

Kid ASA

Interim report
Q2 2024



Quarter in brief

(Figures from corresponding period the previous year in parentheses)

- GROUP REVENUES** increased by 10.2% (-0.8%) to MNOK 797.8.
- GROSS MARGIN** increased by 1.0 percentage points to 63.2% (62.2%).
- OPEX** increased by 6.9% (+4.6%).
- EBITDA** increased by MNOK 34.9 to MNOK 201.5 (MNOK 166.6).
- CASH FLOW** from operations of MNOK 111.2 impacted by planned inventory build-up.

Group revenues

We are satisfied to present the fourth consecutive quarter with double-digit growth. The growth is attributed to continuously category and omnichannel development, as well as store project initiatives. These projects involve refurbishment, relocation and/or expansion of existing stores in our portfolio. In Q2, we reached all-time high revenues of MNOK 797.8, with online sales accounting for MNOK 96.2, representing an online share of 12.1%. Categories introduced since 2022 accounted for MNOK 22.5 (MNOK 12.1) in revenues, and significantly enhanced sales of existing assortment and customer traffic.

Category development

As part of our strategic focus, category development encompasses both enhancing existing categories and introducing entirely new ones. The Extended concept was launched online and in selected larger stores (+600 sqm.) in Hemtex during the first quarter. We are satisfied with the results from the launch and this initiative will be one of the important growth drivers going forward. The rollout will continue throughout the year according to plan.

Made-to-measure technical sun screening was launched in Hemtex, both in physical stores and online, in April. The ordering module enables Swedish, Finnish and Estonian customers to order blinds, shutters and curtains tailored to their specific measurements.

The bathroom category initiative is supported by new bathroom display furnishings, which are being rolled out in conjunction with store upgrades. New products and product groups have been added such as bathroom accessories, hair accessories, beauty bags, soaps and creams, which comes on top of the historical assortment.

Gross margin development

Most of the goods found in the Kid Interior/Hemtex stores are produced in Asia and transported to Europe by ship. The purchase price is usually settled in US dollars. The strong dollar versus both NOK and SEK, as well as higher freight cost due to the unrest in the Red Sea/Gulf of Aden, are consequently negative for Kid. Early price adjustments have however so far compensated for this cost increase, resulting in strong reported gross margin for the quarter. We are constantly monitoring the situation and are prepared to take further action, if necessary.

Warehouse project in Sweden

The warehouse project in Sweden is progressing according to plan. Agreements with providers of automation solutions and warehouse management system ("WMS") have been negotiated and signed. We still estimate that operations in the common warehouse for the Group will commence medio 2025.

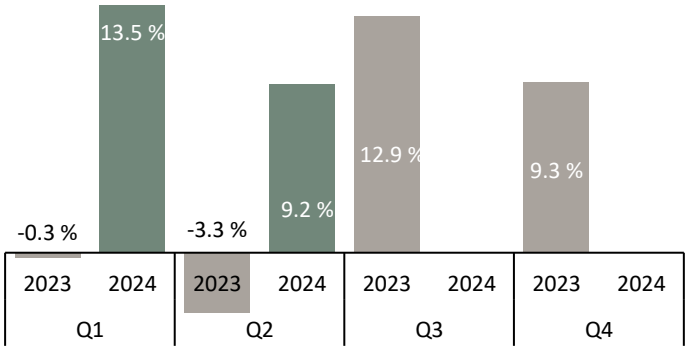
Store portfolio development

In the second quarter, we continue the store project activity fueling growth. We have completed six store projects in Kid Interior and Hemtex. Additionally, we have opened four new stores, where two of these stores are located in Norway, and two are in Sweden. By the end of the quarter, we have in total signed contracts for ten new stores in Norway including seven Extended stores, one new store in Sweden and one in Finland. These stores are estimated to open during 2024 and 2025.

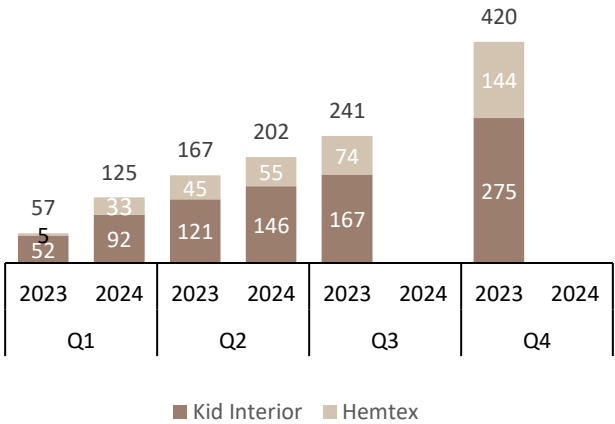
New markets

The 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. On the back of this, we have decided to pilot and test markets beyond the Nordic region and the Baltics under the Hemtex brand. We have great respect for the challenges of establishing ourselves in new and foreign markets. Accordingly, a German-language website will be launched with local marketing investments for the market in Germany. Additionally, an English-language site targeting other European countries will be launched with no specific marketing investments. In the next 12 months, total expected costs amount to less than MNOK 10.0, of which approximately 50% will be capitalized. The launch of the low-risk ecommerce pilot is scheduled to take place during H2-25.

