



Årsregnskap for regnskapsåret 2023

Organisasjonsnr: 980 213 250
Navn/foretaksnavn: KOMPLETT ASA
Forretningsadresse: Østre Kullerød 4
3241 SANDEFJORD

Brønnøysundregistrene

10.07.2025

Brønnøysundregistrene

Postadresse: 8910 Brønnøysund

Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05

E-post: firmapost@brreg.no Internett: www.brreg.no

Organisasjonsnummer: 974 760 673

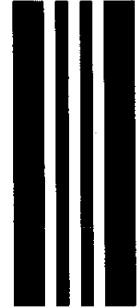


Brønnøysundregistrene - Regnskapsregisteret 200206

VEDLEGG TIL ÅRSREGNSKAP 2023



KOMPLETT ASA Postboks 2094 3202 SANDEFJORD	Organisasjonsnr.	ASA
	980 213 250	



Registrerte opplysninger per 29.07.2024	Eventuelle endringer dette regnskapsåret
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Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2023	31.12.2023		

Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap
---	------------------	---

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av IFRS selskap IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern

Se Vedlegg

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den _____ Dato

Sted/dato, Underskrift av representant for enheten

Bare til bruk for Regnskapsregisteret *akt*

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ov.b	årsb	res	bal	e.bal	gj.bal	rev	i-rev	k-res	k-bal	k-n	k-rev	i-k-rev n

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k-regn	kto	d.k	ik-fv	konsf	ifrs	fr-rev				funk	u.off	brev



BR-1001-11





Brønnøysundregistrene - Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP

Regnskapsår: 2023

+

Komplett ASA	Organisasjonsnr. 980 213 250
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Registrerte opplysninger per 19.03.2024	Eventuelle endringer dette regnskapsåret
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Startdato 01.01.2023	Avslutningsdato 31.12.2023	Startdato	Avslutningsdato
-------------------------	-------------------------------	-----------	-----------------

Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap
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Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato 08.05.2024

Sted/dato, Underskrift av representant for enheten
Sandefjord 01.07.2024 *Julian P. Havn*

Bare til bruk for Regnskapsregisteret

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s

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k-regn	kto	d.k	ik-fv	konsf	ifrs	fr-rev					funk	u.off	brev	

BR-1001-11

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Skatteetaten

Vår dato 19.02.2021	Din/Deres dato	Saksbehandler Robin Ingebrigtsen
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 98778267
Org.nr 974761076	Vår referanse 2021/5225125	Postadresse Postboks 9200 Grønland 0134 OSLO

KOMPLETT AS
Postboks 2094
3202 SANDEFJORD

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for Komplett AS, org. nr. 980 213 250

Vi viser til Komplett AS sin søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

Komplett AS er morselskap i konsernet Komplett Group. Konsernet er en ledende aktør innen internettsalg i Norge, Sverige og Danmark. Konsernets kunder er primært privatpersoner og selskaper i de nordiske landene.

Komplett AS kontrolleres pr dagsdato av Canica AS, i tillegg har noen av de lendende ansatte en mindre eierpost. Konsernet startet i januar 2021 prosessen med børsnotering. Børsnoteringen vil blant annet rette seg mot utenlandske investorer.

Konsernet fremmed finansiering ut over arbeidskapital er knyttet til lån fra profesjonelle banker som er vant til å finansiell rapportering gjøres på engelsk.

På bakgrunn av den forestående børsnoteringen vil selskapet avhengig av å utarbeide regnskapsinformasjonen på engelsk. Det norske regnskapet vil kun utarbeides for å oppfylle språkkravet i regnskapsloven og foretaksregisteret. Den norske oversettelsen er følgelig et rent ekstraarbeid som påfører selskapet unødvendige kostnader og merarbeid.



Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at de sentrale brukergruppene foretrekker engelsk språk og at omarbeidelse til norsk språk isolert sett kun fremstår som et rent ekstraarbeid. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

