

Kid ASA

Q2 2024 presentation



Financial summary

Second quarter in brief

- Group revenues increased by 10.2% (-0.8%) to MNOK 797.8. In constant currency:
 - Group revenues increased by 10.6% (-2.5%)
 - LFL revenues increased by 9.2% (-3.3%)
 - Online revenues increased by 9.8% (+9.3%)
- Gross margin increased by 1.0 percentage points to 63.2%
- EBITDA increased by MNOK 34.9 to MNOK 201.5
- EPS of NOK 1.19 (NOK 0.90)
- Cash flow from operations of MNOK 111.2 impacted by planned inventory build-up



Operational focus

Second quarter in brief

- Fourth consecutive quarter with double-digit reported revenue growth
- Categories launched since 2022 accounted for MNOK 22.5 (MNOK 12.1) in revenues
- The Extended concept progresses satisfactorily in Hemtex after launch in first quarter 2024
- Made-to-measure technical sun screening was successfully launched in Hemtex in April
- Investment in our customer loyalty program has yielded positive results, with membership reaching 3.2 million by the end of the quarter, including a milestone of 1.5 million members in Norway for the first time
- Completed three store projects in Kid Interior and three in Hemtex. Total of three new stores, with one in Norway and two in Sweden
- Successful opening of the sixth Extended store at Grini (Oslo, Norway) in June. Three new Extended stores signed during the quarter, resulting in a total of 13 signed Extended stores
- Warehouse project in Sweden is progressing according to plan



New markets

Pilot and test European markets under the Hemtex brand

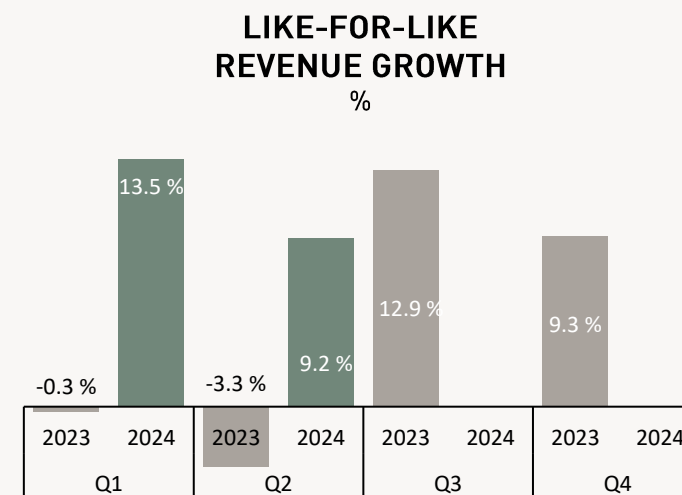
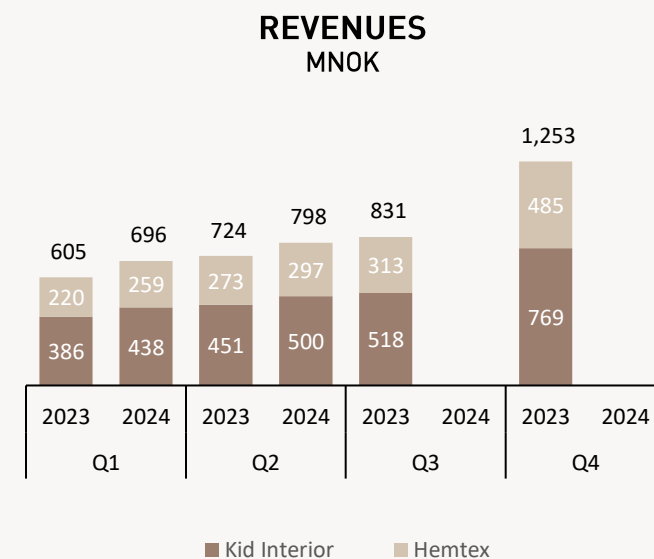
- General acceptance for the Kid concept is positive in the Nordics
- Preliminary market studies support that our concept and products have a potential outside the current markets
- German-language website will be launched with local marketing investments for the market in Germany. Additionally, an English-language site will be launched targeting other European countries, but with no specific marketing investments
- The ecommerce initiative will have limited investments, costs and risks
- Estimated launch of the pilot during H2-25