LIKE-FOR-LIKE
REVENUE GROWTH
%



EBITDA
MNOK



Alternative Performance Measures

(Amounts in NOK million)	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Revenue	797.8	724.1	1,494.3	1,329.5	3,413.6
Like-for-like growth including online sales ¹	9.2 %	-3.3 %	11.3 %	-1.9 %	5.5 %
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 income	1.3	1.0	2.2	1.6	4.3
Employee benefits expense	-179.6	-162.3	-358.5	-323.2	-704.7
Other operating expense	-225.1	-207.4	-446.4	-413.0	-854.0
Other operating expense - IFRS 16 effect	100.4	85.1	196.0	168.3	339.6
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%	10.2%	16.8%	25.9%
Depreciation	-29.5	-21.8	-57.6	-42.1	-92.6
Depreciation - IFRS 16 effect	-88.7	-79.1	-175.5	-154.5	-311.6
EBIT	83.3	65.8	92.9	26.6	480.4
EBIT margin (%)	10.4%	9.1%	2.9%	2.0%	14.1%
Net financial income (expense)	-10.1	-9.3	-16.2	-18.0	-33.3
Net financial expense - IFRS 16 effect	-13.1	-11.2	-26.8	-20.4	-43.3
Share of result from joint ventures	-0.9	0.1	-1.5	-0.3	-1.2
Profit before tax	59.3	45.3	46.5	-12.1	402.5
Net income	48.4	36.4	39.3	-10.2	313.8
Earnings per share	1.19	0.90	0.97	-0.25	7.72
Liabilities to financial institutions	-756.0	-842.7	-756.0	-842.7	-521.7
Lease liabilities - IFRS 16 effect	-1,236.7	-1,069.8	-1,236.7	-1,069.8	-1,084.9
Cash	0.0	0.0	0.0	0.0	225.1
Net interest bearing debt	-1,992.7	-1,912.5	-1,992.7	-1,912.5	-1,381.5

¹Calculated in constant currency



Financial Review for the Kid Group

Second quarter continues the good start of 2024 with an EBITDA increase of MNOK 34.9. Revenue growth driven by number of customers and basket size. These drivers resulted in a quarter with strong like-for-like growth of 9.2%, measured on a constant currency basis. Gross margin improved. Operating expenses (OPEX) excl. IFRS 16 as percentage of revenues, decreased 0.4 percentage points compared to Q2-23.

Group revenues

Total Group revenues increased by 10.2% (-0.8%), with consistent growth in every month of the quarter. In constant currency, revenues increased by 10.6% (-2.5%). Net new stores contributed positively. Across major categories, we are witnessing positive growth, particularly in bedlinen, duvets, pillows, and curtains.

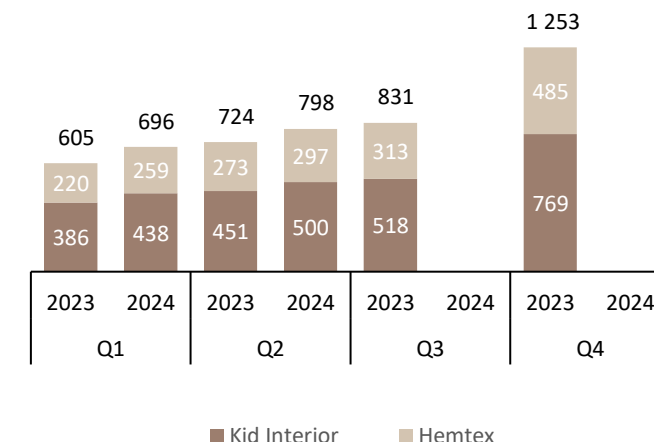
The like-for-like revenue growth increase was 9.2% (-3.3%) in the quarter. Both Kid Interior and Hemtex experienced positive revenue development in the physical stores. Online revenues increased by 9.8% (+9.3%) in the quarter and represented

12.1% (12.1%) of total revenues. Categories launched since 2022 accounted for MNOK 22.5 (MNOK 12.1) in revenues.