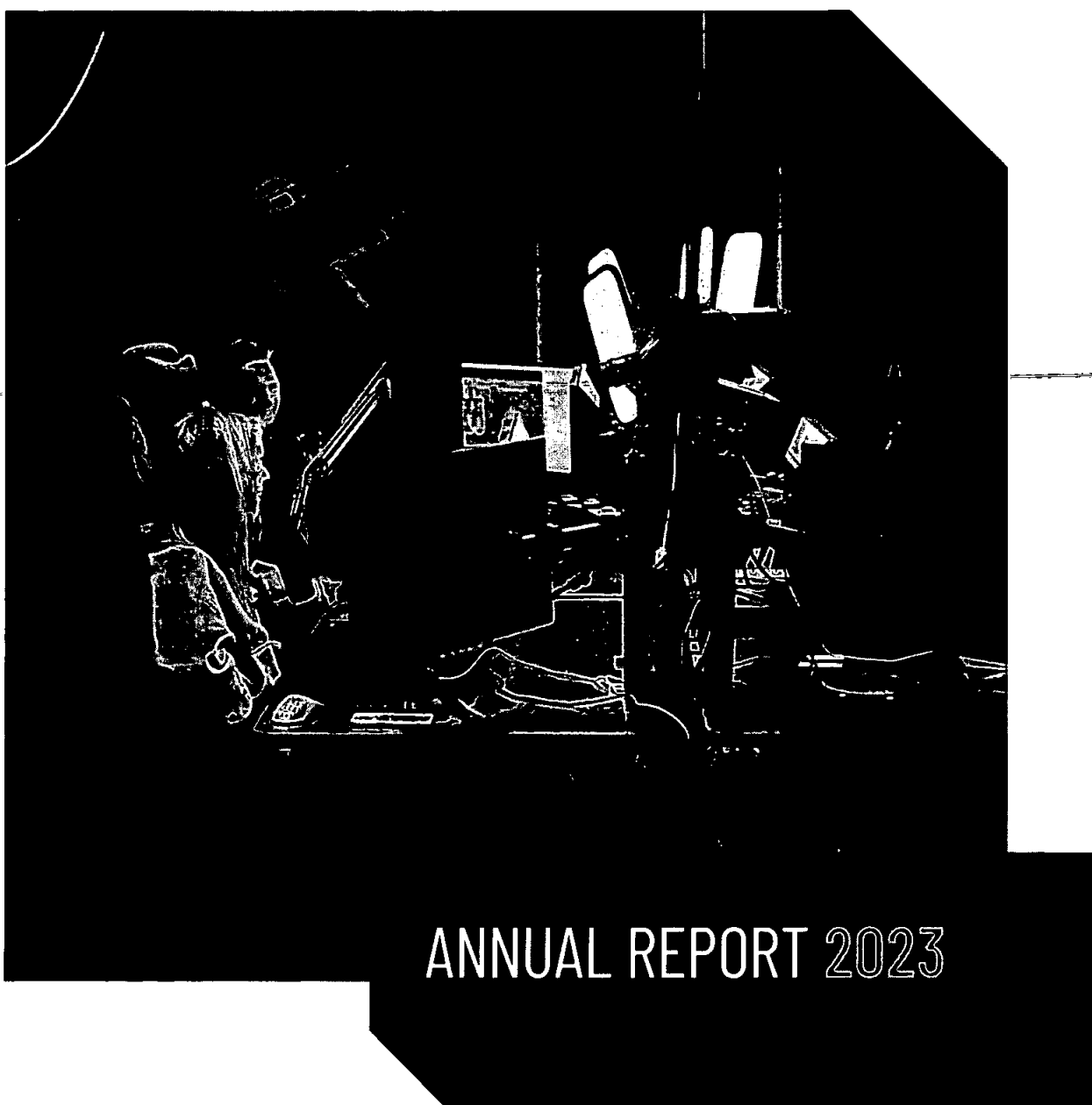
Med hilsen

Magrit Kilen Stoebner
underdirektør
Innsats, storbedrift
Skatteetaten

Robin Ingebrigtsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2



ANNUAL REPORT 2023



| THIS IS KOMPLETT GROUP

About Komplett Group	6
Highlights and key figures	8
Letter from the CEO	10
Business segments	12
Strategic and financial roadmap	18
UN Sustainable Development Goals	20

| CORPORATE GOVERNANCE

Board of directors	24
Group management	28
Board of directors' report	32
Corporate governance report	46
Risk and risk management	54
Share information	58



| SUSTAINABILITY REPORT

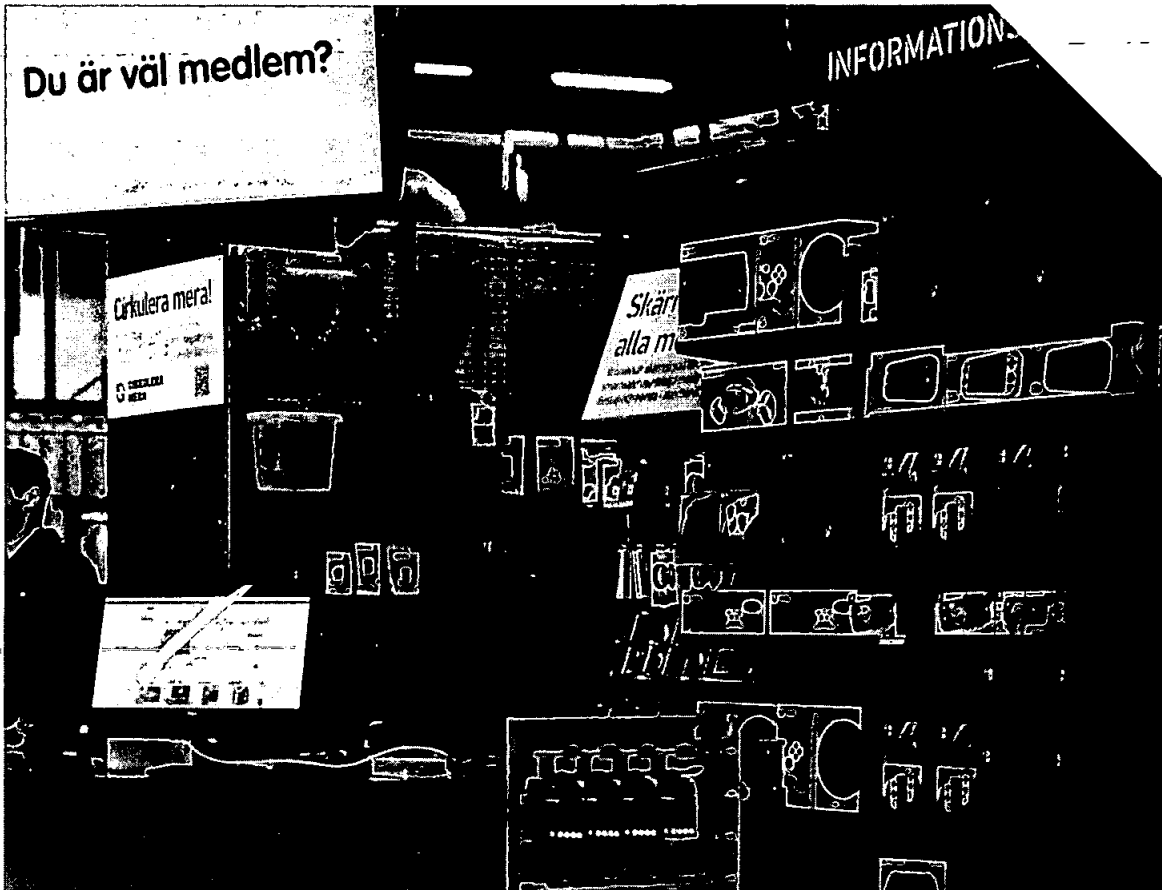
General information	62
Environmental information	82
Social information.....	96
Governance information	116
Other reporting	122