Revenues

Group revenues Q2 increased by 10.2% to MNOK 797.8

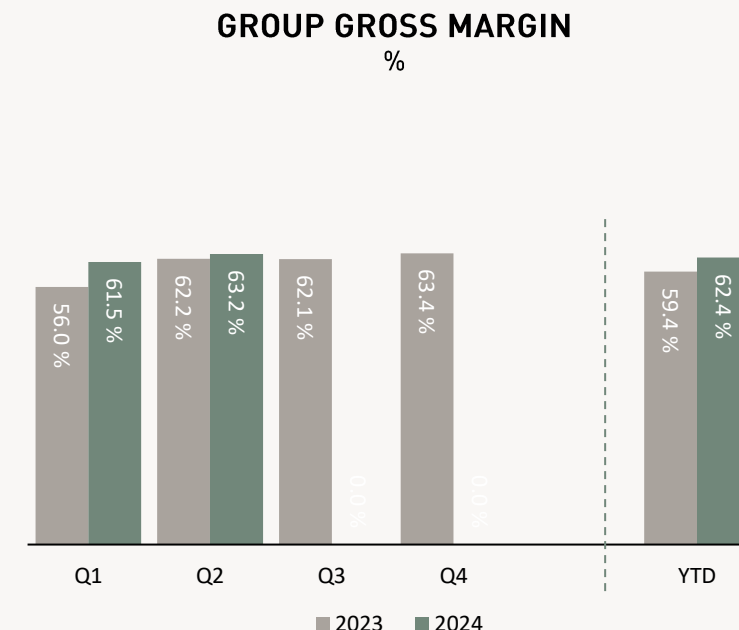
- In constant currency:
 - Group revenues increase of 10.6% (-2.5%)
 - Group like-for-like revenues increase of 9.2% (-3.3%) including online sales
 - Online growth of 9.8% (+9.3%), equivalent to an online share of 12.1% (12.1%). Including click-and-collect, the online share was 17.3% (17.2%)
- Kid Interior revenues growth of 11.0% (-1.1%)
 - Like-for-like growth of 9.5% (-2.0%) including online sales
 - Online sales increased by 15.4% (+15.6%)
- Hemtex revenues growth of 8.8% (-0.4%). In constant currency:
 - Revenues growth of 9.9% (-4.8%)
 - Like-for-like growth of 8.7% (-5.4%) including online sales
 - Online sales increased by 3.1% (+2.5%)



Gross margin

Robust gross margin

- Group gross margin was 63.2% for the quarter, up 1.0pp compared to Q2-23
 - Kid Interior gross margin increased by 0.2pp to 63.3% (63.1%)
 - Hemtex gross margin increased by 2.5pp to 63.2% (60.7%)
- Strong gross margin resulted from early price adjustments to address higher freight rates and currency hedge levels
- The situation in the Red Sea / Gulf of Aden is monitored closely and we are prepared to take further actions, if necessary

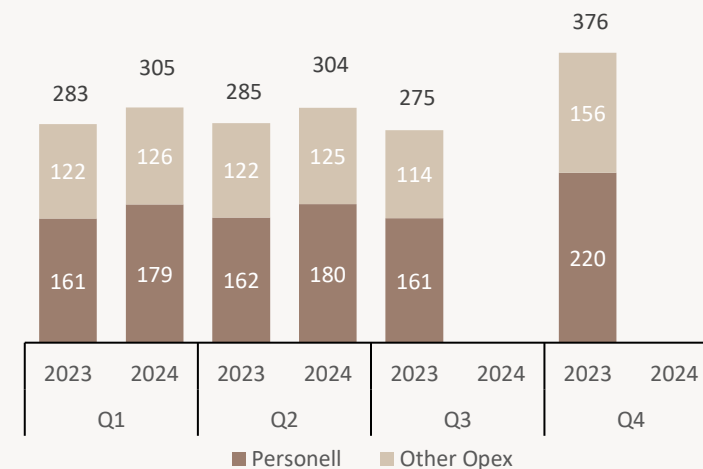


OPEX

OPEX-TO-SALES (excl. IFRS 16) of 50.7% (51.1%)