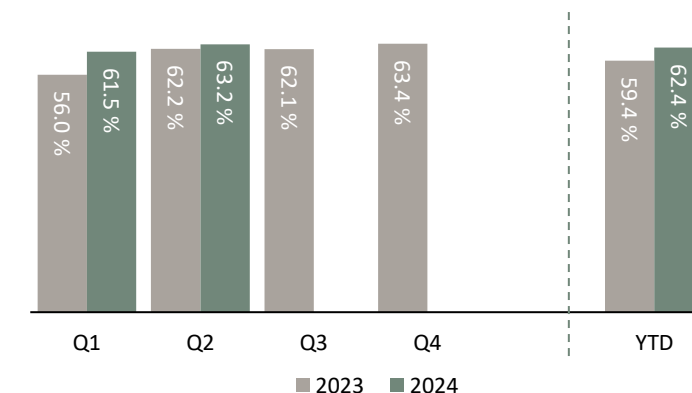
Gross margin

Kid Interior and Hemtex delivered increased gross margins compared to Q2-23. The increase is driven by early price adjustments to address higher freight rates and currency hedge levels going forward.

REVENUES MNOK



GROSS MARGIN %



Financial Review for the Kid Group

Employee expenses increased by MNOK 17.3 to MNOK 179.6:

- MNOK 7.7 in LFL stores mainly due to general salary increase and increased working hours
- MNOK 2.9 increase from net new stores
- MNOK 0.7 due to higher accrued bonus than last year
- MNOK 1.3 in HQ costs due to general salary increase
- MNOK 5.4 in Logistics mainly due to the new central warehouse in Sweden presented as other operating expenses last year, in addition to increased logistics activity in Norway
- MNOK -0.7 due to changes in SEKNOK exchange rate

Other operating expenses increased by MNOK 2.4 to MNOK 124.7:

- MNOK 14.3 in LFL stores, mainly related to index adjustment of rental costs, store expansions and increased shared operating costs, as well as last mile transportation costs related to furniture
- MNOK 4.7 increase in net new stores
- MNOK 4.8 from increased marketing cost
- MNOK -3.7 in HQ costs related to IT, as well as less use of external consultants and one-off costs related to the move of the offices in Sweden last year
- MNOK -1.3 in Logistics operating costs mainly due to personnel costs in Sweden

presented as employee expenses this year

- MNOK -15.8 related to change in IFRS 16 effects, reflecting the increase in rental cost in Logistics, HQ and stores due to index regulations, re-negotiated contracts and net new stores
- MNOK -0.6 due to changes in SEKNOK exchange rate

EBITDA increased by MNOK 34.9 to MNOK 201.5 mainly due to increased revenues and improved gross margin.

Depreciation increased compared to last year mainly due to investments in the warehouse in Sweden and IFRS 16 effect related to the rental portfolio.

Net financial expenses of MNOK 23.1 (MNOK 20.5) relates to net interest expenses of MNOK 8.9 (MNOK 7.0), net other financial expenses of MNOK 0.7 (MNOK 1.0), net FX expenses of MNOK 0.4 (MNOK 1.3) and IFRS 16 interest expenses of MNOK 13.1 (MNOK 11.2).

Liquidity and borrowings

During Q2, Kid ASA paid MNOK 142.3 (MNOK 121.9) in dividend. Furthermore, MNOK 200 (MNOK 160) of the revolving credit facility was utilised.

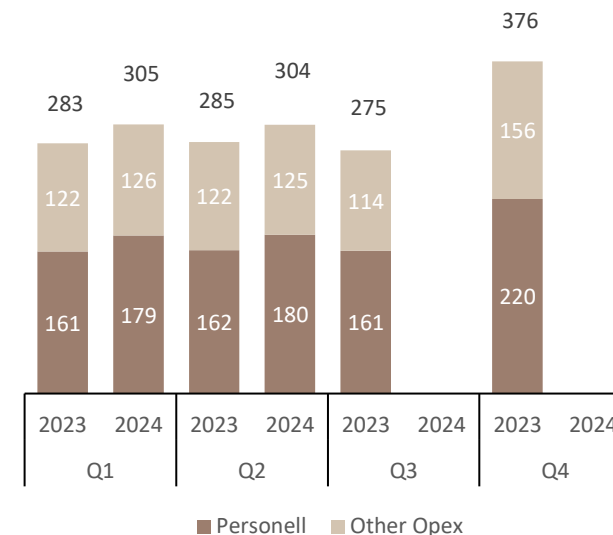
Excluding IFRS 16 effects, net interest-

bearing debt was MNOK 756.0 (MNOK 842.7) at the end of the quarter, corresponding to a gearing ratio of 1.22x (2.40x) of LTM EBITDA. The Group has cash and available credit facilities of MNOK 357.5 (MNOK 175.9) as of 30 June 2024, and has a satisfactory liquidity situation. The facilities include an unused term-loan facility of MNOK 125 related to investments in the Swedish warehouse.