| FINANCIAL STATEMENTS

Overview of financial statements.....	124
Consolidated financial statements	126
Consolidated notes	131
Komplett ASA financial statements	170
Komplett ASA notes.....	174
Independent auditor's report	183



THIS IS KOMPLETT GROUP



| CONTENTS

About Komplett Group	6
Highlights and key figures	8
Letter from the CEO	10
Business segments	12
Strategic and financial roadmap	18
UN Sustainable Development Goals	20



THE LARGEST NORDIC ONLINE-FIRST ELECTRONICS RETAILER

Komplett Group is the leading online-first player in the Nordic market for consumer electronics. The group has five distinct brands which are widely recognised by customers within the B2C, B2B and Distribution segments.

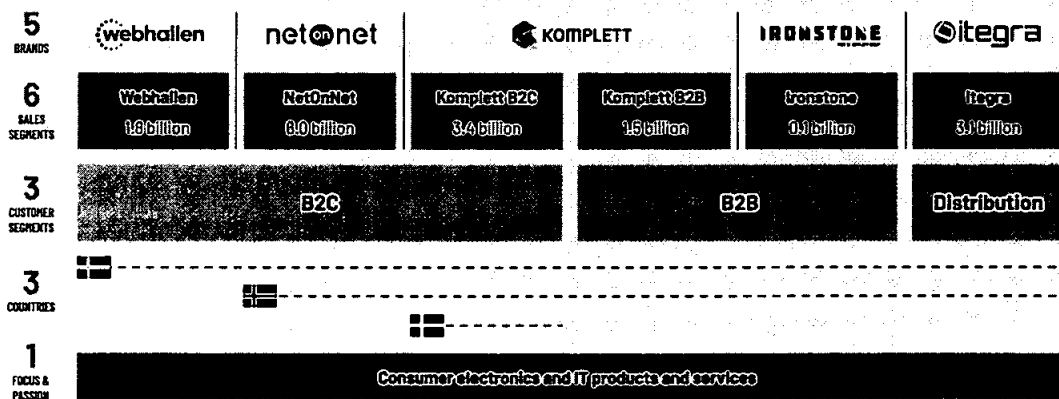
The group's brands offer seamless shopping experiences, convenient delivery and best in class last mile solutions. This is facilitated by strategically positioned warehouses in Sandefjord, Norway, and Stockholm and Borås, Sweden.

Komplett Group operates an efficient and scalable business model that supports cost leadership and enables a competitive product offering. Central to the group's

strategy is a continued commitment to the portfolio of strong Nordic retail brands targeting distinct segments while utilising the commercial and cost advantages through centralised functions.

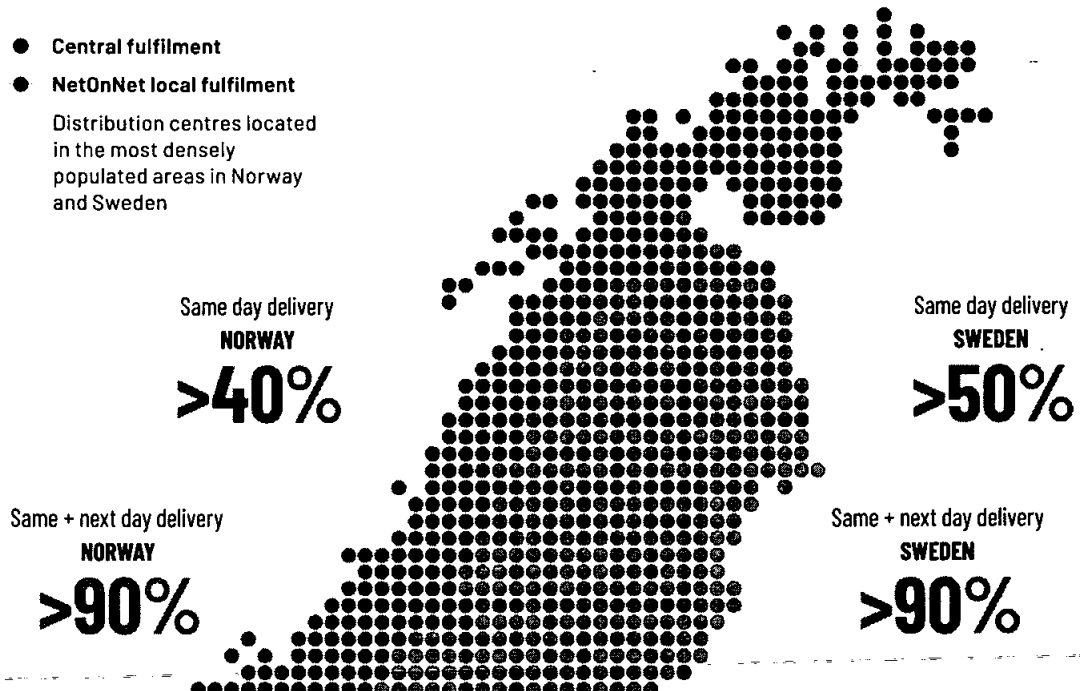
Komplett ASA is headquartered in Sandefjord, Norway and listed on the Oslo Stock Exchange.

