

## KID ASA

*In case of discrepancy between the Norwegian and the English text, the Norwegian text shall prevail*

### Innkalling til ordinær generalforsamling

Det innkalles herved til ordinær generalforsamling i Kid ASA ("**Selskapet**") onsdag den 11.mai 2017 kl. 1400 i selskapets lokaler i Gilhusveien 1 i Lier kommune.

Møtet vil bli åpnet av styrets leder Henrik Schüssler.

#### Dagsorden:

1. Valg av møteleder og en person til å medundertegne protokollen
2. Godkjenning av innkallingen og dagsorden
3. Godkjenning av årsregnskap og styrets årsberetning for Kid ASA og konsernet for 2016, herunder disponering av årets resultat, samt behandling av redegjørelse om foretaksstyring
4. Fullmakt til å beslutte utdeling av utbytte
5. Fastsettelse av honorar til styrets medlemmer
6. Godkjenning av honorar til Selskapets revisor
7. Valg av medlemmer til styret
8. Fastsettelse av honorar til valgkomitéens medlemmer
9. Erklæring om godtgjørelse til ledende ansatte
10. Styrefullmakt til kapitalforhøyelse
11. Styrefullmakt til erverv av Selskapets egne aksjer

### Notice of annual general meeting

Notice is hereby served that the annual general meeting of Kid ASA (the "**Company**") will be held on Wednesday 11<sup>th</sup> May 2017 at 1400 hours in the company headquarters at Gilhusveien 1 in Lier.

The meeting will be opened by the chairman of the board Henrik Schüssler.

#### Agenda:

1. Election of a chairperson and a person to co-sign the minutes
2. Approval of the notice and the agenda
3. Approval of the annual accounts and directors' report of Kid ASA and the group for 2016, including allocation of the result of the year, as well as consideration of the statement on corporate governance
4. Authority to approve the distribution of dividends
5. Determination of the remuneration of the members of the board of directors
6. Approval of the remuneration of the Company's auditor
7. Election of members to the board of directors
8. Determination of the remuneration of the members of the nomination committee
9. Statement regarding remuneration for senior management
10. Board authorisation to increase the share capital
11. Board authorisation for the acquisition of the Company's own shares

Forslag til vedtak i sak 3 - 10 fremgår av vedlegg 1.

Kid ASA har en aksjekapital på NOK 48 774 194 fordelt på 40 645 162 aksjer, hver med pålydende verdi NOK 1.2. Hver aksje gir rett til én stemme på Selskapets generalforsamlinger. Kid ASA eier ingen egne aksjer.

Aksjeeierne har følgende rettigheter i forbindelse med generalforsamlingen:

- Rett til å møte i generalforsamlingen, enten personlig eller ved fullmektig.
- Talerett på generalforsamlingen.
- Rett til å ta med én rådgiver og gi denne talerett.
- Rett til å kreve opplysninger av styrets medlemmer og administrerende direktør om forhold som kan innvirke på bedømmelsen av (i) godkjenningen av årsregnskapet og årsberetningen, (ii) saker som er forelagt aksjeeierne til avgjørelse og (iii) Selskapets økonomiske stilling, herunder om virksomheten i andre selskaper som Selskapet deltar i, og andre saker som generalforsamlingen skal behandle, med mindre de opplysninger som kreves, ikke kan gis uten uforholdsmessig skade for Selskapet.
- Rett til å få fremsette alternativer til styrets forslag under de saker generalforsamlingen skal behandle.

Aksjonærer som ønsker å delta i generalforsamlingen enten personlig eller via fullmektig må sende inn påmeldingsskjema (Vedlegg 2) til Selskapet slik at Selskapet har påmeldingen i hende senest 09.05.2017. I henhold til vedtektenes § 7 kan aksjeeiere som ikke er påmeldt innen fristens utløp, nektes adgang til generalforsamlingen

Påmelding kan også skje elektronisk via VPS Investortjenester eller på <http://investor.kid.no>

Dersom aksjer er registrert i VPS gjennom en forvalter, jf. allmennaksjeloven § 4-10, og den reelle aksjeeieren ønsker å delta i generalforsamlingen, personlig eller ved fullmakt, må den reelle

Proposals for resolutions under items 3 - 10 are set out in appendix 1.