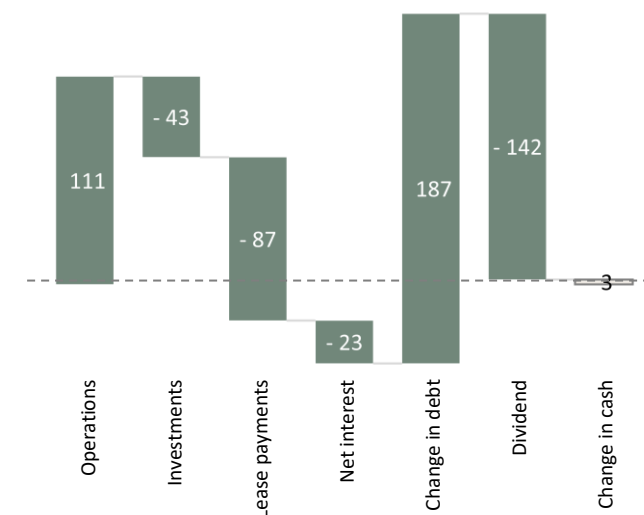
Cash flow from operations in the period is impacted by planned inventory build-up during the quarter. The inventory was 14.1% above end of the quarter last year, which is mainly explained by the introduction of furniture and other category development initiatives, combined with earlier shipments due to the global freight situation. Investments reflect mainly CAPEX relating to store openings and projects. Cash flow from financing represents lease payments, net interests, use of overdraft facility and payment of dividend.

Capital expenditures (CAPEX) amounted to MNOK 40.0 (MNOK 55.9) during Q2, mainly relating to store openings and refurbishments. Investments related to the warehouse project in Sweden accounted for MNOK 2.6 (MNOK 23.6) in the quarter.

OPEX
MNOK



CASH FLOW
MNOK



Segment: Key figures

KID Interior

(Amounts in NOK millions)

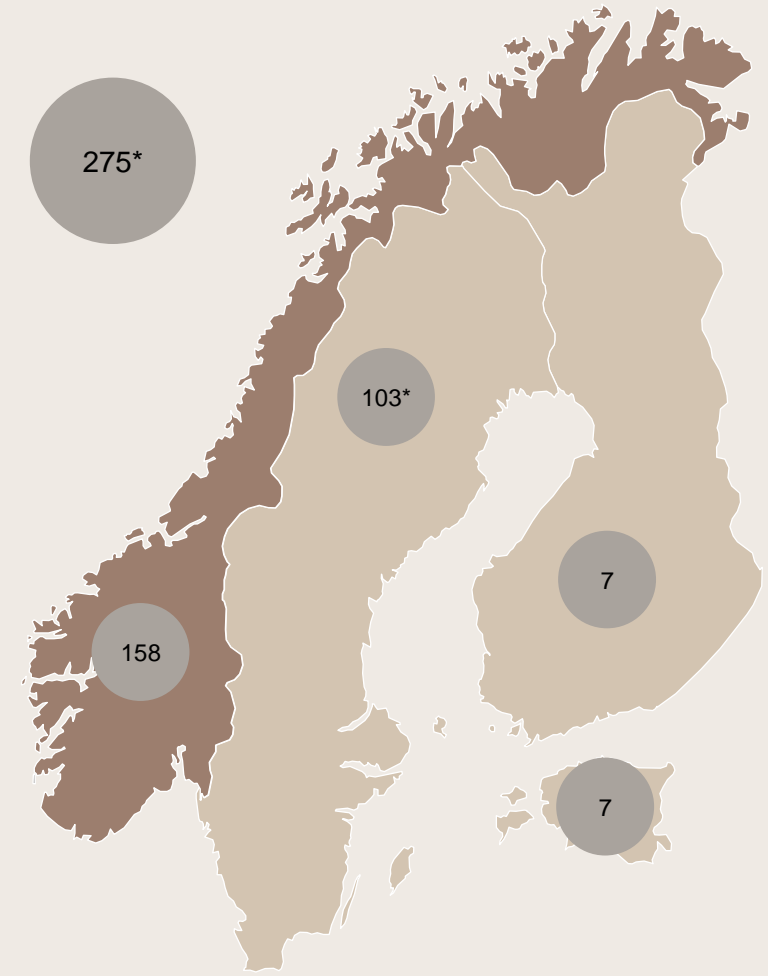
	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Revenue	500.4	450.7	938.1	836.6	2,122.9
Revenue growth	11.0 %	-1.1%	12.1 %	1.7 %	7.0 %
LFL growth including online sales	9.5 %	-2.0%	11.1 %	0.5 %	6.1 %
COGS	-183.8	-166.4	-352.1	-338.6	-796.2
Gross profit	316.6	284.3	586.0	498.0	1,326.7
Gross margin (%)	63.3 %	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

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

NUMBER OF STORES PER QUARTER-END



Kid Group
 Segment: Kid Interior
 Segment: Hemtex

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

Segment: Kid Interior

Revenues increased compared to last year, mainly due to basket size and increased number of customers in both physical stores and online. The number of shopping days increased by two days to 73 (71) in total for the quarter.

