Kid ASA

Interim report
Q1 2023

Quarter in brief

(Figures from corresponding period the previous year in brackets)

GROUP REVENUE increased by 0.1%. Revenue increased in Kid Interior, while Hemtex revenue decreased.

GROSS MARGIN decreased by -5.2 percentage points to 56.0% due to sale of goods purchased last year at high freight rates without corresponding price adjustments fully effective. Gross margin will gradually normalize going forward.

OPEX increased on the back of rental index adjustments, costs related to relocation of warehouse, increased HQ staff as well as general salary- and prices increases.

EBITDA decreased by MNOK 53.8 to MNOK 56.6 (MNOK 110.4).

Gross margin

Overseas freight peaked during 2022 and negatively impacted gross margin. During the first quarter we reduced inventory of goods purchased at high rates, and currently see freight rates at low levels for incoming goods. We reiterate our target of a normalised gross margin for the full year 2023.

Kid Extended

Kid Extended was launched in Norway during Q4-22 and includes an extended assortment available online, in pilot stores and a selection of our existing larger stores. One pilot store opened in Q4-22, two were opened during Q1-23 and two opened during Q2-23. Revenue from the extended assortment was MNOK 6.4 during the quarter and is expected to increase as the assortment is continuously expanded throughout the pilot phase. We continue to see a gross margin for large furniture in line with expectations of 35-40% including last mile distribution. The initial launch is considered successful both online and in pilot stores and we will continue to develop and measure the performance of the concept before deciding further roll-out.

New warehouse opened in Sweden

During the first quarter we initiated operations at our new warehouse in Borås (Sweden) according to plan and without any material issues. Our new logistics team is well ahead of schedule and finalised the relocation from the current third-party logistics provider during April. In Q1, MNOK 3.4 is booked as OPEX related to the relocation.

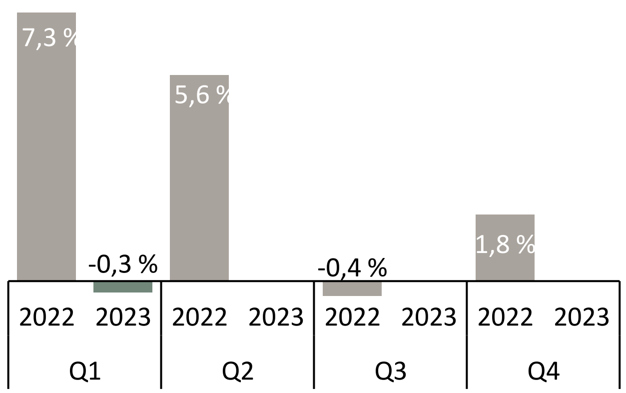
Hemtex 24H

Our B2B concept «Hemtex 24H» represented 48 MSEK in sales during 2022 with a gross margin of 35 %. Our largest customer was ICA Gruppen which represented 50% of Hemtex 24H revenue. ICA have recently made a strategic choice to make changes in their non-food categories and have consequently terminated the agreement with Hemtex. We expect sales of MSEK 7 to ICA during 2023 and will take actions to reduce operating expenses related to Hemtex 24H.

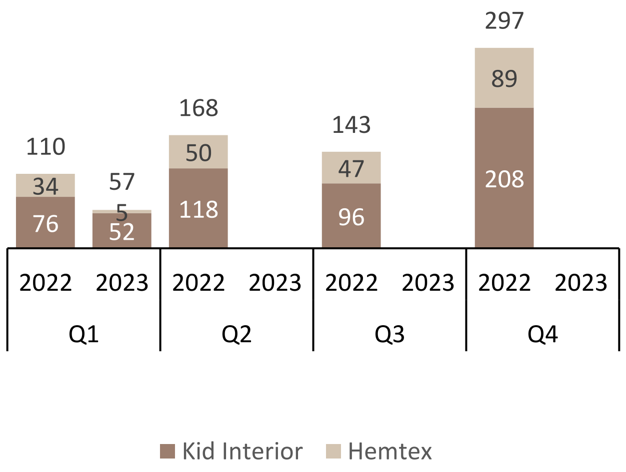
CSR

53% (42%) of the total assortment and 65% (61%) of the textile assortment is branded as “Act with the Heart” which contributes to a positive impact for people and planet. We are satisfied with a 7% reduction of the group’s total GHG emissions in 2022 and our Science Based Target application is currently under review for validation. This will be an important milestone for our climate emissions reduction plan. Furter details are available in our Sustainability Report for 2022.

LIKE-FOR-LIKE REVENUE
MNOK



EBITDA
MNOK



Alternative Performance Measures

(Amounts in NOK million)	Q1 2023	Q1 2022	FY 2022
Revenue	**605,4**	**604,6**	**3 178,0**
Like-for-like growth including online sales [1]	-0,3 %	7,3 %	3,2 %
COGS	-266,2	-234,5	-1 331,6
Gross profit	**339,2**	**370,1**	**1 846,4**
Gross margin (%)	**56,0%**	**61,2%**	**58,1%**
Other operating income	0,6	0,7	5,2
Employee benefits expense	-160,9	-153,1	-629,9
Other operating expense	-205,6	-181,2	-795,5
Other operating expense - IFRS 16 effect	83,2	73,9	291,3
OPEX	**-283,2**	**-260,4**	**-1 134,1**
EBITDA	**56,6**	**110,4**	**717,5**
EBITDA margin (%)	**9,3%**	**18,2%**	**22,5%**
Depreciation	-20,3	-18,7	-74,8
Depreciation - IFRS 16 effect	-75,5	-67,9	-273,5
EBIT	**-39,2**	**23,7**	**369,2**
EBIT margin (%)	**-6,5%**	**3,9%**	**11,6%**
Net financial income (expense)	-8,7	-4,8	-19,0
Net financial expense - IFRS 16 effect	-9,2	-6,8	-28,5
Share of result from joint ventures	-0,4	-0,7	-2,8
Profit before tax	**-57,4**	**11,5**	**318,9**
Net income	**-46,6**	**8,7**	**249,2**
Earnings per share	**-1,15**	**0,21**	**6,13**
Liabilities to financial institutions	-700,1	-620,0	-551,6
Lease liabilities - IFRS 16 effect	-1 089,3	-748,9	-781,8
Cash	0,0	0,0	75,7
Net interest bearing debt	**-1 789,4**	**-1 368,9**	**-1 257,7**

[1]*Calculated in constant currency*

Financial Review for the Kid Group

Revenue were stable compared to a strong quarter last year. The reduction in EBITDA was caused by a reduction in the gross margin due to high freight cost in inventory, and an increase in operating expenses.