Kid ASA has a share capital of NOK 48 774 194 divided into 40 645 162 shares, each with a nominal value of NOK 1.2. Each share carries one vote at the Company's general meetings. Kid ASA does not hold any treasury shares.

The shareholders have the following rights in respect of the general meeting:

- The right to attend the general meeting, either in person or by proxy.
- The right to speak at the general meeting.
- The right to be accompanied by an advisor at the general meeting and to give such advisor the right to speak.
- The right to require information from the members of the board of directors and the chief executive officer about matters which may affect the assessment of (i) the approval of the annual accounts and directors' report, (ii) items which have been presented to the shareholders for decision and (iii) the Company's financial position, including information about activities in other companies in which the Company participates and other business to be transacted at the general meeting, unless the information demanded cannot be disclosed without causing disproportionate harm to the Company.
- The right to present alternatives to the board's proposals in respect of matters on the agenda at the general meeting.

Shareholders who wish to attend the general meeting either in person or by proxy must return the enclosed attendance form (Appendix 2) to the Company in time to be received by the Company no later than 09 May 2017. In accordance with section 7 of the articles of association, shareholders who do not notify their deadline within this deadline may be denied access to the general meeting.

Notice of attendance may also be given electronically via VPS Investor Services or <http://investor.kid.no>

If the shares are held through a nominee, cf. the Norwegian Public Limited Liability Companies Act Section 4-10, and the beneficial owner wishes to attend the general meeting, whether in person or by

aksjeeieren overføre aksjene til en VPS-konto i den reelle aksjeeierens navn forut for generalforsamlingsdagen.

Aksjonærer har rett til å møte og stemme ved fullmektig. Det må i så tilfelle fremlegges en skriftlig og datert fullmakt. Vedlagte fullmaktsskjema (Vedlegg 3) kan benyttes.

Det gjøres oppmerksom på at fullmakt uten stemmeinstruks kan utløse flaggeplikt etter norsk rett. Innehav av en stemmefullmakt uten stemmeinstruks likestilles etter verdipapirhandelloven § 4-2 tredje ledd med eierskap av aksjer eller rettigheter til aksjer. Dette betyr at fullmektigen vil ha plikt til å flagge fullmaktene dersom disse gjelder et antall aksjer som (sammen med fullmektigens eventuelle egne aksjer eller rettigheter til aksjer) når opp til eller overstiger tersklene for flaggeplikt i verdipapirhandelloven § 4-2 annet ledd.

Dersom det foreslåtte utbyttet blir vedtatt vil aksjen handles eks. utbytte på Oslo Børs fra og med 12.05.2017. Utbetaling av utbytte vil finne sted 24.05.2017.

Denne innkallingen med vedlegg er tilgjengelig på Selskapets internettside <http://investor.kid.no>.

I tråd med vedtektene § 7 sendes ikke vedleggene til innkallingen med post til aksjonærene. Enhver aksjonær kan dog kreve at vedleggene sendes vederlagsfritt til vedkommende med post. Dersom en aksjeeier ønsker å få tilsendt dokumentene, kan henvendelse rettes til Selskapet på telefon: 940 26 000, eller ved å sende en forespørsel pr e-post til [investor@kid.no](mailto:investor@kid.no).

proxy, the beneficial owner must transfer the shares to a VPS account in the name of the beneficial owner prior to the date of the general meeting.

Shareholders may appoint a proxy to attend and vote on their behalf. In this case a written and dated proxy must be provided. The enclosed proxy form (Appendix 3) may be used.