Online revenues increased by +15.4% (+15.6%) to MNOK 55.4 (MNOK 48.0).

Gross margin increased by 0.2 percentage points to 63.3%. The increase is driven by early price adjustments to meet higher freight rates and currency hedging levels going forward.

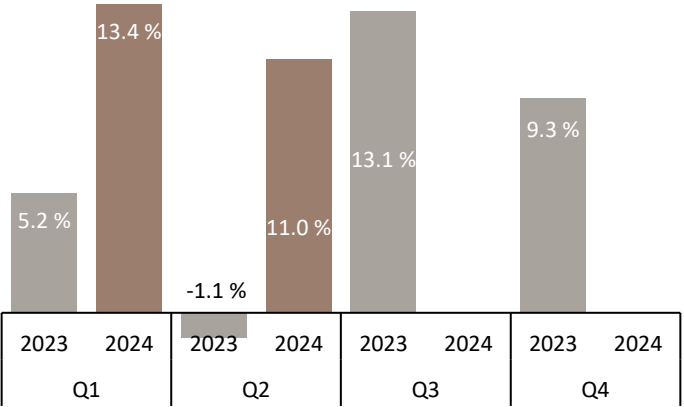
Employee expenses increased by MNOK 10.4:

- MNOK 4.7 in LFL stores mainly due to general salary increase and increased store project activity
- MNOK 1.4 due to net new stores
- MNOK 0.4 due to bonus expenses
- MNOK 1.6 in HQ costs mainly due to general salary increase
- MNOK 2.3 in Logistics due to increased sales activity

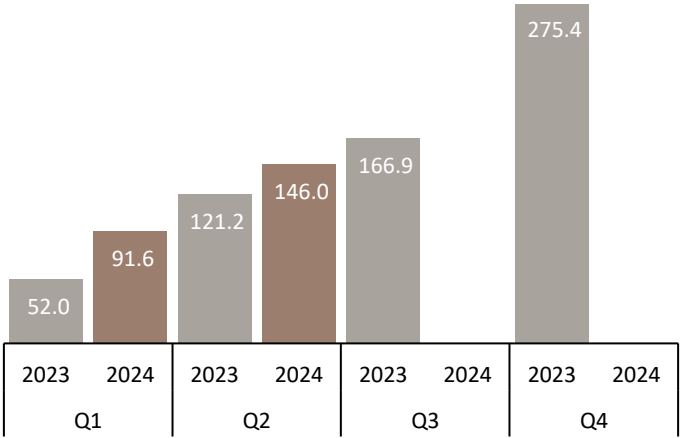
Other operating expenses decreased by MNOK -2.7:

- MNOK 8.3 in LFL stores mainly related to index adjustment of rental costs, store expansions and increased shared operating costs, as well as last mile transportation costs related to furniture
- MNOK 2.0 in net new stores
- MNOK -1.0 from decreased marketing cost
- MNOK -3.4 in HQ, mainly related to IT costs, less use of external consultants and timing effect of operating materials
- MNOK 0.0 in Logistics
- MNOK -8.6 related to change in IFRS 16 effects, reflecting the increase in rental cost included in Logistics, HQ and stores due to index regulations, re-negotiated contracts and net new stores

LIKE-FOR-LIKE
REVENUE GROWTH
%



EBITDA
MNOK



Segment: Hemtex

Revenues increased, mainly due to basket size, partly offset by reduced number of customers in physical stores and online. The number of shopping days was the same as last year 90 (90).

The Extended concept was launched in Hemtex during the first quarter and made-to-measure technical sun screening was launched in Hemtex in April. Both category development initiatives contributed positively to revenues.

Online revenues increased by +3.1% (+2.5%) to MNOK 40.8 (MNOK 39.9) based on a constant currency calculation.

Hemtex 24h revenues decreased by MNOK 3.9 compared to Q2-23. Reference is made to the termination of the agreement with ICA Gruppen elaborated in the Q1-23 report, which also will impact revenues this year.

Gross margin increased by 2.5 percentage points to 63.2%. The increase is driven by early price adjustments to meet higher freight rates and currency hedging levels going forward.