Group revenue

Total revenue increased by 0.1% (+6.1%). In constant currency, Group revenue decreased by -1.3% (+9.3%). Net new stores contributed positively, while Hemtex 24H revenue declined.

The like-for-like growth was -0.3% (7.3%) in the quarter. Kid Interior had a positive revenue development in both physical stores and online, while Hemtex experienced a challenging market and negative growth.

Online revenue increased by 1.8% during the quarter and represented 11.7% of total revenue.

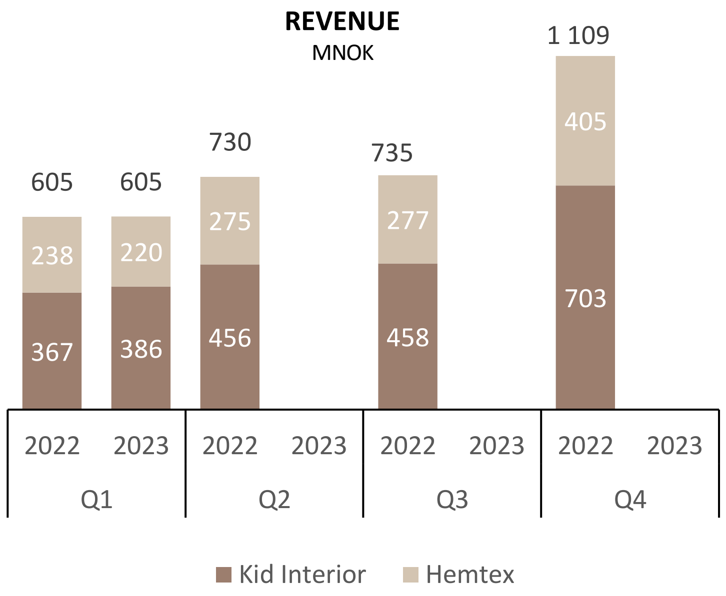
Categories launched since 2017 accounted for MNOK 63.4 (MNOK 55.5) in revenue, of which Kid Extended accounted for MNOK 6.4 (MNOK 0).

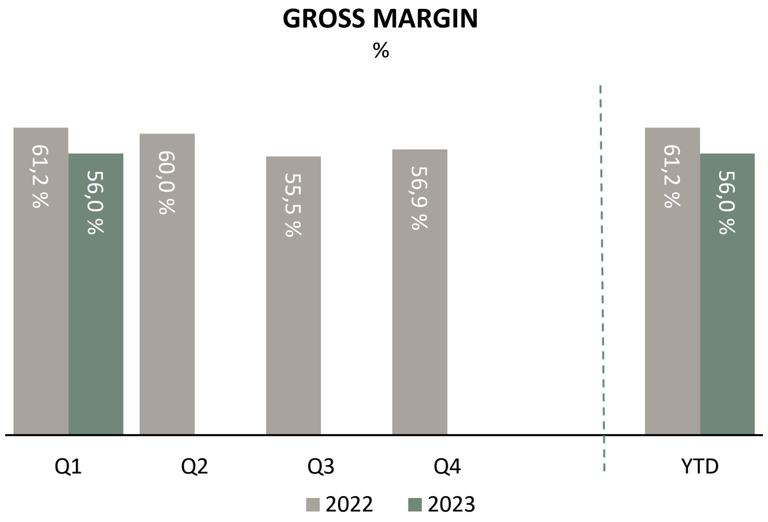
Gross margin

Both segments experienced a decrease in gross margin compared to Q1-22.

The decrease is mainly caused by high freight costs on goods purchased last year, while the corresponding price adjustments have not come into full effect during this quarter. There were also higher availability of Christmas and Autumn seasonal products in the January sales campaign, as well as several opening campaigns in the quarter, including Kid Extended stores.

We reiterate our Financial Objectives with a full-year gross margin for 2023 in line with the past 10 years.





Financial Review for the Kid Group

Employee expenses increased by MNOK 7.7 to MNOK 160.9:

- MNOK 0.6 in LFL stores mainly due to general salary increases partly offset by a reduction in hours through tight cost control
- MNOK 1.6 due to reversed bonus provisions last year. Bonus accrual in current year decreased compared to Q1 22.
- MNOK 3.4 in HQ and Logistics costs due to general salary increase and increased number of employees
- MNOK 2.1 due to changes in SEKNOK exchange rate

Other Operating Expenses increased by MNOK 15.0 to MNOK 122.3:

- MNOK 13.8 in LFL stores mainly related to index adjustment of rental costs as well as increased shared operating costs. The index adjustment was on average 7% and 11% in Norway and Sweden respectively
- MNOK -0.1 in net new stores
- MNOK 0.1 from increased marketing costs according to plan
- MNOK 7.5 in HQ and Logistics mainly due to costs related to relocation of warehouse of MNOK 3.4, increased costs related to last mile distribution of large furniture as well as general price increases.
- MNOK -8.2 related to change in IFRS16 effects, mainly due to index adjustments of rental agreements
- MNOK 1.9 due to changes in SEKNOK exchange rate

EBITDA decreased due to reduced gross margin and increased operating expenses.