KOMPLETT GROUP AT A GLANCE

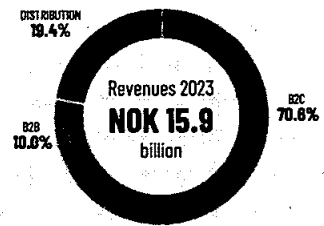




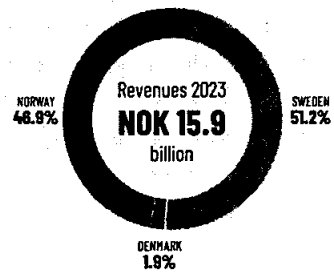
- Central fulfilment
 - NetOnNet local fulfilment
- Distribution centres located in the most densely populated areas in Norway and Sweden



REVENUES BY SEGMENT



REVENUES BY COUNTRY



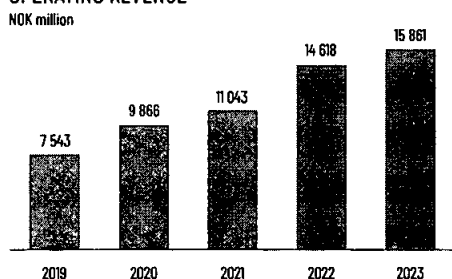


KEY FIGURES KOMPLETT GROUP

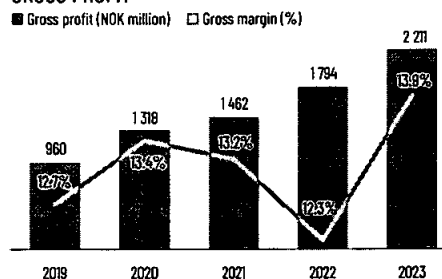
Amounts in NOK million	2023	2022
Operating revenue	15 861	14 618
Growth (%)	8.5%	32.4%
Gross profit	2 211	1 794
Gross margin (%)	13.9%	12.3%
Operating expenses (ex dep)(adj.)	(1 738)	(1 451)
Depreciation and amortisation	(335)	(256)
Total operating expenses (adj.)	(2 073)	(1 707)
Operating cost percentage (adj.)	(13.1%)	(11.7%)
EBIT (adj.)	139	87
EBIT margin (adj.) (%)	0.9%	0.6%
One-off cost	(41)	(80)
Impairment	(983)	-
EBIT	(985)	6
Net financials	(184)	(104)
Profit before tax, continued operations	(1 050)	(98)
Profit for the period	(1 038)	(32)

Definitions of alternative performance measures (APM) can be found on page 181 of this report. NetOnNet was consolidated into Komplett Group's financial statement as of 1 April 2022.

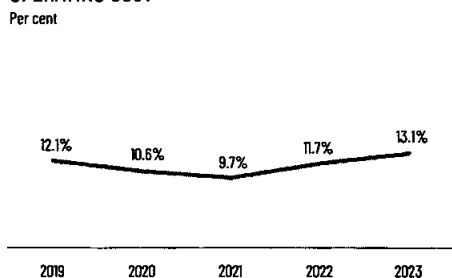
OPERATING REVENUE



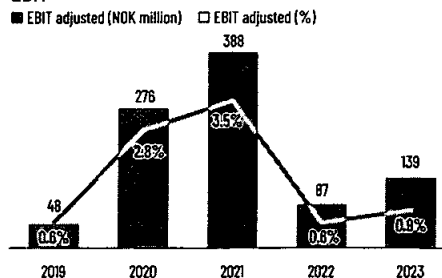
GROSS PROFIT



OPERATING COST



EBIT

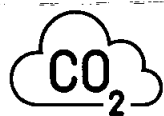




HIGHLIGHTS 2023

- ▶ Komplett Group has built scale and strengthened its market position while maintaining its industry-leading cost position
- ▶ The group has made good progress across key financial metrics and shown a controlled financial position
- ▶ New management teams established, and key recruitments made in Komplett Group and in NetOnNet, Komplett, Webhallen and Ironstone brands
- ▶ The long-term growth trajectory for online retail continues, and Komplett Group has taken action to scale up its competitive advantages and remains well positioned for a market recovery

Environment

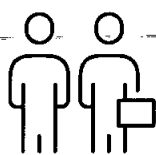


6 443 tonnes CO₂e
Total GHG emissions



71%
Komplett Group's share of renewable energy use

Social



1 561
Employees (headcount)



32%
Females

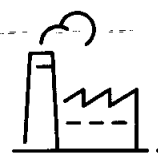


68%
Males

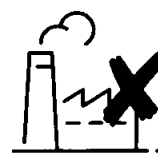


43%
Female share of the board of directors

Governance



67
Factory audits executed



7
Audited factories that did not meet Komplett Group's standards



LETTER FROM THE CEO:

LEADING RETAIL BRANDS BACKED BY AN EFFICIENT PLATFORM FOR GROWTH

Looking back over the past year, there is no doubt that 2023 has been a challenging period in terms of market development and uncertainty. Against this backdrop, the Komplett Group has worked consistently to build on our strengths and to set the direction for strategy and growth going forward.