Employee expenses increased by MNOK 6.9:

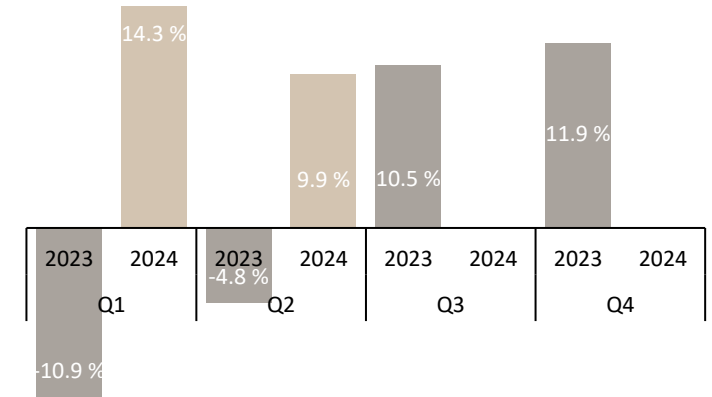
- MNOK 2.9 in LFL stores mainly due to increase in working hours as well as general salary increase
- MNOK 1.6 due to net new stores
- MNOK 0.3 due to higher accrued bonus than last year
- MNOK -0.3 in HQ due to a reduced number of employees partly offset by services provided by HQ in Norway
- MNOK 3.1 in Logistics due to new employees following the inhouse logistic operations in Sweden
- MNOK -0.7 due to changes in SEK/NOK exchange rate

Other operating expenses increased by MNOK 5.0:

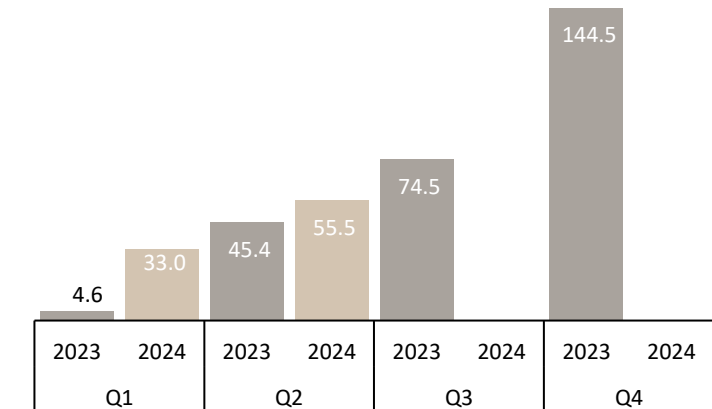
- MNOK 5.9 in LFL stores, mainly related to index adjustment of rental costs and store expansions
- MNOK 2.7 in net new stores
- MNOK 5.7 from increase of marketing cost due to change in the campaign activity plan
- MNOK -0.3 in HQ mainly due to decreased IT cost, partly offset by services provided by HQ in Norway and one-off costs related to the move of offices last year in Sweden

- MNOK -1.3 in Logistics operating costs mainly due to personnel costs presented as employee expenses following the inhouse operations. This effect is partly offset by rental costs related to the warehouse and other activity-based costs
- MNOK -7.1 related to change in IFRS 16 effects, reflecting the increase in rental cost in Logistics, HQ and stores due to index regulations, re-negotiated contracts and net new stores
- MNOK -0.6 due to changes in SEK/NOK exchange rate

LIKE-FOR-LIKE REVENUE GROWTH %



EBITDA MNOK



Events after the end of reporting period

There has been no significant events after the end of the reporting period.

Lier, 21 August 2024
The Board of Kid ASA

Espen Gundersen
Chair

Karin Bing Orgland
Board member

Gyrid Skalleberg Ingerø
Board member

Liv Berstad
Board member

Jon Brannsten
Board member

Anders Fjeld
Chief Executive Officer



Group Figures Q2 2024

Financial Statements

INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amounts in NOK thousand)	Note	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue		797,835	724,111	1,494,320	1,329,513	3,413,595
Other operating revenue		1,333	952	2,176	1,572	4,270
Total revenue		799,168	725,062	1,496,497	1,331,085	3,417,866
Cost of goods sold		-293,371	-273,828	-561,609	-540,026	-1,314,280
Employee benefits expense		-179,554	-162,331	-358,514	-323,187	-704,722
Depreciation and amortisation expenses	9	-118,160	-100,833	-233,134	-196,651	-404,136
Other operating expenses		-124,739	-122,311	-250,362	-244,640	-514,371
Total operating expenses		-715,824	-659,303	-1,403,619	-1,304,503	-2,937,508
Operating profit		83,344	65,759	92,877	26,582	480,357
Financial income		1,535	724	6,427	3,410	10,844
Financial expense		-24,653	-21,266	-49,435	-41,855	-87,473
Net financial income (+) / expense (-)		-23,118	-20,542	-43,008	-38,444	-76,630
Share of result from joint ventures	10	-919	102	-1,509	-256	-1,200
Profit before tax		59,307	45,320	48,360	-12,119	402,528
Income tax expense		-10,891	-8,874	-9,091	1,921	-88,701
Net profit (loss) for the period		48,415	36,446	39,269	-10,198	313,827
Interim condensed consolidated statement of comprehensive income						
Profit for the period		48,415	36,446	39,269	-10,198	313,827
Other comprehensive income		-16,778	40,195	49,475	113,120	62,695
Tax on comprehensive income		2,205	-10,952	-11,639	-21,453	-8,335
Total comprehensive income for the period		33,842	65,689	77,104	81,468	368,187
Attributable to equity holders of the parent		33,842	65,689	77,104	81,468	368,187
Basic and diluted Earnings per share (EPS):		1.19	0.90	0.97	-0.25	7.72