Please note that proxies without voting instructions may trigger disclosure requirements under Norwegian law. Under the Norwegian Securities Trading Act section 4-2 third paragraph the possession of a proxy without voting instructions is considered equal to ownership of shares or rights to shares. This means that a proxy is required to disclose the proxies if the number of shares to which they relate (together with any shares or rights to shares held by the proxy) reaches or exceeds the disclosure thresholds under the Norwegian Securities Trading Act section 4-2 second paragraph.

If the proposed dividend is approved the shares will trade ex. dividends on Oslo Børs from and including 12 May 2017. Payment of the dividend will be made on 24 May 2017.

This notice and the appendices are available on the Company's web pages in <http://investor.kid.no>.

In accordance with § 7 of the Company's articles of association, the appendices to the notice will not be sent by post to the shareholders. A shareholder may nonetheless demand to be sent the appendices by post free of charge. If a shareholder wishes to have the documents sent to him, such request can be addressed to the Company by way of telephone: +47 940 26 000 or by email to [investor@kid.no](mailto:investor@kid.no).

Kid ASA

20th April 2017

Henrik Schüssler

Styrets leder / Chairman of the board of directors

**Vedlegg:**

1. Foreslåtte vedtak
2. Påmeldingsskjema
3. Fullmaktsskjema
4. Erklæring om godtgjørelse til ledende ansatte
5. Valgkomiteens innstillinger
6. Årsrapport 2016

**Appendices:**

1. Proposed resolutions
2. Attendance form
3. Proxy form
4. Statement regarding remuneration for senior management
5. Statement of the nomination committee
6. Annual report for 2016

**Vedlegg 1 - Forslag til vedtak****Sak 3 - Godkjenning av årsregnskap og styrets årsberetning for Kid ASA og konsernet for 2016, herunder disponering av årets resultat, samt behandling av redegjørelse om foretaksstyring**

Styrets redegjørelse om foretaksstyring er inntatt i årsrapporten.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*Årsregnskapet og årsberetningen for 2016 godkjennes.*

*Det foreslåtte utbyttet på NOK 2.0 per aksje godkjennes.*

**Sak 4 - Fullmakt til å beslutte utdeling av utbytte**

Styret har som mål å videreføre dagens utbyttepolitikk som tilsier at 60-70% av justert resultat etter skatt utbetales som årlig utbytte. Styret ønsker imidlertid å gjennomføre dette i to utbetalinger per år, hvor styret har fullmakt til å fastsette og utbetale et halvårsutbytte i lys av resultatet per tredje kvartal.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*Styret gis i henhold til allmennaksjeloven § 8-2 (2) fullmakt til å beslutte utdeling av utbytte på grunnlag av Selskapets årsregnskap for 2016. Fullmakten kan utøves én gang.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2018.*

**Sak 5 - Fastsettelse av honorar til styrets medlemmer**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen.

**Appendix 1 - Proposed resolutions****Item 3 - Approval of the annual accounts and directors' report of Kid ASA and the group for 2016, including allocation of the result of the year, as well as consideration of the statement on corporate governance**

The statement of the board of directors on corporate governance is included in the annual report.

The board of directors proposes that the general meeting pass the following resolution:

*The annual accounts and the directors' report for 2016 are approved.*

*The proposed dividend of NOK 2.0 per share is approved.*

**Item 4 - Authority to approve the distribution of dividends**

The board of directors intends to maintain the existing dividend policy whereby 60-70% of the adjusted results after tax are distributed as a dividend. However, the board wishes to carry out two dividend payments per year, where the board is authorized to approve and distribute a half-yearly dividend in light of the results of the third quarter.

The board of directors proposes that the general meeting pass the following resolution:

*The board of directors is authorized pursuant to the Public Limited Companies Act § 8-2(2) to approve the distribution of dividends based on the Company annual accounts for 2016. The authority may be used one time.*

*The authority shall remain in force until the annual general meeting in 2018.*

**Item 5 - Determination of the remuneration of the members of the board of directors**

The proposal of the nomination committee is set out in statement of the nomination committee, which is enclosed with the notice.