Net Financial Expenses of MNOK 17.9 (MNOK 11.6) relates to net interest expenses of MNOK 5.6 (MNOK 3.5), net other financial expenses of MNOK 0.7 (MNOK 1.5), net FX loss of MNOK 2.4 (MNOK 0.0) and IFRS 16 interest expenses of MNOK 9.2 (MNOK 6.7).

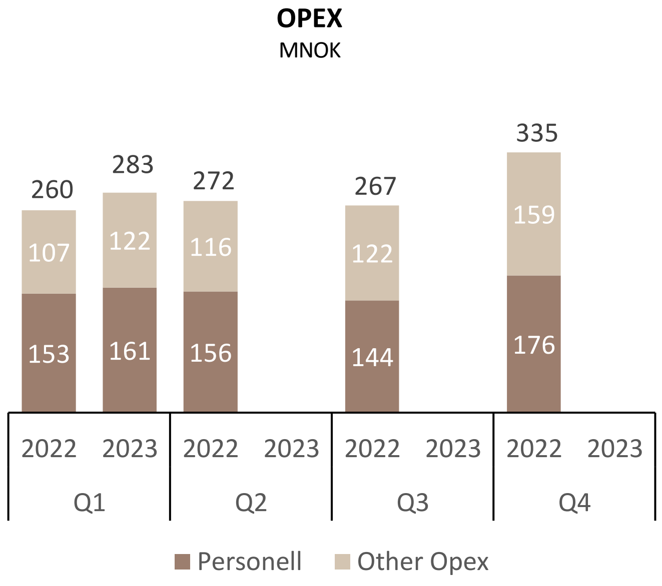
Liquidity and borrowings

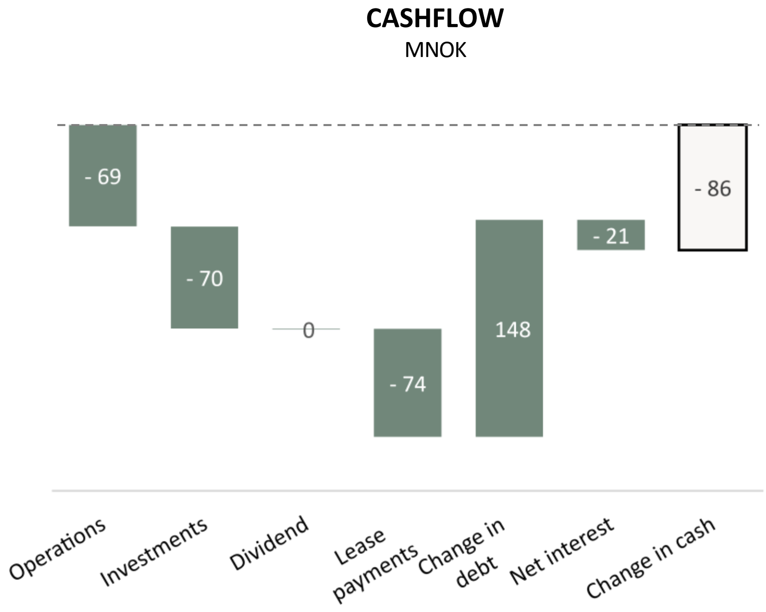
Excluding IFRS16 effects, net interest-bearing debt was MNOK 700.1 (MNOK 620.0) at the end of the quarter, corresponding to 1.94x (1.06x) of the LTM EBITDA excluding IFRS16. The Group had cash and available credit facilities of MNOK 328.6 (MNOK 338.7) as of 31 March 2023. The Group has a satisfactorily liquidity situation.

Capital Expenditures (CAPEX) amounted to MNOK 48.4 (MNOK 14.4) during Q1 of which investment in the new warehouse in Sweden accounted for MNOK 24.2 (MNOK 0.0) and the remaining MNOK 24.2 (MNOK 14.4) mainly reflects store openings and refurbishments.

OUTLOOK

Gross margin is expected to normalise during the year due to a combination of price adjustments and normalised freight rates. We reiterate our target of a normalised gross margin for the full year 2023.