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	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

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	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

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 2023	434,440	838,940	1,273,380
Profit for the period YTD 2023	0	-10,198	-10,198
Other comprehensive income	0	91,667	91,667
Realized cash flow hedges	0	-51,338	-51,338
Dividend	0	-121,935	-121,935
Balance at 30 Jun 2023	434,440	747,136	1,181,576
Balance at 1 Jan 2024	434,440	880,840	1,315,280
Profit for the period YTD 2024	0	39,268	39,268
Other comprehensive income	0	37,837	37,837
Realized cash flow hedges	0	2,902	2,902
Dividend	0	-142,258	-142,258
Balance at 30 Jun 2024	434,440	818,593	1,253,030

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	Q2 2024 Unaudited	Q2 2023 Unaudited	H1 2024 Unaudited	H1 2023 Unaudited	FY 2023 Audited
Cash Flow from operation						
Profit before income taxes		59,307	45,320	48,360	-12,119	402,528
Taxes paid in the period		-8,832	-8,929	-46,443	-57,327	-91,037
Depreciation & Impairment	9	118,160	100,833	233,134	196,651	404,136
Effect of exchange fluctuations		1,384	-6,513	1,626	5,265	10,192
Change in net working capital						
Change in inventory		-62,700	2,228	-185,962	15,286	111,538
Change in trade debtors		-1,618	-17,651	5,184	-20,295	-20,231
Change in trade creditors		2,579	-22,476	-20,054	-13,960	76,510
Change in other provisions ¹		2,915	35,882	-51,716	-54,147	67,808
Net cash flow from operations		111,194	128,692	-15,872	59,354	961,444
Cash flow from investment						
Purchase of fixed assets	9	-43,215	-58,481	-91,449	-115,650	-163,697
Loans to associated companies and joint ventures	8, 10	0	0	0	-12,785	-17,785
Net Cash flow from investments		-43,215	-58,481	-91,449	-128,435	-181,482
Cash flow from financing						
Proceeds from long term loans		0	0	0	130,000	0
Proceeds from revolving credit facility		200,000	160,000	200,000	30,000	160,000
Repayment of revolving credit facility		0	0	0	0	-160,000
Repayment of Term Loans		-10,000	-10,000	-10,000	-10,000	-30,000
Overdraft facility		-2,819	-7,358	44,477	141,061	0
Lease payments for principal portion of lease liability		-87,349	-73,891	-169,194	-147,890	-296,250
Dividend payment		-142,258	-121,935	-142,258	-121,935	-233,710
Net interest		-22,939	-20,247	-44,925	-41,041	-79,743
Net cash flow from financing		-65,365	-73,431	-121,900	-19,806	-639,703
Cash and cash equivalents at the beginning of the period		0	0	225,067	75,721	75,721
Net change in cash and cash equivalents		2,613	-3,220	-229,221	-88,886	140,260
Exchange gains / (losses) on cash and cash equivalents		-2,614	3,221	4,156	13,164	9,084
Cash and cash equivalents at the end of the period		0	0	0	0	225,065

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

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

NOTE 1 CORPORATE INFORMATION

Kid ASA and its subsidiaries` (together the “Company” or the “Group”) operating activities are related to resale of home and interior products in Norway, Sweden, Finland and Estonia. The Kid Group offers a full range of products comprising 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 second quarter of 2024 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 2023, 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 2023. New standards or amendments effective at 1 January 2024 do not 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 2023.

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.

Q2 2024

(Amounts in NOK thousand)	Kid Interior	Hemtex	Total
Revenue	500,401	297,434	797,835
COGS	-183,782	-109,589	-293,371
Gross profit	316,619	187,845	504,464
Other operating revenue	320	1,013	1,333
Operating expense (OPEX)	-170,910	-133,383	-304,293
EBITDA	146,028	55,475	201,504
Operating profit	79,975	3,369	83,344
Gross margin (%)	63.3 %	63.2 %	63.2 %
OPEX to sales margin (%)	34.2 %	44.8 %	38.1 %
EBITDA margin (%)	29.2 %	18.6 %	25.2 %
Inventory	497,434	262,455	759,889
Total assets	2,840,415	1,265,910	4,106,325