Building culture and teams

Throughout the year, we have made several important recruitments where we have both promoted internal talents and also attracted some leading industry profiles externally. We have appointed new leaders for the NetOnNet, Webhallen and Komplett business units, and also established a new management team at group level.

Since joining the group one year ago, I have spent a lot of time getting to know the people and the organisation, and what has really made an impression on me is the high level of service and fast response time provided by our customer service. I have also been impressed by the efficiency of our logistics and delivery systems, making it possible to offer superior customer experience and last mile service. This has also been demonstrated by numerous customer awards throughout the year, which is something we greatly appreciate and that represent a motivation for our continuous improvement.

Optimising our operations

During the year, we have worked to realise scale and cost advantages from the NetOnNet acquisition, while at the same time refining our pricing tools and strategies. With a central commercial team in place, taking on the combined efforts in this area, we now have a strong force to drive further improvements in the future.

In combination with these initiatives, we have carried out selected marketing campaigns to make sure our brands are better understood and "top of mind" among customers. We have also increased the service level and availability of goods, while at the same time improving the inventory composition.

Good progress along key financial metrics

The priorities we have set throughout the year, in combination with a better pricing environment and healthier inventories across the industry, have resulted in progress across several financial indicators. Gross margins

have consistently improved throughout the year, and we have succeeded to a large extent in counteracting inflation through various cost measures. Altogether, we have entered 2024 with a controlled financial position, and a solid strategic platform for further growth. I would like to express my gratitude to our customers, colleagues, partners and suppliers for their support and cooperation.

A scalable platform for growth

For the first time as a listed company, the Komplett Group hosted a Capital Markets Day in February 2024. Here we presented the group's strategic direction and growth plan going forward, our ESG goals and priorities, and new financial targets for the period 2026-2028.

Central to our strategic platform are our independent, differentiated brands, with concepts, product offerings and sales strategies tailored to specific customer segments and needs. The benefits of continued brand autonomy will be combined with a focused set of shared functions, providing scale benefits and strong capabilities, which includes a strong central commercial team, a shared supply chain network and common tech, analytics and data-infrastructure. This provides us with an efficient and scalable platform for growth, while enabling a sustained cost leadership position.

During the year we have also updated our sustainability strategy, which reconfirms and extends our commitment to offering circular products and services, reducing our climate and environmental impact, as well as continuing to be an inclusive and attractive employer. In this report, we have for the first time used the European Sustainability Reporting Standards (ESRS) to guide our reporting, being early adopters to the new requirements applicable to the group from the fiscal year 2024.

Our plan and objectives going forward

Although the market environment is expected to remain challenging for a while, our markets are fundamen-



tally attractive supported by strong underlying drivers, especially in the online segment. With our online-first business model and presence in categories with short innovation and replacement cycles, we are well-positioned in the fastest growing sales channels and categories.

We have identified four key levers to outgrow the market. These include further expansion into closely related categories, such as home appliances and telecom, as well as further growth in core categories such as gaming and gaming-related products. Moreover, we will continue our selective store expansion plan for NetOnNet, in line with their omni-channel business model, and use our platform to grow our service and subscription offerings as well as our product portfolio and customer base in B2B and Distribution.

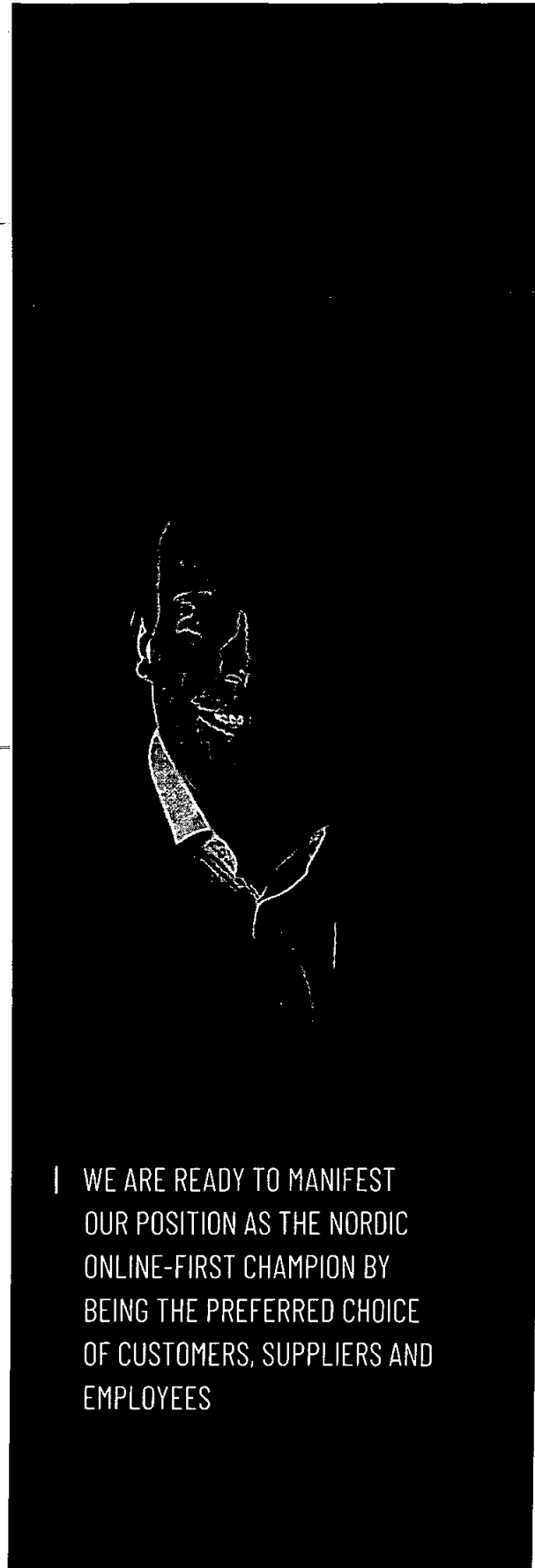
The company targets continued performance uplift and to be among the most profitable players in our industry. We will achieve this through operational leverage and cost optimisation, and by using our recently gained scale to secure further improved purchasing terms as well as better commercial execution. We will also benefit from a higher share of sales from private label and services, and from other higher-margin categories, such as home appliances and telecom.