- Employee benefit expenses increased by MNOK 17.3
 - General salary increase and increased number of working hours in stores, in addition to store project activity and net new stores
 - Increased logistics due to own employees in new Swedish warehouse
 - MNOK 0.7 decrease due to changes in SEKNOK exchange rate
- Other operating expenses increased by MNOK 2.4
 - Increased marketing cost and net new stores
 - Reduced logistics costs due to shift between other operating expenses and employee benefit expenses for the logistics operation in Sweden
 - MNOK 0.6 decrease due to changes in SEKNOK exchange rate

OPEX
MNOK

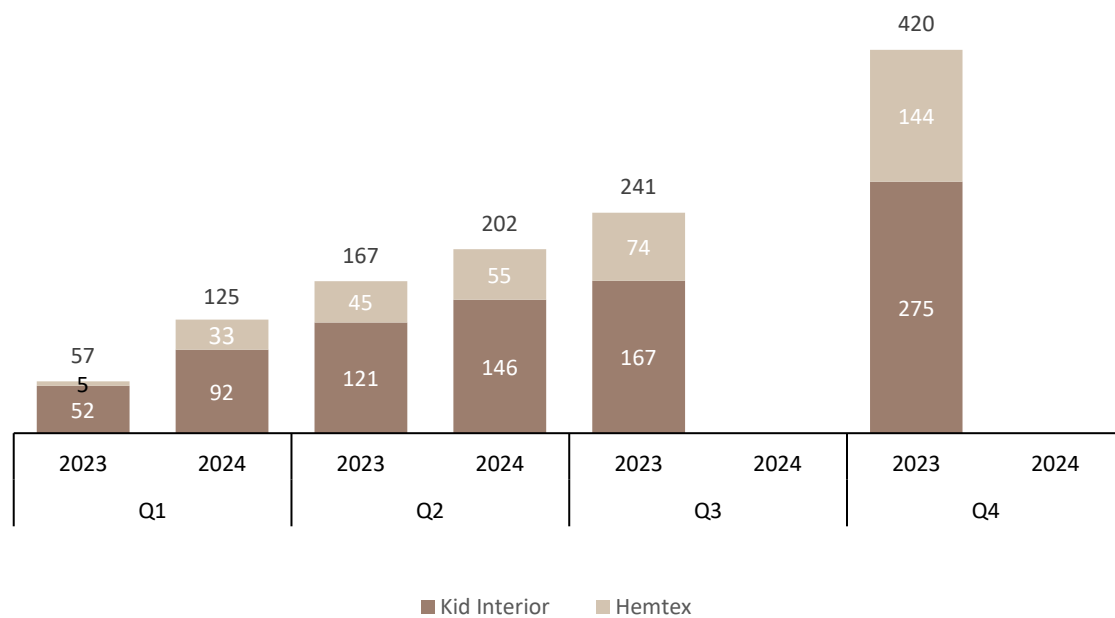


OPEX
MNOK



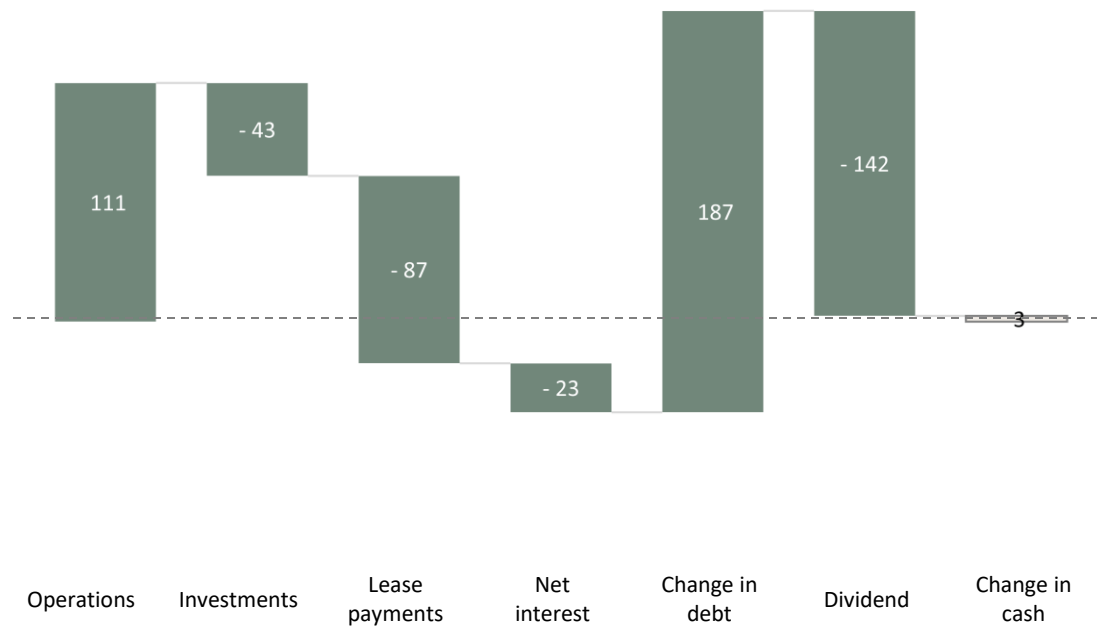
EBITDA

MNOK



Cash flow