**Sak 6 - Godkjenning av honorar til Selskapets revisor**

Godtgjørelsen til Selskapets revisor for 2016 er TNOK 299, hvorav TNOK 241 dekker revisjon av det konsoliderte årsregnskapet samt selskapsregnskap i konsernet til Kid ASA, og TNOK 58 dekker andre tjenester.

**Sak 7 - Valg av medlemmer til styret**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen.

**Sak 8 - Fastsettelse av honorar til valgkomiteens medlemmer**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen.

**Sak 9 - Erklæring om godtgjørelse til ledende ansatte**

Redegjørelsen fra styret om godtgjørelse til ledende ansatte er inkludert i en egen innstilling, som er vedlagt innkallingen.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*Generalforsamlingen gir sin tilslutning til styrets erklæring om godtgjørelse til ledende ansatte.*

**Sak 10 - Styrefullmakt til kapitalforhøyelse**

Styret anser at det er i Selskapets interesse at styret gis fullmakt til å forhøye Selskapets aksjekapital. Dette vil gi styret fleksibilitet til å styrke Selskapets kapital eller bruke Selskapets aksjer som vederlag der dette måtte være hensiktsmessig.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*Styret gis i henhold til allmennaksjeloven § 10-14 (1) fullmakt til å forhøye Selskapets aksjekapital med inntil NOK 4.877.419. Innenfor denne samlede beløpsrammen kan fullmakten benyttes flere ganger.*

**Item 6 - Approval of the remuneration of the Company's auditor**

The remuneration of the Company's auditor for 2016 is TNOK 299, of which TNOK 241 covers audit of the consolidated annual financial statements of the group and company statements, and TNOK 58 covers other services.

**Item 7 - Election of members to the board of directors**

The proposal of the nomination committee is set out in statement of the nomination committee, which is enclosed with the notice.

**Item 8 - Determination of the remuneration of the members of the nomination committee**

The proposal of the nomination committee is set out in statement of the nomination committee, which is enclosed with the notice.

**Item 9 - Statement regarding remuneration for senior management**

The statement of the board of directors regarding remuneration for senior management is set out in a separate statement, which is enclosed with the notice.

The board of directors proposes that the general meeting pass the following resolution:

*The general meeting endorses the statement of the Board of Directors regarding remuneration for senior management.*

**Item 10 - Board authorisation to increase the share capital**

The board of directors believes that it is in the best interest of the Company that the Board is granted authorization to increase the Company's share capital. This will give the board of directors flexibility to strengthen the Company's capital or use the Company's shares as consideration where appropriate.

The board of directors proposes that the general meeting pass the following resolution:

*The board of directors is authorized pursuant to the Public Limited Companies Act § 10-14 (1) to increase the Company's share capital by up to NOK 4,877,419. Subject to this aggregate amount limitation, the authority may be used on more than one occasion.*

*Fullmakten kan bare benyttes til å utstede aksjer som vederlag og til innhenting av ny egenkapital for å styrke Selskapets finansiering.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2018, dog senest til 30. juni 2018.*

*Aksjeeiernes fortrinnsrett etter allmennaksjeloven § 10-4 kan fravikes.*

*Fullmakten omfatter kapitalforhøyelse mot innskudd i penger og mot innskudd i andre eiendeler enn penger. Fullmakten omfatter rett til å pådra selskapet særlige plikter, jf. allmennaksjeloven § 10-2. Fullmakten omfatter beslutning om fusjon etter allmennaksjeloven § 13-5.*

#### **Sak 11 - Styrefullmakt til erverv av Selskapets egne aksjer**

Styret foreslår at generalforsamlingen gir en fullmakt til å erverve egne aksjer. Dette vil gi Selskapet fleksibilitet til å kjøpe tilbake egne aksjer dersom dette skulle anses hensiktsmessig for å optimalisere Selskapets kapitalstruktur eller skaffe Selskapet en beholdning egne aksjer som vil kunne benyttes som vederlag i transaksjoner e.l.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*Styret gis i henhold til allmennaksjeloven § 9-4 fullmakt til på vegne av Selskapet å erverve aksjer i Selskapet ("egne aksjer") med en samlet pålydende verdi på inntil NOK 4.877.419 Dersom Selskapet avhender eller sletter egne aksjer skal dette beløpet forhøyes med et beløp tilsvarende pålydende verdi av de avhendede eller slettede aksjene.*