Our fast-moving business model enables high capital efficiency and cash conversion, which we will actively leverage to simultaneously fund the continued strategic development of the business, create a more balanced capital structure as well as improve the returns for our shareholders in the future.

In Komplett Group, we view our businesses as a portfolio of online-first pioneers, and with tech embedded in our DNA, we are ready to manifest our position as the Nordic online-first champion by being the preferred choice of customers, suppliers and employees.

Yours sincerely
Jaan Ivar Semlitsch
President and CEO

KOMPLETT ASA ANNUAL REPORT 2023



WE ARE READY TO MANIFEST
OUR POSITION AS THE NORDIC
ONLINE-FIRST CHAMPION BY
BEING THE PREFERRED CHOICE
OF CUSTOMERS, SUPPLIERS AND
EMPLOYEES



BUSINESS SEGMENTS:

BUSINESS TO CONSUMER (B2C)

The Komplett Group's operations in the B2C segment cover sales to private consumers across Norway, Sweden and Denmark through the brands NetOnNet, Komplett and Webhallen.

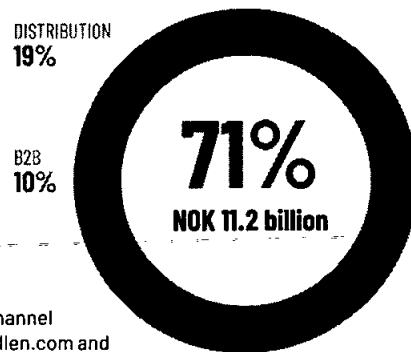
The group serves the private consumer market for electronics, technology products and consumer goods through six online shops, selling products sourced from third-party brands and its own private labels.

NetOnNet is the low-cost, low-price challenger offering a broad assortment including many private label options to value-oriented customers in the mass market. They have an omnichannel business model with two online shops in Sweden and Norway, NetOnNet.se and NetOnNet.no, and a total of 31 complementary self-service, logistics and warehouse shops located in Sweden and Norway.

Komplett is a pure online brand with electronics focus and strong authority in tech, computing and gaming. Komplett serves its B2C customers on the platforms Komplett.no, Komplett.se and Komplett.dk. Komplett also operates two pick-up points, one in Oslo and one at the warehouse in Sandefjord.

Webhallen is a Swedish brand targeting gaming enthusiasts. As an omnichannel provider they offer consumer electronics from the online platform Webhallen.com and 12 retail stores located strategically around Stockholm and bigger cities in Sweden.

B2C - SHARE OF TOTAL GROUP REVENUES



31 SELF-SERVICE WAREHOUSE SHOPS
Addressing needs of **value-oriented customers** in mass market seeking quality products at affordable prices.

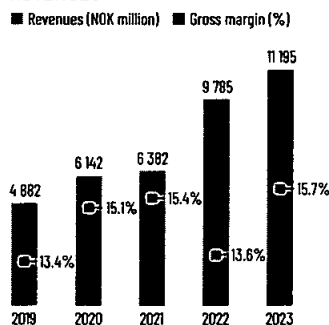


PURE ONLINE
Obvious choice for **tech savvy & gamers** seeking news and innovations. **Approachable expert** for less tech savvy customers.

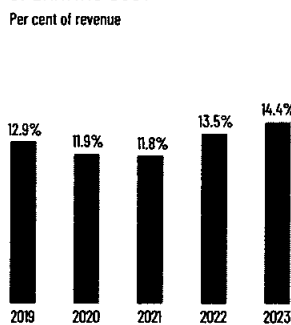


12 SMALL-BOX STORES
Targeting **hardcore gaming enthusiasts** and **casual gamers** through playfulness and shared passion for gaming.

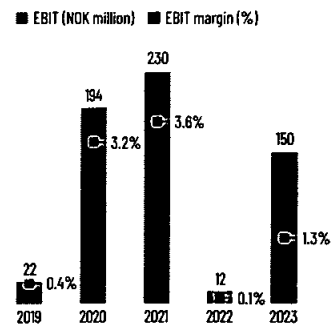
REVENUES



OPERATING COST



EBIT



Note: Reported numbers are impacted by NetOnNet, which was consolidated into Komplett Group's financial statements as of 1 April 2022.



KOMPLETT ASA



BUSINESS SEGMENTS:

BUSINESS TO BUSINESS (B2B)

Komplett B2B is an online market player for corporate customers in the Nordics focusing on the small and medium sized enterprises (SME) and small office/home office segments (SOHO).

Komplett B2B offers its customers a fully digital customer journey through its webshops Komplettbedrift.no and Komplettforetag.se serving the Norwegian and Swedish market, respectively.