MNOK



Cash flow development in Q2

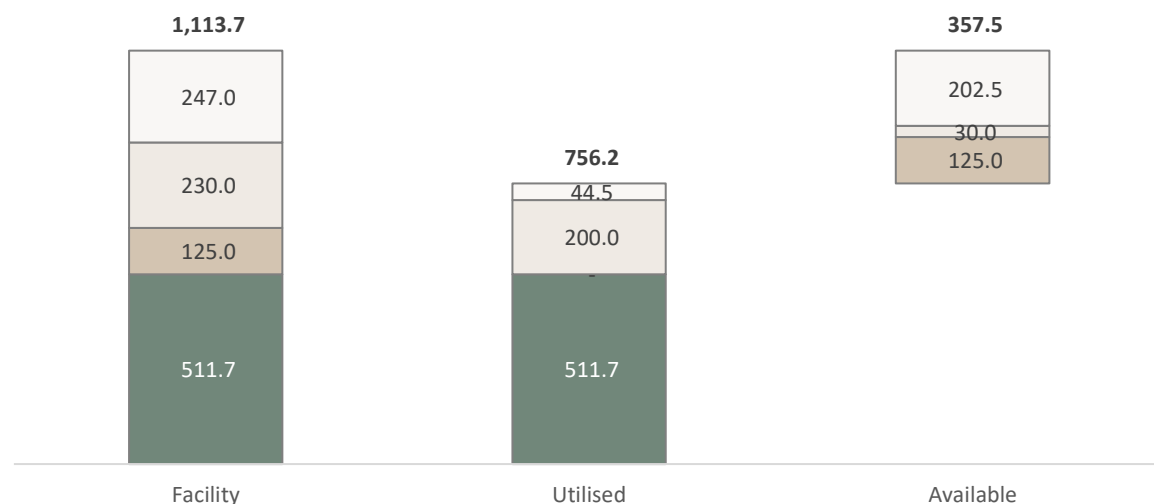
- Cash flow from operations affected by planned inventory build-up during the quarter
- Cash flow from investments reflects mainly CAPEX relating to store openings and projects
- Cash flow from financing represents lease payments, net interests, use of credit facilities and payment of dividend

Cash and credit facilities

MNOK

Robust financial position

- Cash and available credit facilities of MNOK 357.5 (MNOK 175.9), including an unused term-loan facility of MNOK 125 related to investments in the Swedish warehouse
- Net interest-bearing debt excl. IFRS 16 leasing liabilities of MNOK 756.0 (MNOK 842.7)
- Gearing ratio, excl. IFRS 16 effects, of 1.22x (2.40x)