Segment: Key figures

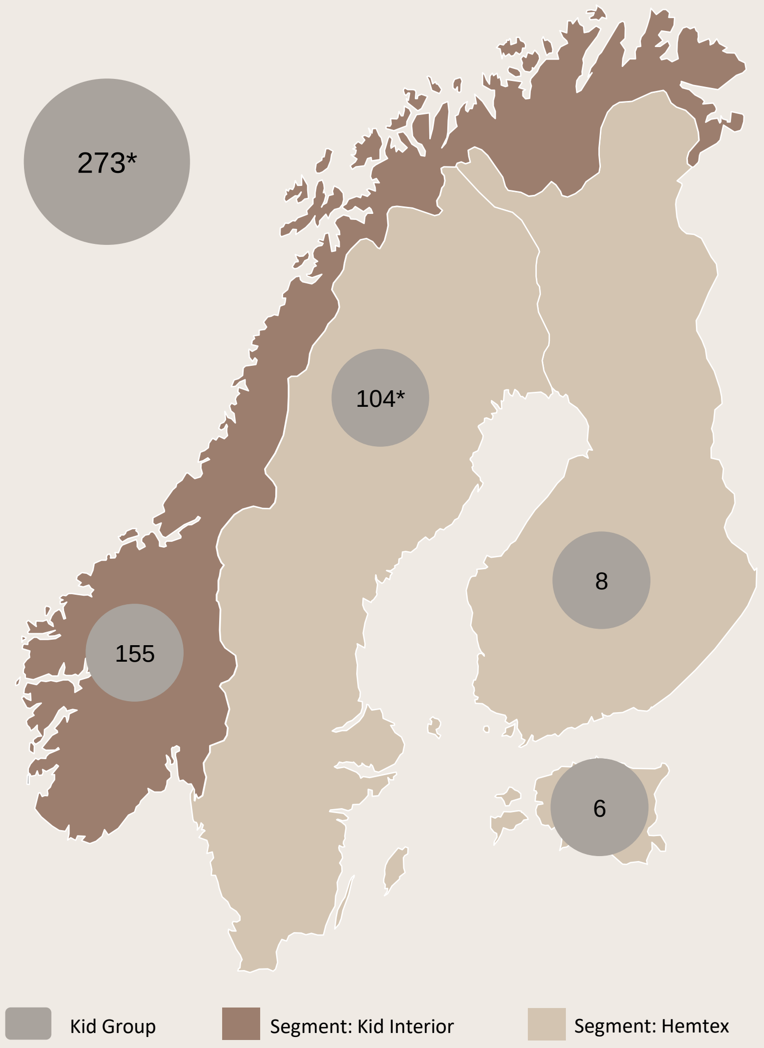
KID Interior

(Amounts in NOK millions)	Q1 2023	Q1 2022	FY 2022
Revenue	**385,9**	**366,8**	**1 983,6**
Revenue growth	5,2 %	12,5 %	5,3 %
LFL growth including online sales	3,5 %	10,7 %	3,2 %
COGS	-172,2	-141,7	-828,0
Gross profit	**213,7**	**225,0**	**1 155,6**
Gross margin (%)	55,4 %	61,4 %	58,3 %
Other operating revenue	0,0	0,1	0,1
Employee benefits expense	-101,0	-94,2	-392,2
Other operating expense	-108,2	-97,6	-434,4
Other operating expense - IFRS 16 effect	47,4	42,6	168,7
EBITDA	**52,0**	**75,9**	**497,9**
EBITDA margin (%)	13,5 %	20,7 %	25,1 %
No. of shopping days	77	76	308
No. of physical stores at period end	155	153	156

Hemtex

(Amounts in NOK millions)	Q1 2023	Q1 2022	FY 2022
Revenue	**219,5**	**237,8**	**1 194,4**
Revenue growth [1]	-10,9%	4,8 %	3,2 %
LFL growth including online sales [1]	-6,5%	2,0 %	2,8 %
COGS	-94,0	-92,8	-503,6
Gross profit	**125,5**	**145,1**	**690,8**
Gross margin (%)	57,2 %	61,0 %	57,8 %
Other operating revenue	0,6	0,7	5,1
Employee benefits expense	-59,9	-59,0	-237,6
Other operating expense	-97,4	-83,6	-361,3
Other operating expense - IFRS 16 effect	35,8	31,3	122,6
EBITDA	**4,6**	**34,5**	**219,7**
EBITDA margin (%)	2,1 %	14,5 %	18,3 %
No. of shopping days	89	89	362
No. of physical stores at period end (excl. franchise)	118	119	119

NUMBER OF STORES PER QUARTER END



*Fully-owned stores. Hemtex has an additional 11 franchise stores

Segment: Kid Interior

Revenue increased compared to Q1 last year mainly due to an increase in footfall to physical stores as well as an increase in average revenue per customer. Opening campaigns for relocated and refurbished stores contributed positively to the growth.

Online revenue increased by +20.8% (-0.3%) to MNOK 38.3 (MNOK 31.7).

Kid Extended accounted for MNOK 6.4 in revenue.

Gross margin decreased by -6.0 percentage points on the back of increased freight costs on goods purchased in 2022 without corresponding price adjustments.

Employee expenses increased by MNOK 6.8:

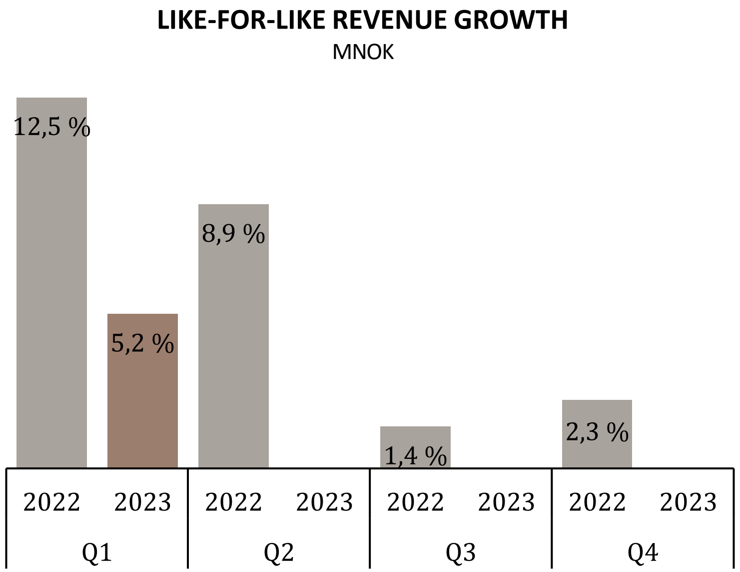
- MNOK 0.8 due to net new stores
- MNOK 1.9 in LFL stores mainly due to general salary increase partly offset by reduction in hours
- MNOK 1.6 due to reversed bonus provisions last year. Bonus accrual in current year decreased compared to Q1-22
- MNOK 2.5 in headquarter costs due to increase in HQ staff as well as general salary increases

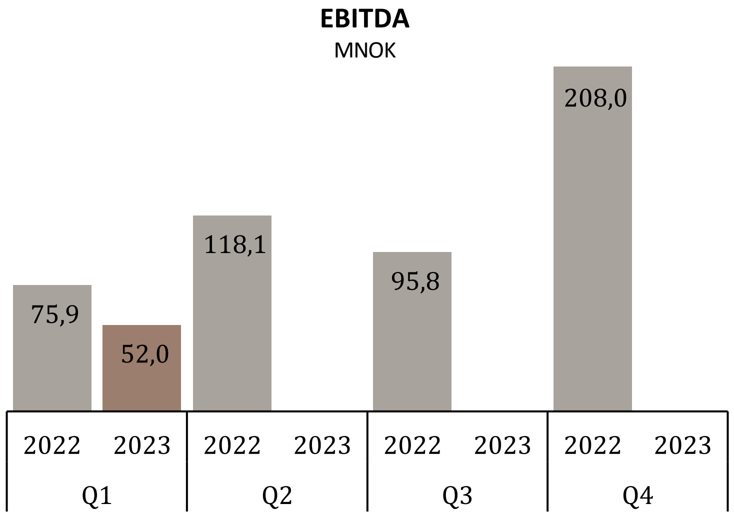
Year to date bonus provision amounted to MNOK 0.4 (MNOK 0.6).