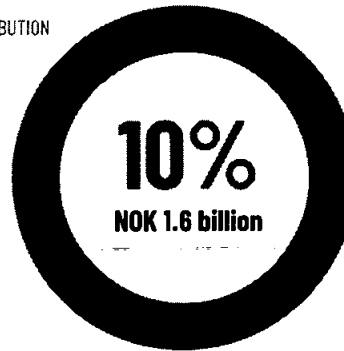
Komplett B2B customer solutions, with its wide assortment in stock at attractive terms, are adapted to individual needs and provide a seamless online shopping experience which is complemented by a highly competent customer service as well as fast and reliable delivery.

The Komplett Group further expanded its operations in the B2B segment during 2021 through the acquisition of Ironstone, delivering simple and secure managed IT services through cloud-based solutions under the brand Ironstone.

Today, the B2B business offers a unique combination of a wide product selection, digital ease of access, customised solutions for SMEs, and advanced IT services. The Komplett Group began its operations in the B2B market in Norway in 2002.

B2B – SHARE OF TOTAL GROUP REVENUES

DISTRIBUTION
19%



B2C
71%



The simple and secure IT service partner for B2B.



KOMPLETT* bedrift

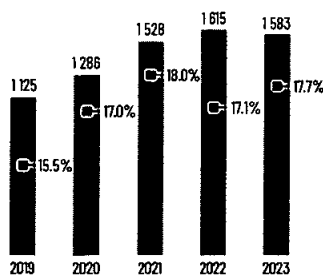


KOMPLETT* företag

The B2B online electronics specialist.

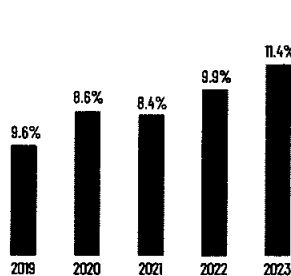
REVENUES

■ Revenues (NOK million) ■ Gross margin (%)



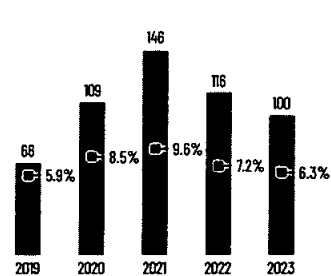
OPERATING COST

■ Per cent of revenue



EBIT

■ EBIT (NOK million) ■ EBIT margin (%)







BUSINESS SEGMENTS:

DISTRIBUTION

The group's activities in the distribution segment consist of large-scale distribution contracts for sale of mobile and IT products to retailers and B2B businesses.

The group's distribution activities are operated under the Itegra brand.

The business is uniquely positioned in the market by specialising in large scale distribution contracts. Itegra's operations are tailored towards serving resellers and other big entities, providing them with a reliable source for large orders.

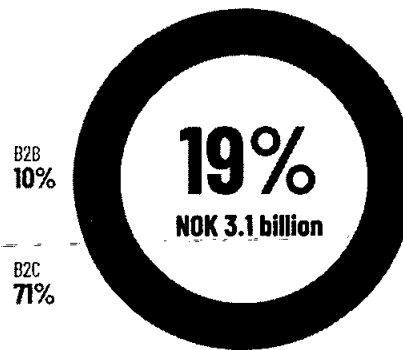
This focus allows it to cater to segments of the market that requires bulk purchases and specialised distribution services, differentiating it from the more broad-based retail and B2B operations within the Komplett Group.

The brand is supported by the world class operational setup in Sandefjord enabling cost efficiency and fast delivery at scale. The customer base includes both well recognised consumer electronic brands as well as retail chains.

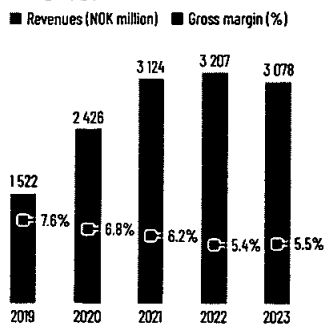
Itegra is present in Norway and Sweden and serves its customers through the websites Itegra.no and Itegra.se, respectively.

The Komplett Group began its operations in the Distribution segment in Norway in 1999.