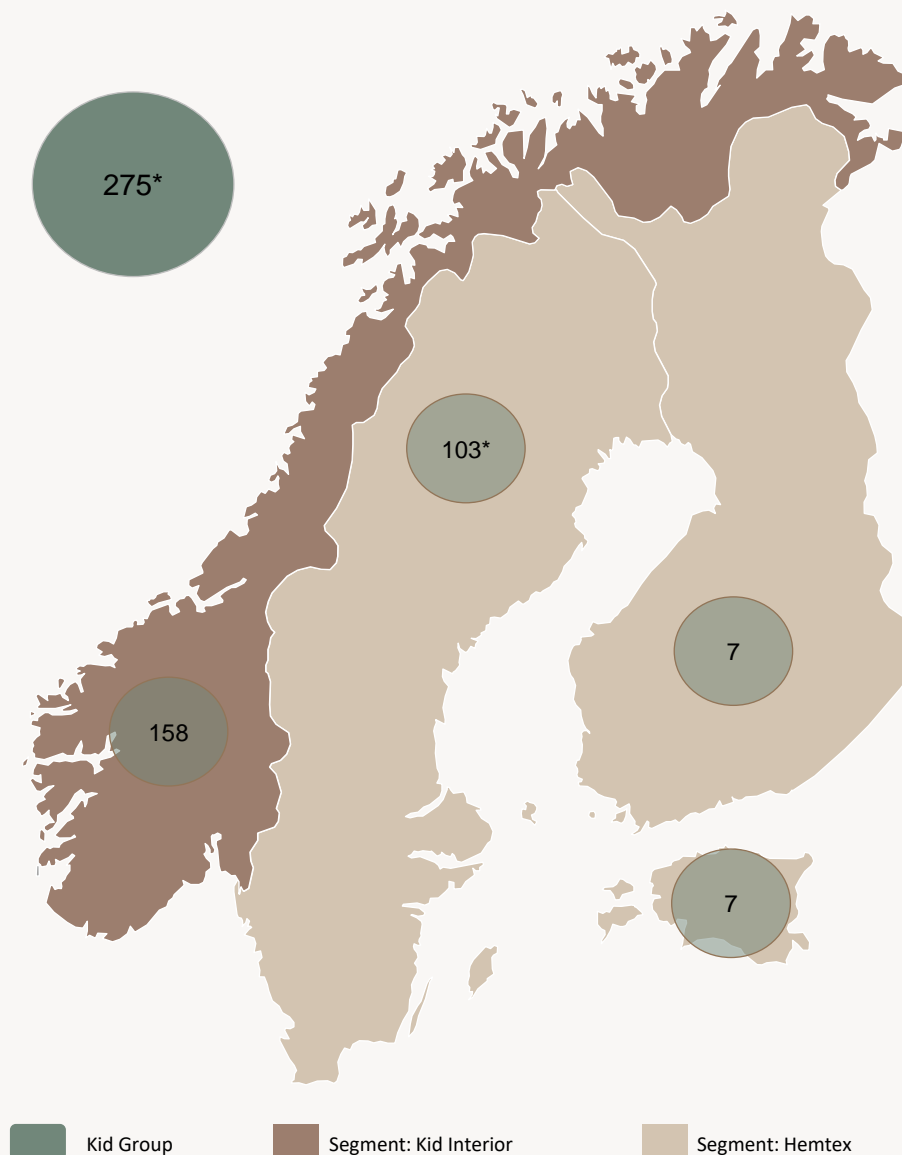


Description	Term loan	Term loan (new)	Revolving credit facility	Overdraft facility	Cash and deposits
Maturity	15.05.2026	01.05.2027	27.04.2026	12 months	n.a.