Other operating expenses increased by MNOK 5.7:

- MNOK 0.9 in net new stores
- MNOK 7.3 in LFL stores mainly related to index adjustment of rental costs as well as increased shared operating costs and increased transportation costs following higher online sales
- MNOK 2.3 in HQ and Logistics mainly due to general price increases as well as increased costs related to last mile distribution of large furniture
- MNOK -4.8 related to change in IFRS16 effects

Capital Expenditure amounted to MNOK 21.3 (MNOK 7.7) mainly reflecting refurbishments and store openings. One store was closed, four stores were relocated and three stores were refurbished during the quarter. There were no new stores. The total number of physical stores at the end of the quarter was 155 (153).





Segment: Hemtex

Revenue decreased mainly caused by reduced B2B-sales through Hemtex24H as well as a decrease in footfall to physical stores and online. Online revenue decreased by -14.0% (-16.4%) to MNOK 32.7 (MNOK 38.0) based on a constant currency calculation.

Gross margin decreased by -6.0 percentage points on the back of increased freight costs on goods purchased in 2022 without corresponding price adjustments.

Employee expenses increased by MNOK 0.9:

- MNOK -0.9 due to net new stores
- MNOK -1.2 in LFL stores due to reduction in hours partly offset by general salary increase
- MNOK 0.9 in headquarter costs due to employees in the new warehouse and services provided by HQ in Norway as well as general salary increases
- MNOK 2.1 due to changes in SEKNOK exchange rate

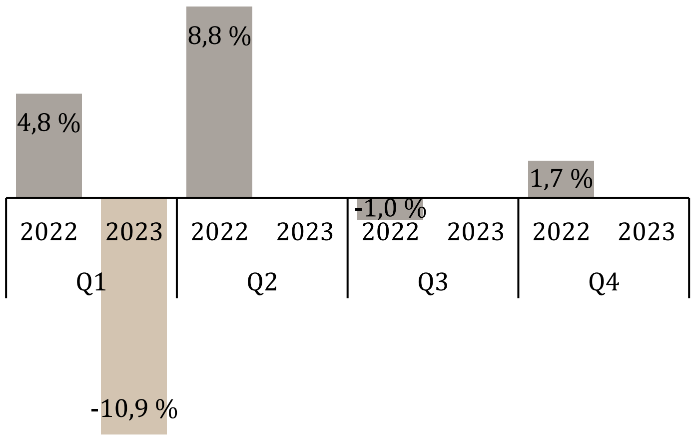
Other operating expenses increased by MNOK 9.3:

- MNOK -1.0 in net new stores
- MNOK 6.4 in LFL stores mainly related to index adjustment of rental costs as well as increased shared operating costs and increased rental space
- MNOK 0.2 from increased marketing costs according to plan
- MNOK 5.2 in HQ and Logistics mainly due to costs related to relocation of warehouse (MNOK 3.4)
- MNOK -3.4 related to change in IFRS16 effects
- MNOK 1.9 percentage points due to changes in SEKNOK exchange rate

Capital Expenditure during Q1 amounted to MNOK 2.9 (MNOK 6.7) mainly related to refurbishment and relocation of stores. One store was opened, two stores were closed, one store was relocated and one store was refurbished during the quarter. The total number of physical stores (excl. 11 franchise stores) at the end of the quarter was 118 (119).

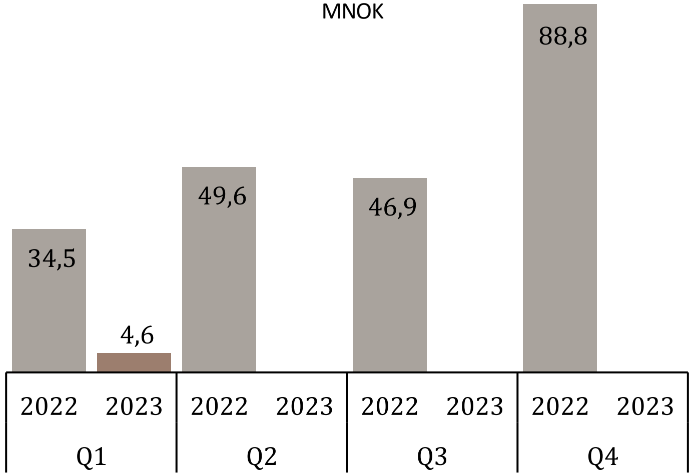
LIKE-FOR-LIKE REVENUE GROWTH

MNOK



EBITDA

MNOK



Events after the end of reporting period

Revenue in April

Group revenue in constant currency were down by -5.1% in April and down by -2.3% year-to-date per April. Number of shopping days in Kid Interior was 22 in April current year versus 23 days last year.

The gross margin improved as expected in April.

New CFO

On April 13th we announced Mads Kigen as new CFO from 1 July 2023. Kigen has been employed in Kid since 2021 as Senior Business Development Manager with responsibility for establishing the new central warehouse in Sweden. He has a broad and relevant experience, including several years with PwC, and we look forward to welcoming him in his new role.