*Ved erverv av egne aksjer kan det ikke betales et vederlag pr. aksje som er mindre enn NOK 20 eller som overstiger NOK 60.*

*Styret fastsetter på hvilke måter egne aksjer kan erverves eller avhendes.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2018, dog senest til 30. juni 2018.*

*The authority may only be used [to issue shares as consideration and to raise new equity in order to strengthen the Company's financing.*

*The authority shall remain in force until the annual general meeting in 2018, but in no event later than 30 June 2018.*

*The pre-emptive rights of the shareholders under § 10-4 of the Public Limited Companies Act may be set aside.*

*The authority covers capital increases against contributions in cash and contributions other than in cash. The authority covers the right to incur special obligations for the Company, ref. § 10-2 of the Public Limited Companies Act. The authority covers resolutions on mergers in accordance with § 13-5 of the Public Limited Companies Act.*

#### **Item 11 - Board authorisation for the acquisition of the Company's own shares**

The board of directors proposes that the general meeting grant an authorisation to acquire own shares. This will give the Company the flexibility to buy back its own shares if this should be desirable in order to optimize the capital structure of the Company or to provide the Company with a holding of own shares which could be used as consideration in transactions etc.

The board of directors proposes that the general meeting pass the following resolution:

*The board of directors is authorised pursuant to the Public Limited Liability Companies Act § 9-4 to acquire shares in the Company ("own shares") on behalf of the Company with an aggregate nominal value of up to 4,877,419 If the Company disposes of or cancels own shares, this amount shall be increased by an amount equal to the nominal value of the shares disposed of or cancelled.*

*When acquiring own shares the consideration per share may not be less than NOK 20 and may not exceed NOK 40.*

*The board of directors determines the methods by which own shares can be acquired or disposed of.*

*The authority shall remain in force until the annual general meeting in 2018, but in no event later than 30 June 2018.*

Ref no:

PIN code:

**Notice of Annual General Meeting**

An Annual General Meeting of Kid ASA will be held on 11th May 2017 at 1400 hours in the company headquarters at Gilhusveien 1 in Lier

If the above-mentioned shareholder is an enterprise, it will be represented by:

\_\_\_\_\_  
Name of enterprise's representative  
(To grant a proxy, use the proxy form below)

**Notice of attendance**

The undersigned will attend the **Annual** General Meeting on 11th May 2017 and vote for:

A total of \_\_\_\_\_  
Own shares  
Other shares in accordance with enclosed Power of Attorney  
Shares

This notice of attendance must be received by DNB Bank ASA no later than 1400 on 09.05.2017.

**Notice of attendance may be sent electronically through the Company's website <http://investor.kid.no> or through VPS Investor Services.**

**Advance votes may only be cast electronically, through the Company's website or through VPS Investor Services.** To access the electronic system for notification of attendance and advance voting through the Company's website, the above-mentioned reference number and PIN code must be stated.

Notice of attendance may also be sent by e-mail: [genf@dnb.no](mailto:genf@dnb.no), or by regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

| Place | Date | Shareholder's signature<br>(If attending personally. To grant a proxy, use the form below) |
|-------|------|--|
|       |      |  |

**Proxy (without voting instructions)**

Ref no:

PIN code:

**Annual General Meeting of Kid ASA**

This proxy form is to be used for a proxy without voting instructions. To grant a proxy with voting instructions, please go to page 2.

If you are unable to attend the Annual General Meeting in person, this proxy may be used by a person authorised by you, or you may send the proxy without naming the proxy holder, in such case, the proxy will be deemed to be given to the Chair of the Board of Directors or a person authorised by him.