Store portfolio activity

	Completed 2024 per quarter-end	Signed, but not yet completed
New stores	NO: Oslo City NO: Egersund SE: Vetlanda SE: Ringen, Stockholm	NO: Værste, Fredrikstad (Q4-24) NO: Grünerløkka (Q2-25) NO: Bryn (Q2-25) SE: 1 store** FI: 1 store**
Closures	NO: 2 stores SE: 4 stores	
Relocations	NO: 6 stores SE: 4 stores	NO: 4 stores SE: 1 store
Refurbishment/ expansion	NO: 4 stores SE: 2 stores	NO: 5 stores SE: 1 store
Extended	NO: Grini	NO: Kilen, Tønsberg (Q3-24) NO: Moa, Ålesund (Q4-24) NO: Tiller (Q4-24) NO: Oslo (Q1-25) NO: City Nord, Bodø (Q2-25) NO: Lagunen (Q4-25) NO: 1 store**

NUMBER OF STORES PER QUARTER-END



Outlook

- In H2-24, we have five store projects in Kid Interior and two in Hemtex. These projects include a combination of refurbishment, enlargement and relocations
- Monitoring the freight situation closely. Expect limited impact from delays



Q&A



Segment: Kid Interior

KID Interior

(Amounts in NOK millions)

	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Revenue	500.4	450.7	938.1	836.6	2,122.9
Revenue growth	11.0 %	-1.1%	12.1 %	1.7 %	7.0 %
LFL growth including online sales	9.5 %	-2.0%	11.1 %	0.5 %	6.1 %
COGS	-183.8	-166.4	-352.1	-338.6	-796.2
Gross profit	316.6	284.3	586.0	498.0	1,326.7
Gross margin (%)	63.3 %	63.1 %	62.5 %	59.5 %	62.5 %
Other operating revenue	0.3	0.1	0.3	0.1	0.1
Employee benefits expense	-107.0	-96.6	-218.7	-197.6	-436.5
Other operating expense	-118.3	-112.4	-236.6	-220.6	-463.9
Other operating expense - IFRS 16 effect	54.4	45.9	106.6	93.3	189.2
EBITDA	146.0	121.2	237.6	173.2	615.5
EBITDA margin (%)	29.2 %	26.9 %	25.3 %	20.7 %	29.0 %
No. of shopping days	73	71	148	148	306
No. of physical stores at period end	158	156	158	156	157



Segment: Hemtex

Hemtex

(Amounts in NOK millions)

	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Revenue	297.4	273.4	556.2	492.9	1,290.7
Revenue growth ¹	9.9 %	-4.8%	11.9 %	-7.7%	3.2 %
LFL growth including online sales ¹	8.7 %	-5.4%	11.6 %	-5.9%	4.4 %
COGS	-109.6	-107.4	-209.5	-201.5	-518.0
Gross profit	187.8	166.0	346.7	291.5	772.6
Gross margin (%)	63.2 %	60.7 %	62.3 %	59.1 %	59.9 %
Other operating revenue	1.0	0.9	1.8	1.5	4.2
Employee benefits expense	-72.6	-65.7	-139.8	-125.6	-268.2
Other operating expense	-106.8	-95.0	-209.8	-192.4	-390.0
Other operating expense - IFRS 16 effect	46.0	39.3	89.4	75.1	150.4
EBITDA	55.5	45.4	88.4	50.0	269.0
EBITDA margin (%)	18.6 %	16.6 %	15.8 %	10.1 %	20.8 %
No. of shopping days	90	90	180	179	362
No. of physical stores at period end (excl. franchise)	117	117	117	117	119

¹ Calculated in local currency



Income statement

(Amounts in NOK thousand)	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Revenue	797.8	724.1	1,494.3	1,329.5	3,413.6
COGS	-293.4	-273.8	-561.6	-540.0	-1,314.3
Gross profit	504.5	450.3	932.7	789.5	2,099.3
Gross margin (%)	63.2 %	62.2 %	62.4 %	59.4 %	61.5 %
Other operating revenue	1.3	1.0	2.2	1.6	4.3
OPEX	-304.3	-284.6	-608.9	-567.8	-1,219.1
EBITDA	201.5	166.6	326.0	223.2	884.5
EBITDA margin (%)	25.2 %	23.0 %	21.8 %	16.8 %	25.9 %
Depreciation and amortisation	-118.2	-100.8	-233.1	-196.7	-404.1
EBIT	83.3	65.8	92.9	26.6	480.4
EBIT margin (%)	10.4 %	9.1 %	6.2 %	2.0 %	14.1 %
Net finance	-23.1	-20.5	-43.0	-38.4	-76.6
Share of result from joint ventures	-0.9	0.1	-3.4	-0.3	-1.2
Profit before tax	59.3	45.3	46.5	-12.1	402.5
Net profit	48.4	36.4	37.4	-10.2	313.8



