co.'s total indirect holdings in shares and votes of the Company have increased above the threshold of 5% on 7 April 2026 and is now 5.05%.

All flagging notifications have been published as stock exchange releases and are available on the company's website at https://www.investors.puulo.fi/en/investors/share_information/flagging_notifications.

Managers' share transactions

Puulo's managers' transactions after the listing have been published as stock exchange releases and are available on the company's website at <https://investors.puulo.fi/en/releases>.

Sustainability

Puulo has prepared a sustainability report for the year 2025 in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) included in the Directive. The sustainability report is part of Puulo Plc's Report by the Board of Directors, which was published together with the financial statements on 17 April 2026.

Risks and business uncertainties

Risks and uncertainties related to Puuilo's operating environment, markets, business, strategy implementation, financing and financial position are described in detail in the Report by the Board of Directors 2025. The most significant business risks and uncertainties are related to the changes in consumer purchase power and behaviour. Additionally, geopolitical crises and international tensions may affect product availability and prices.

The general principles of Puuilo's risk management are also described on the investor website at https://www.investors.puuilo.fi/en/investors/corporate_governance/risk_management.

Resolutions of the Annual General Meeting

The Annual General Meeting of Puuilo Plc held on 12 May 2026 adopted the company's financial statements for the 2025. The Annual General Meeting resolved to distribute a dividend of €0.66 per share on shares held outside the company. Of the proposed dividend, €0.54 will be distributed based on the financial year 2025 result and €0.12 will be distributed as a special dividend. The dividend will be paid in two instalments of €0.33 per share. The record date of the first dividend instalment was 19 May 2026 and the pay date was 26 May 2026. The record date of the second dividend instalment is 15 October 2026 and the pay date 22 October 2026. The Board was authorized to decide, if necessary, on new dividend payment record date and pay date for the second instalment, if the rules and statutes of the Finnish book-entry system change or otherwise so require. The remaining distributable assets will remain in equity. The resolutions of the Annual General Meeting were communicated in more detail in a stock exchange release on 12 May 2026.

Next financial reports

Puuilo's financial year starts on 1 February and ends on 31 January the following year. The company publishes Business reviews for the first and third quarter, a Half-year financial report and a financial statements release.

Half-year Financial Report (February – July 2026)

on 10 September 2026

Business review Q3 (February – October 2026)

on 10 December 2026

All financial reports are published in English and in Finnish and are available at:

https://www.investors.puuilo.fi/en/investors/reports_and_presentations.

10 June 2026
PUUILO PLC
Board of Directors

DISTRIBUTION
Nasdaq Helsinki
Key media
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Calculation of certain alternative performance measures and other key figures

Puulo uses alternative performance measures to reflect the changes in business performance and profitability. These indicators should be examined together with the IFRS-compliant performance key indicators.

Like-for-like store net sales development is used to reflect the changes in Puulo's business volume between periods. The indicator reflects the change in the net sales excluding the impact of new stores. Like-for-like stores include the stores that have existed during both the review period and the comparison period.

Adjusted profit and profitability indicators are used to improve the comparability of operational performance between periods. Items affecting comparability include unusual material items outside the ordinary course of the business such as strategic projects or business arrangements.

Alternative performance measures, adjusted for the effect of IFRS 16, are used to monitor the achievement of financial targets. EBITDA excluding the effect of IFRS corresponds to EBITDA before the adoption of IFRS 16.

In addition, financial performance indicators for the group have been presented as alternative performance measures. The management uses these indicators to monitor and analyse business performance, profitability and financial position.

Key figure	Definition
Like-for-like store net sales development (%)	Like-for-like store net sales development is calculated as the net sales development of the comparable stores that are not considered new or closed stores. A store is considered a new store during the opening year and the following financial year after the opening. Relocated stores are considered like-for-like stores.
Online net sales development (%)	Change in online store net sales for the period divided by online store net sales for the previous period
Gross profit	Net sales – materials and services
Gross margin (%)	Gross profit as percentage of net sales
EBITA	Operating profit before amortisation and impairment of intangible rights
EBITA margin (%)	EBITA as percentage of net sales
Adjusted EBITA	EBITA adjusted with items affecting comparability
Adjusted EBITA development (%)	Change in adjusted EBITA for the period divided by adjusted EBITA for the previous period
Adjusted EBITA margin (%)	Adjusted EBITA as percentage of net sales
EBIT (operating profit)	Profit before income taxes and finance income and finance costs (operating profit)
EBIT margin (%)	EBIT as percentage of net sales

Earnings per share (basic) (€)	Earnings per share have been calculated by dividing the profit for the period according to the consolidated income statement by the weighted average number of shares issued.
Earnings per share (diluted) (€)	Earnings per share have been calculated by dividing the profit for the period according to the consolidated income statement by the weighted average diluted number of shares issued.
EBITDA	Operating profit before depreciation, amortisation, and impairment
Adjusted EBITDA	EBITDA before items affecting comparability
Operating free cash flow	Adjusted EBITDA – depreciation of right-of-use assets – change in net working capital in cash flow statement – net capital expenditure
Net debt / Adjusted EBITDA	Interest-bearing liabilities (loans from financial institutions + lease liabilities) – cash and cash equivalents divided by annualised adjusted EBITDA
Net debt / Adjusted EBITDA excl. IFRS 16 impact	Interest-bearing liabilities excluding IFRS 16 lease liabilities – cash and cash equivalents divided by annualised adjusted EBITDA – lease expenses (12 months rolling)