The proxy form should be received by DNB Bank ASA, Registrar's Department no later than 1400 on 09.05.2017.

**The proxy may be sent electronically through Kid ASA's website <http://investor.kid.no> or through VPS Investor Services.** It may also be sent by e-mail: [genf@dnb.no](mailto:genf@dnb.no) Post to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

**The undersigned** \_\_\_\_\_

hereby grants (tick one of the two):

the Chair of the Board of Directors (or a person authorised by him), or

\_\_\_\_\_  
(Name of proxy holder in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Kid ASA on 11th May 2017.

| Place | Date | Shareholder's signature<br>(Signature only when granting a proxy) |
|-------|------|---|
|       |      |   |

With regard to rights of attendance and voting, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.



**Proxy (with voting instructions)****Ref no:****PIN code:****(Advance votes may be cast electronically, through the Company's website <http://investor.kid.no>)**

This proxy form is to be used for a proxy with voting instructions. If you are unable to attend the Annual General Meeting in person, you may use this proxy form to give voting instructions. You may grant a proxy with voting instructions to a person authorised by you, or you may send the proxy without naming the proxy holder, in which case the proxy will be deemed to have been given to the Chair of the Board of Directors or a person authorised by him.

The proxy form must be received by DNB Bank ASA, Registrar's Department, no later than 14:00. on 09.05.2017.

It may be **sent by e-mail:** [genf@dnb.no](mailto:genf@dnb.no) /regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

**The undersigned:** \_\_\_\_\_

hereby grants (tick one of the two):

the Chair of the Board of Directors (or a person authorised by him), or

\_\_\_\_\_  
Name of proxy holder (in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Kid ASA on 11th May 2017.

The votes shall be exercised in accordance with the instructions below. Please note that if any items below are not voted on (not ticked off); this will be deemed to be an instruction to vote "for" the proposals in the notice. However, if any motions are made from the floor in addition to or in replacement of the proposals in the notice, the proxy holder may vote or abstain from voting at his discretion. In such case, the proxy holder will vote on the basis of his reasonable understanding of the motion. The same applies if there is any doubt as to how the instructions should be understood. Where no such reasonable interpretation is possible, the proxy holder may abstain from voting.

| Agenda Annual General Meeting 2017  | For                      | Against                  | Abstention               |
|---|--------------------------|--------------------------|--------------------------|
| 1. Election of a chairperson and a person to co-sign the minutes  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Approval of the notice and the agenda  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Approval of the annual accounts and directors' report of Kid ASA and the group for 2016, including allocation of the result of the year, as well as consideration of the statement on corporate governance | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Authority to approve the distribution of dividends   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Determination of the remuneration of the members of the board of directors   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Approval of the remuneration of the Company's auditor  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Election of members to the board of directors  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Determination of the remuneration of the members of the nomination committee   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Statement regarding remuneration for senior management   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Board authorisation to increase the share capital   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Board authorisation for the acquisition of the Company's own shares   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| Place | Date | Shareholder's signature<br>(Only for granting proxy with voting instructions) |
|-------|------|---|
|-------|------|---|

With regard to rights of attendance and voting, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.

## STATEMENT REGARDING REMUNERATION FOR SENIOR MANAGEMENT

### 1. INTRODUCTION

Pursuant to section 6-16a of the Public Limited Liability Companies Act, the board of directors shall adopt a statement as to the determination of salary and other remuneration for the chief executive officer and other members of the senior management.

Section 5-6 (3) of Public Limited Liability Companies Act provides that the statement shall be considered by the annual general meeting. An advisory vote shall be held as to the guidelines of the board of directors for the determination of the remuneration of senior management. Guidelines related to benefits which are linked to the company's shares or the development of the share price of the company or of other companies within the same group must be approved by the general meeting and will be binding upon the board of directors.