Statement of financial position

(Amounts in NOK thousand)	Note	30.06.2024	30.06.2023	31.12.2023
Assets		Unaudited	Unaudited	Audited
Goodwill	9	69,497	68,662	70,169
Trademark	9	1,513,331	1,512,694	1,513,851
Other intangible assets	9	45,226	34,504	46,699
Deferred tax asset		9,232	0	6,593
Total intangible assets		1,637,286	1,615,859	1,637,312
Right of use asset	9	1,199,167	1,042,467	1,050,028
Fixtures and fittings, tools, office machinery and equipment	9	328,862	308,316	303,178
Total tangible assets		1,528,029	1,350,783	1,353,206
Investments in associated companies and joint ventures	10	0	0	1,013
Loans to associated companies and joint ventures	8	69,990	37,024	50,702
Total financial fixed assets		69,990	37,024	51,716
Total fixed assets		3,235,304	3,003,666	3,042,234
Inventories		759,889	666,049	576,279
Trade receivables		27,274	32,841	32,640
Other receivables		41,421	50,141	43,031
Derivatives		42,438	79,614	29,337
Total receivables		111,133	162,597	105,009
Cash and bank deposits		0	0	225,065
Total currents assets		871,021	828,646	906,353
Total assets		4,106,325	3,832,315	3,948,587

(Amounts in NOK thousand)	Note	30.06.2024	30.06.2023	31.12.2023
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		818,593	747,136	880,840
Total equity		1,253,030	1,181,576	1,315,280
Deferred tax		319,576	316,306	312,218
Total provisions		319,576	316,306	312,218
Lease liabilities		893,652	768,113	779,287
Liabilities to financial institutions	6	681,541	511,654	491,661
Total long-term liabilities		1,575,193	1,279,768	1,270,947
Lease liabilities		343,063	301,678	305,640
Liabilities to financial institutions	6	74,477	331,061	30,000
Trade payable		182,136	110,930	203,375
Tax payable		0	0	55,813
Public duties payable		127,356	100,844	209,941
Other short-term liabilities		220,351	208,745	191,626
Derivatives		11,143	1,408	53,748
Total short-term liabilities		958,527	1,054,666	1,050,144
Total liabilities		2,853,296	2,650,740	2,633,310
Total equity and liabilities		4,106,325	3,832,315	3,948,587

Allocated segment costs

(MNOK)	Q1 2024	Q1 2023	Q2 2024	Q2 2023	Q3 2024	Q3 2023	Q4 2024	Q4 2023	Total year 2024	Total year 2023
Kid ASA and Kid Interior										
Segment allocated employee benefits expense	4.0	4.2	4.3	4.0		4.0		6.6	8.3	18.9
Segment allocated other operating expense	1.2	0.5	1.3	0.5		0.5		1.3	2.5	2.6
Hemtex										
Segment allocated employee benefits expense	-4.0	-4.2	-4.3	-4.0		-4.0		-6.6	-8.3	-18.9
Segment allocated other operating expense	-1.2	-0.5	-1.3	-0.5		-0.5		-1.3	-2.5	-2.6

Quarterly revenue growth

Group				
Total growth				
Year	Q1	Q2	Q3	Q4
2021	10.4 %	3.9 %	3.6 %	2.5 %
2022	9.3 %	8.8 %	0.5 %	2.1 %
2023	-1.3 %	-2.5 %	12.1 %	10.2 %
2024	13.7 %	10.6 %		
Like-for-like growth				
Year	Q1	Q2	Q3	Q4
2021	9.3 %	2.9 %	0.1 %	0.2 %
2022	7.3 %	5.6 %	-0.4 %	1.8 %
2023	-0.3 %	-3.3 %	12.9 %	9.3 %
2024	13.5 %	9.2 %		