General Meeting

The General Meeting was held 11th of May and all proposed resolutions were approved, including the proposed half-year dividend of NOK 3.00 per share.

Lier, 24 May 2023
The Board of Kid ASA

Petter Schouw-Hansen

Karin Bing Orgland

Rune Marsdal

Liv Berstad

Gyrid Skalleberg Ingerø

Espen Gundersen

Group Figures Q1 2023 Financial Statements

INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amounts in NOK thousand)	Note	Q1 2023 Unaudited	Q1 2022 Unaudited	FY 2022 Audited
Revenue		605 403	604 589	3 177 991
Other operating revenue		620	710	5 236
Total revenue		**606 023**	**605 299**	**3 183 227**
Cost of goods sold		-266 198	-234 501	-1 331 613
Employee benefits expense		-160 855	-153 134	-629 892
Depreciation and amortisation expenses	9	-95 818	-86 667	-348 296
Other operating expenses		-122 329	-107 256	-504 198
Total operating expenses		**-645 200**	**-581 558**	**-2 813 999**
Operating profit		**-39 178**	**23 741**	**369 228**
Financial income		2 686	111	4 948
Financial expense		-20 589	-11 682	-52 476
Net financial income (+) / expense (-)		**-17 903**	**-11 571**	**-47 528**
Share of result from joint ventures		**-358**	**-688**	**-2 787**
Profit before tax		**-57 439**	**11 482**	**318 913**
Income tax expense		10 795	-2 801	-69 668
Net profit (loss) for the period		**-46 644**	**8 681**	**249 245**
Interim condensed consolidated statement of comprehensive income				
Profit for the period		-46 644	8 681	249 245
Other comprehensive income		72 924	10 839	154 146
Tax on comprehensive income		-10 501	-5 278	-35 877
Total comprehensive income for the period		**15 780**	**14 242**	**367 513**
Attributable to equity holders of the parent		15 780	14 242	367 513
Basic and diluted Earnings per share (EPS):		**-1,15**	**0,21**	**6,13**

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK thousand)	Note	31.03.2023	31.03.2022	31.12.2022
Assets		Unaudited	Unaudited	Audited
Goodwill	9	69 957	65 070	65 479
Trademark	9	1 513 696	1 509 908	1 510 224
Other intangible assets	9	34 656	20 696	35 326
Deferred tax asset		17 450	9 650	1 859
Total intangible assets		**1 635 759**	**1 605 324**	**1 612 888**
Right of use asset	9	1 067 142	737 738	760 734
Fixtures and fittings, tools, office machinery and equipment	9	274 966	194 299	237 245
Total tangible assets		**1 342 108**	**932 037**	**997 979**
Investments in associated companies and joint ventures	10	0	0	0
Loans to associated companies and joint ventures	10	35 800	22 500	23 795
Total financial fixed assets		**35 800**	**22 500**	**23 795**
Total fixed assets		**3 013 667**	**2 559 861**	**2 634 663**
Inventories		672 806	722 188	668 753
Trade receivables		15 322	16 196	12 094
Other receivables		16 495	35 369	35 241
Derivatives		53 763	37 529	59 449
Totalt receivables		**85 581**	**89 094**	**106 784**
Cash and bank deposits		0	0	75 721
Total currents assets		**758 386**	**811 282**	**851 259**
Total assets		**3 772 053**	**3 371 146**	**3 485 922**

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK thousand)	Note	31.03.2023	31.03.2022	31.12.2022
Equity and liabilities		Unaudited	Unaudited	Audited
Share capital		48 770	48 770	48 770
Share premium		321 050	321 050	321 050
Other paid-in-equity		64 617	64 617	64 617
Total paid-in-equity		**434 440**	**434 440**	**434 440**
Other equity		823 704	833 403	838 940
Total equity		**1 258 144**	**1 267 843**	**1 273 380**
Deferred tax		325 543	322 554	322 723
Total provisions		**325 543**	**322 554**	**322 723**
Lease liabilities		786 325	500 315	523 528
Liabilities to financial institutions	6	521 650	451 633	521 646
Total long-term liabilities		**1 307 975**	**951 948**	**1 045 175**
Lease liabilities		302 973	248 612	258 257
Liabilities to financial institutions	6	178 419	168 331	30 000
Trade payable		134 258	127 589	122 459
Tax payable		- 20 491	45 992	57 745
Public duties payable		90 105	96 383	167 139
Other short-term liabilities		192 554	131 874	201 815
Derivatives		2 574	10 019	7 229
Total short-term liabilities		**880 393**	**828 801**	**844 644**
Total liabilities		**2 513 911**	**2 103 303**	**2 212 542**
Total equity and liabilities		**3 772 053**	**3 371 146**	**3 485 922**

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amounts in NOK thousand)	Total paid-in equity	Other equity	Total equity
Balance at 1 Jan 2022	**434 440**	**828 209**	**1 262 660**
Profit for the period YTD 2022	0	8 681	8 681
Other comprehensive income	0	5 559	5 559
Realized cash flow hedges	0	-9 059	-9 059
Dividend	0	0	0
Balance at 31 Mar 2022	**434 440**	**833 403**	**1 267 843**
Balance at 1 Jan 2023	**434 440**	**838 940**	**1 273 380**
Profit for the period YTD 2023	0	-46 644	-46 644
Other comprehensive income	0	62 424	62 424
Realized cash flow hedges	0	-31 017	-31 017
Balance at 31 Mar 2023	**434 440**	**823 704**	**1 258 144**