The board of directors of Kid ASA will base the determination of salary and other remuneration of the chief executive officer and other members of the senior management on the following guidelines during the coming financial year.

### 2. GENERAL GUIDELINES

The overall objective of the management remuneration policy of Kid ASA is to attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the company and its shareholders. Kid ASA shall offer competitive terms to senior management. Subject to this, the remuneration of the company's senior management shall as far as possible be in line with the market level for remuneration of senior management in comparable companies.

The remuneration of senior management shall not be of a size or nature which is liable to harm the company's reputation.

The remuneration of the company's senior management may in addition to a fixed salary include customary benefits in kind such as car allowance or company car, coverage of telephony and broadband costs, newspaper subscriptions etc.

The remuneration may also include pension and insurance schemes as well as severance pay entitlements.

The board of directors may establish bonus schemes for senior management. The purpose of any bonus scheme shall be to give management an incentive to contribute to value creation in the company.

### 3. REMUNERATION RELATED TO THE SHARES OR DEVELOPMENTS IN THE SHARE PRICE

There is currently no remuneration related to the share or developments in the share price.

### 4. REMUNERATION POLICY DURING THE LAST ACCOUNTING YEAR

The remuneration policy for senior management during 2016 has been in accordance with the principles described above.

Information on remuneration to senior management during 2016 is included in note 6 to the annual accounts.

## Attachment 4

## 5. BONUS PROGRAM

Kid ASA has a bonus program for the senior management. Under the program, the participants receive a bonus up to three or six months' salary. The Board approves on an annual basis the maximum level and the participants of the bonus program. For 2017, maximum bonus is payable if the Company reaches or exceeds 110% of the budgeted annual EBITDA on a consolidated basis. No bonus will be payable if the actual annual EBITDA falls below 90% of budget. If the actual annual EBITDA is between 90% and 110% of budget the bonus will be determined based on the following table:

| <b>Actual EBITDA as percentage of budgeted EBITDA</b> | <b>Percentage of maximum bonus</b> |
|---|------------------------------------|
| < 90%   | 0.0 %                              |
| 90 %  | 50.0 %                             |
| 95 %  | 62.5 %                             |
| 100 %   | 75.0 %                             |
| 105 %   | 87.5 %                             |
| 110 %   | 100.0 %                            |
| >110 %  | 100.0 %                            |

Bonus will only be paid to employees who are employed with the Group (without having given or received notice of termination) as of the date of payment.

## RECOMMENDATION FROM THE NOMINATION COMMITTEE IN KID ASA ("Kid")

### Introduction

The Nomination Committee of Kid is governed by the articles of association and the members of the Nomination Committee are elected by the General Meeting. The Nomination Committee was elected at the General Meeting in August 2015. The Nomination Committee consist of the following members:

Sten-Arthur Sælør (chair)

Jostein Devold

The Nomination Committee makes its recommendation to the General Meeting regarding the election of the shareholders representatives to the Board of Directors and their remuneration.

Guidelines for the Nomination Committee was adopted by the General Meeting in August 2015.

The Nomination Committee has since the last General Meeting held 4 meetings, which include meetings with the Chairman of the Board and the Chief Executive Officer (CEO). The Nomination Committee has gathered information from the administration, Board of Directors and other persons, which is considered relevant to its work. The Nomination Committee has undertaken a review of its own performance and its Guidelines.

The Nomination Committee has taken into account the need for balancing continuity against renewal. Contact with the shareholders has being actively maintained and the Nomination Committee has ensured that its recommendation is anchored with the major shareholders. Information on how shareholders can make recommendations to the Nomination Committee has been underlined.