Kid Interior				
Total growth				
Year	Q1	Q2	Q3	Q4
2020	-3.6 %	28.0 %	22.1 %	15.3 %
2021	13.6 %	1.7 %	-3.9 %	-1.0 %
2022	12.5 %	8.9 %	1.4 %	2.3 %
2023	5.2 %	-1.1 %	13.1 %	9.3 %
2024	13.4 %	11.0 %		
Like-for-like growth				
Year	Q1	Q2	Q3	Q4
2020	-4.0 %	27.1 %	20.9 %	13.6 %
2021	10.3 %	-0.9 %	-7.1 %	-3.8 %
2022	10.7 %	5.8 %	-1.0 %	0.9 %
2023	3.5 %	-2.0 %	12.7 %	8.5 %
2024	12.7 %	9.5 %		

Hemtex				
Total growth				
Year	Q1	Q2	Q3	Q4
2020	6.6 %	14.7 %	-3.7 %	-5.7 %
2021	6.4 %	7.7 %	17.4 %	9.0 %
2022	4.8 %	8.8 %	-1.0 %	1.7 %
2023	-10.9 %	-4.8 %	10.5 %	11.9 %
2024	14.3 %	9.9 %		
Like-for-like growth				
Year	Q1	Q2	Q3	Q4
2020	7.9 %	18.0 %	9.2 %	-1.9 %
2021	7.8 %	9.8 %	14.6 %	7.8 %
2022	2.0 %	5.2 %	0.8 %	3.5 %
2023	-6.5 %	-5.4 %	13.3 %	10.7 %
2024	14.9 %	8.7 %		

Sales days and stores

Kid Interior

Number of sales days

Year	Q1	Q2	Q3	Q4	Total
2023	77	71	79	79	306
2024	75	73			148

Number of store projects

2023	Q1	Q2	Q3	Q4	Total
New stores	0	1	0	1	2
Closed stores	1	0	0	0	1
Relocated stores	4	1	0	1	6
Refurbished stores	3	3	1	3	10

Total number of stores	155	156	156	157	
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2024	Q1	Q2	Q3	Q4	Total
New stores	1	2			3
Closed stores	1	1			2
Relocated stores	4	2			6
Refurbished stores	3	1			4

Total number of stores	157	158		
Total number of LFL stores	154	153		

Hemtex

Number of sales days

Year	Q1	Q2	Q3	Q4	Total
2023	89	90	92	91	362
2024	90	90			180

Number of store projects

2023	Q1	Q2	Q3	Q4	Total
New stores	1	0	0	2	3
Closed stores	2	1	0	0	3
Relocated stores	1	3	3	3	10
Refurbished stores	1	0	1	1	3

Total number of stores*	129	128	128	130
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2024	Q1	Q2	Q3	Q4	Total
New stores	0	2			2
Closed stores	1	3			4
Relocated stores	1	3			4
Refurbished stores	2	0			2

Total number of stores*	129	128		
Total number of LFL stores*	126	123		

*incl franchise stores

Logistic costs – Sweden

Logistic costs - Sweden

(MSEK)	Q1 2024	Q1 2023	Q2 2024	Q2 2023	Q3 2024	Q3 2023	Q4 2024	Q4 2023	Total year 2024	Total year 2023
Employee benefits expense	5.4		5.3	2.2		4.4		5.2	10.6	11.7
Third-party logistics expense		12.1		1.7						13.9
Central warehouse expenses*	7.7	2.0	10.1	9.9		8.3		7.6	17.8	27.8
Total incl. non-recurring items	13.0	14.2	15.4	13.7	0.0	12.7	0.0	12.8	28.5	53.4
Non-recurring items										
Employee benefits expense		-0.8		-0.6						-1.4
Third-party logistics expense		-2.2		-1.7		0.4				-3.5
Central warehouse expenses		-0.5								-0.5
Total excl. non-recurring items	13.0	10.7	15.4	11.4	0.0	13.1	0.0	12.8	28.5	48.0

*Excluding IFRS 16. Please note that we in 2023 have lower rental costs due to agreed discount in the lease agreement.