NOTE 6 LOANS AND BORROWINGS

Financing agreements

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

(Amounts in NOK thousand)	Utilised 30.06.2024	Facility	Interest	Maturity	Repayment
Total term loan	511,700	511,700		15.05.2026	Instalments ¹
<i>Of which secured with fixed interest rate:</i>					
<i>Denominated in NOK</i>	395,000	395,000	Fixed rate at 1,876% + 1.25% ²		
<i>Denominated in SEK</i>	15,000	15,000	Fixed rate at 1,460% + 1.25% ³		
New term loan	-	125,000	3 months NIBOR + 1.69%	01.05.2027	Instalments ⁴
Revolving credit facility	200,000	230,000	3 months NIBOR + 1.31%	27.04.2026	At maturity
Overdraft	44,477	247,000	1 week IBOR + 1.10%	12 months	At maturity
	756,177	1,113,700			

¹MNOK 30 in annual instalments with bi-annual payments

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

³Fixed interest rate and denomination in SEK is hedged through a cross-currency interest swap of MNOK 15 maturing November 2024

⁴MNOK 25 in annual instalments with bi-annual payments

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

	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Weighted number of ordinary shares	40,645,162	40,645,162	40,645,162	40,645,162	40,645,162
Net profit or loss for the year	48,415	36,446	39,269	-10,198	313,827
Earnings per share (basic and diluted) (Expressed in NOK per share)	1.19	0.90	0.97	-0.25	7.72

NOTE 8 TRANSACTIONS WITH RELATED PARTY AND JOINT VENTURES

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 period-end balance that have been entered into with joint ventures and related parties by the end of first half of 2024 and 2023:

Related Party and Joint Ventures	H1 2024	H1 2023
Prognosgatan Holding AS (Loan)	69,990	37,024
Total	69,990	37,024

NOTE 9 FIXED ASSETS AND INTANGIBLE ASSETS

Additions on Right of use Assets during the quarter relates to new and renegotiated rental agreements for stores as well as index adjustments. Additions on PPE mainly relates to store openings and refurbishments.

(amounts in NOK thousand)	Right of use Asset	PPE	Trademark	Other Intangibles	Goodwill
Balance 01.01.2024	1,050,028	303,178	1,513,851	46,699	70,169
<i>Exchange differences</i>	-390	2,379	-520	-56	-672
Additions, disposals and adjustments	325,043	70,777		8,730	
Depreciation and amortisation	-175,515	-47,472		-10,147	
Balance 30.06.2024	1,199,167	328,862	1,513,331	45,226	69,497

(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
<i>Exchange differences</i>	20,912	7,441	2,470	-438	3,183
Additions, disposals and adjustments	415,370	102,364		2,983	
Depreciation and amortisation	-154,550	-38,734		-3,368	
Balance 30.06.2023	1,042,467	308,316	1,512,694	34,504	68,662

NOTE 10 INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

The Group had the following subsidiaries as of 30 June 2024:

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
Kid International Logistic AB	Sweden	Logistics	100

All subsidiary undertakings are included in the consolidation.

The Group had the following joint ventures as of 30 June 2024:

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 Q2-24 was MNOK -0.9 (MNOK 0.1). Per the reporting date, the carrying amount of the investment is MNOK 0.0 and MNOK -0.5 (MNOK -3.0) has been classified as other short-term liabilities.

A sales process of the warehouse property in Sweden through a sale of Prognosgatan Fastighets AB, a subsidiary of the joint venture, has been initiated.



Responsibility Statement Kid ASA

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 30 June 2024 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm, to the best of our knowledge, that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Lier, 21 August 2024
The Board of Kid ASA

Espen Gundersen
Chair

Karin Bing Orgland
Board member

Gyrid Skalleberg Ingerø
Board member

Liv Berstad
Board member

Jon Brannsten
Board member

Anders Fjeld
Chief Executive Officer



Definitions

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

EBIT (earnings before interest and 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 revenues. 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 revenues. 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 amortisation and depreciation expenses.

Gearing ratio is defined as net interest-bearing debt divided by LTM EBITDA excluding IFRS 16 effects.

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

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

Like-for-like revenues are revenues 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 (LFL) 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 ratio is the sum of employee benefits expense and other operating expenses divided by revenues. The OPEX to sales ratio measures operating cost efficiency as percentage of sales revenues and is an important internal KPI.

Revenue growth represents the growth in revenues 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 and 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, 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 revenues. 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 amortisation and depreciation expense related to capital expenditure.

Gross profit is defined as revenues minus the cost of goods sold (COGS). The gross profit represents sales

revenues that the Group retain after incurring the direct costs associated with the purchase and distribution of the goods.

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

OPEX-to-sales ratio is the sum of employee benefits expense and other operating expenses divided by revenues. The OPEX to sales ratio measures operating cost efficiency as percentage of sales revenues 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.