### Recommendation for members of the Board of Directors

The Nomination Committee will at the annual General Meeting on 9 May 2017 recommend the following resolution:

*Three members of The Board of Directors are re-elected for a period of two years, two members are elected for a period of one year. The Board of Directors will consist of the following persons:*

| <b>Name</b>                | <b>Served since</b>  | <b>Election period</b> |
|----------------------------|----------------------|------------------------|
| <i>Henrik Schussler</i>    | <i>June 2012</i>     | <i>2017-2019</i>       |
| <i>Pål Frimann Clausen</i> | <i>December 2010</i> | <i>2017-2018</i>       |
| <i>Bjørn Rune Gjelsten</i> | <i>June 2012</i>     | <i>2017-2019</i>       |
| <i>Karin Bing Orgland</i>  | <i>August 2015</i>   | <i>2017-2019</i>       |
| <i>Vilde Falck-Ytter</i>   | <i>August 2015</i>   | <i>2017-2018</i>       |

### Recommendation on remuneration

The Nomination Committee has based its recommendation on remuneration on the levels of remuneration to elected members in comparable companies.

Based on the above, the Nomination Committee unanimously recommends the following resolution:

**Attachment 5**

*The members of the Board of Directors will receive the following remuneration for the period starting in May 2016 and ending at the Ordinary General Meeting of 2017:*

*Chair            NOK 225.000*

*Members       NOK 175.000*

**Audit Committee**

The audit Committee consists of:

Karen Bing Orland (chair)

Henrik Schussler

Pål Frimann Clausen

The Nomination Committee propose a remuneration to each member of the Audit Committee of NOK 10.000 per meeting.

The Nomination Committee consists of minimum two members. The members of the Nomination Committee, including its chairperson, are elected by the General Meeting for a period of two years.

The Nomination Committee recommends the following resolution:

*The members of the Nomination Committee are reelected. The members of the Nomination Committee will receive a remuneration of NOK 30.000 for the period starting in May 2016 and ending at the Ordinary General Meeting of 2017.*

20 April 2017

Sten-Arthur Sælør

Jostein Devold

**Attachment 5****INFORMATION ON THE BOARD OF DIRECTORS**

Please visit <http://investor.kid.no> for more information on Current directorships and senior management positions

**Henrik Schüssler**

Chairman

Appointed: June 2012

Schüssler (1963) is currently CEO and member of the board of Gjelsten Holding AS. He has previously worked as an accountant/consultant with Ernst & Young, and as CFO and CEO of Norway Seafoods. Schüssler has a degree from the Norwegian School of Business and Administration in chartered accountancy. He is a Norwegian citizen, and resides in Norway.

**Bjørn Rune Gjelsten**

Board Member

Appointed: June 2012

Gjelsten (1956) is the owner and Chairman of Gjelsten Holding AS. He has extensive experience as an entrepreneur and industrial owner, as well as numerous positions as CEO and/or chairman in various companies. Gjelsten holds a Master of Business and Economics from the University of Colorado. He is a Norwegian citizen, and resides in Norway.

**Karin Bing Orgland**

Board Member

Appointed: August 2015

Bing Orgland (1959) is currently a professional board member in various companies within the financial, seafood, industry and real estate sectors, including GIEK, Storebrand ASA, Grieg Seafood, Hav Eiendom AS and INI AS. She has extensive experience from various management and board member positions within the DNB Group between 1985 and 2013. Bing Orgland resides in Oslo, Norway and holds a Master of Business and Economics degree from the Norwegian School of Economics.

**Pål Frimann Clausen**

Board Member

Appointed: December 2010

Clausen (1947) is currently a board member in Kid ASA, Kid Interiør AS, Expert AS and Nye Notabene AS, within the retail sector. He has extensive experience from various positions within the DNB Group between 1980 and 2014. Clausen resides in Oslo, Norway, and holds a Master of Business and Economics degree from the Copenhagen Business School.

**Vilde Falck-Ytter**

Board Member

Appointed: August 2015

Falck-Ytter (1967) is currently employed in Sisa Invest AS, a privately held, family owned investment company within real estate development, performing tasks undertaking administration, accounting and contract negotiations. She also holds several board member positions in companies related to Sisa Invest AS. Falck-Ytter resides in Nannestad, Norway and holds a law degree from the University of Oslo, as well as a Business Administration degree from Handelsakademiet.