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in NOK thousand)	Note	Q1 2023	Q1 2022	FY 2022
		Unaudited	Unaudited	Audited
Cash Flow from operation				
Profit before income taxes		-57 439	11 482	318 914
Taxes paid in the period		-48 398	-46 609	-105 571
Depreciation & Impairment	9	95 818	86 667	348 296
Effect of exchange fluctuations		11 778	-130	1 341
Change in net working capital				
Change in inventory		13 058	-84 192	-29 170
Change in trade debtors		-2 643	5 297	9 135
Change in trade creditors		8 516	-28 761	-34 347
Change in other provisions [1]		-90 028	-135 373	39 259
Net cash flow from operations		**-69 338**	**-191 618**	**547 857**
Cash flow from investment				
Purchase of fixed assets	9	-57 169	-15 614	-119 264
Loans to associated companies and joint ventures	8, 10	-12 785	-22 500	-23 795
Net Cash flow from investments		**-69 954**	**-38 114**	**-143 059**
Cash flow from financing				
Proceeds from long term loans		0	0	230 000
Repayment of revolving credit facility		0	-65 118	-195 118
Repayment of Term Loans		0	0	-30 000
Overdraft facility		148 419	138 329	0
Lease payments for principal portion of lease liability		-73 999	-68 380	-263 350
Dividend payment		0	0	-264 194
Net interest		-20 794	-10 378	-46 435
Net cash flow from financing		**53 626**	**-5 547**	**-569 097**
Cash and cash equivalents at the beginning of the period		75 722	239 331	239 331
Net change in cash and cash equivalents		-85 666	-235 278	-164 299
Exchange gains / (losses) on cash and cash equivalents		9 943	-4 053	690
Cash and cash equivalents at the end of the period		**0**	**0**	**75 721**

[1] Change in other provisions includes other receivables, public duties payable, short-term liabilities and accrued interest.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

NOTE 1 CORPORATE INFORMATION

Kid ASA and its subsidiaries` (together the "company" or the "Group") operating activities are related to the resale of home textiles in Norway, Sweden, Finland and Estonia. The Kid Group offers a full range of home and interior products, including textiles, curtains, bed linens, furniture, accessories and other interior products. We design, source, market and sell these products through our stores as well as through our online sales platforms.

All amounts in the interim financial statements are presented in NOK 1,000 unless otherwise stated. Due to rounding, there may be differences in the summation columns.

NOTE 2 BASIS OF PREPARATIONS

These interim financial statements for the first quarter of 2023 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with IFRS as adopted by the European Union ('IFRS').

NOTE 3 ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended 31 December 2022. Amendments to IFRSs effective for the financial year ending 31 December 2023 are not expected to have a material impact on the group.

NOTE 4 ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The Preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2022.

NOTE 5 SEGMENT INFORMATION

Kid Group reports segments in accordance with how the chief operating decision maker makes, follows up and evaluates its decisions. Within the Group, Kid Interior relates to Norway and Hemtex relates to Sweden with a few stores in Estonia and Finland. The Group also sells home textiles through the Group's online websites. Over 98% of the products are sold under own brands.

Q1 2023

(Amounts in NOK thousand)	KID Interior	Hemtex	Total
Revenue	385 901	219 502	605 403
COGS	-172 168	-94 030	-266 198
Gross profit	213 733	125 472	339 205
Other operating revenue	23	597	620
Operating expense (OPEX)	-161 724	-121 462	-283 185
EBITDA	52 032	4 607	56 639
Operating profit	-2 494	-36 684	-39 179
Gross margin (%)	55,4 %	57,2 %	56,0 %
OPEX to sales margin (%)	41,9 %	55,3 %	46,8 %
EBITDA margin (%)	13,5 %	2,1 %	9,3 %
Inventory	402 336	270 470	672 806
Total assets	2 616 813	1 155 239	3 772 053

NOTE 6 LOANS AND BORROWINGS

Financing agreements

At the balance sheet date, the Group has the following borrowing facilities:

(Amounts in NOK thousand)	Utilised 31.12.2022	Available Facility	Interest	Maturity	Repayment
Total term loan	551 700	551 700		15.05.2026	Instalments[1]
Of which secured with fixed interest rate:					
Denominated in NOK	395 000	*495 000*	*Fixed rate at 1,876% + 1.25%* [2]		
Denominated in SEK	55 000	*55 000*	*Fixed rate at 1,460% + 1.25%* [3]		
Revolving credit facility	-	130 000	3 months Nibor + 1.10%	3 years	At maturity
Short term credit facility		100 000	3 months Nibor + 1.35%	31.12.2023	At maturity
Overdraft	148 419	247 000	1 week IBOR + 1.10%	12 months	At maturity
	700 119	**1 028 700**			

[1] NOK 30M in annual instalments with bi-annual payments.

[2]Fixed interest rate is secured through an interest rate swap of MNOK 395 maturing May 2029 and subject to hedge accounting

[3]Fixed interest rate and denomination in SEK is hedged through a cross currency interest swap of MNOK 115 maturing November 2024

The effect of the change in fair value of the cross-currency interest swap is booked against foreign exchange gains/losses in Statement of profit and loss

NOTE 7 EARNINGS PER SHARE

	Q1 2023	Q1 2022	FY 2022
Weighted number of ordinary shares	40 645 162	40 645 162	40 645 162
Net profit or loss for the year	-46 644	8 681	249 245
Earnings per share (basic and diluted) (Expressed in NOK per share)	**-1,15**	**0,21**	**6,13**

NOTE 8 RELATED PARTY TRANSACTIONS

The Group's related parties include its associates, joint ventures, key management and members of the board. None of the Board members have been granted loans or guarantees in the current quarter. Furthermore, none of the Board members are included in the Group’s pension or bonus plans.

The following table provides the total amount of transactions that have been entered into with related parties during the first quarter of 2023 and 2022:

Related Party	Q1 2023	Q1 2022
Prognosgatan Holding AS (Loan)	35 800	22 500
Total	35 800	22 500

NOTE 9 FIXED ASSETS AND INTANGIBLE ASSETS

Additions on Right of use Assets during the quarter relates to the new warehouse in Sweden, renegotiated rental agreements as well as index adjustments. Additions on PPE related to investments in the new warehouse in Sweden as well as store openings and refurbishments

(amounts in NOK thousand)	Right of use Asset	PPE	Trademark	Other Intangibles	Goodwill
Balance 01.01.2023	**760 734**	**237 245**	**1 510 224**	**35 327**	**65 479**
Exchange differences	*27 019*	*8 268*	*3 472*	*-311*	*4 478*
Additions, disposals and adjustments	354 862	48 142		1 297	
Depreciation and amortisation	-75 474	-18 688		-1 656	
Balance 31.03.23	**1 067 141**	**274 965**	**1 513 696**	**34 657**	**69 957**

(amounts in NOK thousand)	Right of use Asset	PPE	Trademark	Other Intangibles	Goodwill
Balance 01.01.2022	**756 941**	**203 158**	**1 511 788**	**19 096**	**70 286**
Exchange differences	*-8 747*	*-2 836*	*-1 880*	*-82*	*-5 216*
Additions, disposals and adjustments	57 464	11 968		2 438	
Depreciation and amortisation	-67 920	-17 991		-756	
Balance 31.03.22	**737 738**	**194 297**	**1 509 908**	**20 696**	**65 070**

NOTE 10 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

The group had the following subsidiaries as of 31 March 2023:

Name	Place of business	Nature of business	Proportion of shares directly held by parent (%)
Kid Interiør AS	Norway	Interior goods retailer	100
Kid Logistikk AS	Norway	Logistics	100
Kid Eiendom AS	Norway	Logistics	100
Hemtex AB	Sweden	Interior goods retailer	100
Hemtex OY	Finland	Interior goods retailer	100
Hemtex International AB	Sweden	Non operating company	100

All subsidiary undertakings are included in the consolidation.

The group had the following joint ventures on 31 March 2023:

Name	Place of business	Nature of relationship	Measurement method	Ownership share	Carrying amount
Prognosgatan Holding AS	Norway	Joint venture	Equity method	50 %	-

The joint venture is reflected in the statement of profit and loss and the statement of financial position. The share of result from the joint venture for Q1-23 was MNOK -0.4. Per the reporting date, the carrying amount is MNOK 0 and MNOK -3.1 has been classified as other short-term liabilities related to the investment.

Definitions

Constant currency is exchange rates that the Group uses to eliminate the effect of exchange rates fluctuations when calculating financial performance numbers.

EBIT (earnings before interest, tax) is operating profit. The performance measure is considered useful to the users of the financial statements when evaluating operational profitability.

EBIT margin is EBIT divided by total revenue. The performance measure is an important key figure for Kid Group and considered useful to the users of the financial statements when evaluating operational efficiency.

EBITDA is earnings before tax, interests, amortisation of other intangibles and depreciation and write-down of property, plant and equipment and right-of-use assets. The performance measure is an important key figure for Kid Group and considered useful to the users of the financial statements when evaluating operational profitability on a more variable cost basis as it excludes amortisation and depreciation expense related to capital expenditure.

EBITDA margin is EBITDA divided by total revenue. The performance measure is an important key figure for Kid Group and considered useful to the users of the financial statements when evaluating operational efficiency on a more variable cost basis as it excludes amortization and depreciation expenses.

Gross margin is defined as gross profit divided by revenue. The gross margin reflects the percentage margin of the sales revenue that the Group retains after incurring the direct costs associated with the purchase and distribution of the goodsand is an important internal KPI.

Gross profit is defined as revenue minus the cost of goods sold (COGS). The gross profit represents sales revenue that the Group retains after incurring the direct costs associated with the purchase and distribution of the goods.

Like-for-like revenue are revenue from physical stores and online stores that were in operation from the start of last fiscal year all through the end of the current reporting period. Like-for-like is calculated in constant currency

Net Capital expenditure represent the cash flow from the investment spending in property, plant and equipment and other intangibles, less sale such asset.

Net Income is profit (loss) for the period.

OPEX to sales margin is the sum of Employee benefits expense and other operating expenses divided by revenue. The OPEX to sales margin measures operating cost efficiency as percentage of sales revenue and is an important internal KPI.

Revenue growth represents the growth in revenue for the current reporting period compared to the same period the previous year. Revenue growth for Hemtex is calculated in constant currency. Revenue growth is an important key figure for the Group and users of financial statements as it illustrates the underlying organic revenue growth.

Alternative Performance Measures

EBIT (earnings before interest, tax) is operating profit. The performance measure is considered useful to the users of the financial statements when evaluating operational profitability.

EBITDA is earnings before tax, interests, amortization of other intangibles and depreciation and write-down of property, plant and equipment and right-of-use assets. The performance measure is an important key figure for Kid Group and considered useful to the users of the financial statements when evaluating operational profitability on a more variable cost basis as it excludes amortisation and depreciation expense related to capital expenditure.

EBITDA Margin is EBITDA divided by Total revenue. The performance measure is an important key figure for Kid Group and considered useful to the users of the financial statements when evaluating operational efficiency on a more variable cost basis as is excludes amortisation and depreciation expense related to capital expenditure.

Gross Profit is defined as revenue minus the cost of goods sold (COGS). The gross profit represents sales revenue that the Group retains after incurring the direct costs associated with the purchase and distribution of the goods.

Gross margin is defined as gross profit divided by revenue. The gross margin reflects the percentage margin of the sales revenue that the Group retains after incurring the direct costs associated with the purchase and distribution of the goods and is an important internal KPI.

OPEX to sales margin is the sum of employee benefits expense and other operating expenses divided by revenue. The OPEX to sales margin measures operating cost efficiency as percentage of sales revenue and is an important internal KPI.

Disclaimer

This report includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this report, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,”, “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar expressions or the negatives of these expressions are intended to identify forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

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