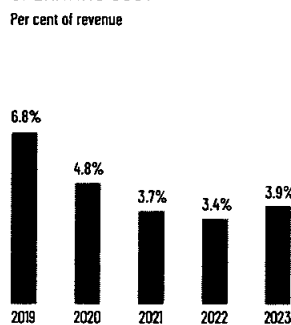
DISTRIBUTION – SHARE OF TOTAL GROUP REVENUES



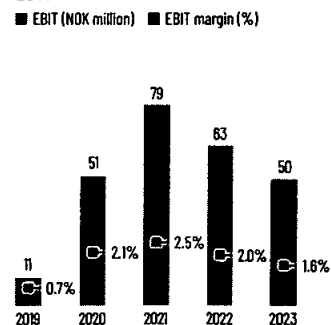
REVENUES

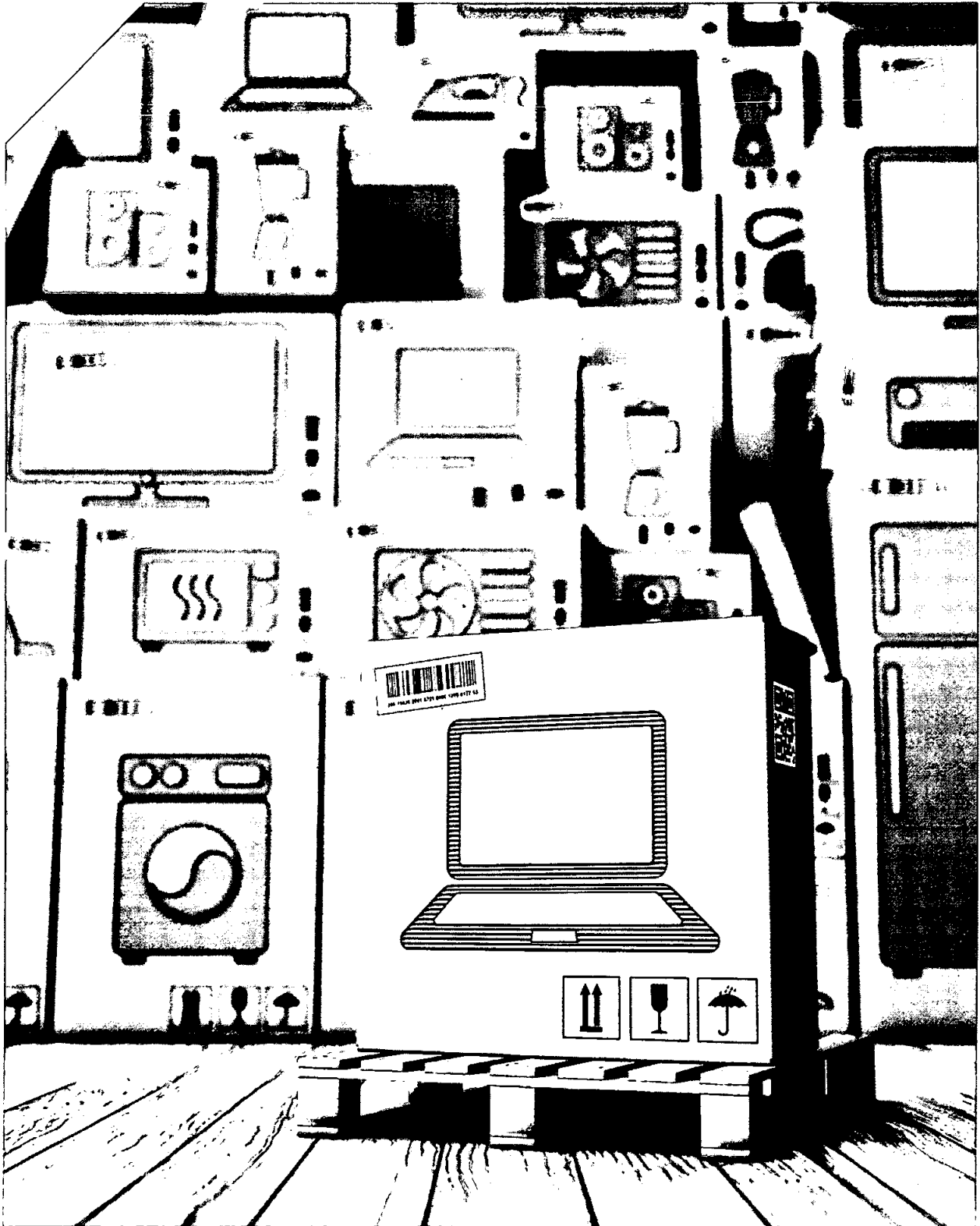


OPERATING COST



EBIT







STRATEGIC AND FINANCIAL ROADMAP

OUR STRATEGIC PLATFORM:

OUR MARKETS:

Operating in a fundamentally attractive market supported by strong underlying drivers

Komplett Group is positioned in fundamentally attractive markets and is exposed towards categories with high innovation speed and short replacement cycles.

Consumer electronics and appliances are fundamentally attractive markets supported by strong underlying drivers. Digitalisation of workplaces and everyday life is turning these products from luxury goods historically to everyday necessities today.

Continuous product upgrades and technology improvements yield products that are updated and replaced frequently, the group is heavily exposed towards categories with short innovation and replacement cycles. A number of exciting new tech trends are expected to drive upgrade cycles and installed base in the coming years.

Komplett Group is a portfolio of e-commerce pioneers and tech is deeply embedded in its DNA, enabling the group to provide a unique value proposition to the leading electronics suppliers and remain a strong collaborator with the world's most innovative companies.

OUR BRANDS:

The leading online-first champion with retail brands loved by customers

The group is built upon a portfolio of strong differentiated B2C and B2B brands with an online-first focus showing industry leading customer satisfaction.

With 70 per cent of sales being online, the group is uniquely positioned to benefit from an online channel returning to historic growth trajectory. The group has a cost-efficient, scalable platform which enables continued cost leadership and growth.

The group's greatest asset is its portfolio of strong retail brands - each equipped with capabilities and assortment addressing customer segments such as the tech savvy, the gaming enthusiasts, the value-oriented or the mass markets. Although all the group's brands have a unique profile, they are all recognised for having great customer satisfaction, fast and convenient delivery, a loyal and engaged customer base and knowledgeable customer service.

Below is a selection of our recent customer awards:



OUR BUSINESS MODEL:

Leveraging scale benefits while maintaining brand autonomy

The group's business model is based on a continued commitment to nurturing the individual retail brands while utilising central scale and capabilities.

The group's B2C brands have differentiated concepts tailored to specific customer segments and needs. Each brand has dedicated capabilities in customer facing functions to ensure differentiation, brand autonomy and tailored customer offerings.

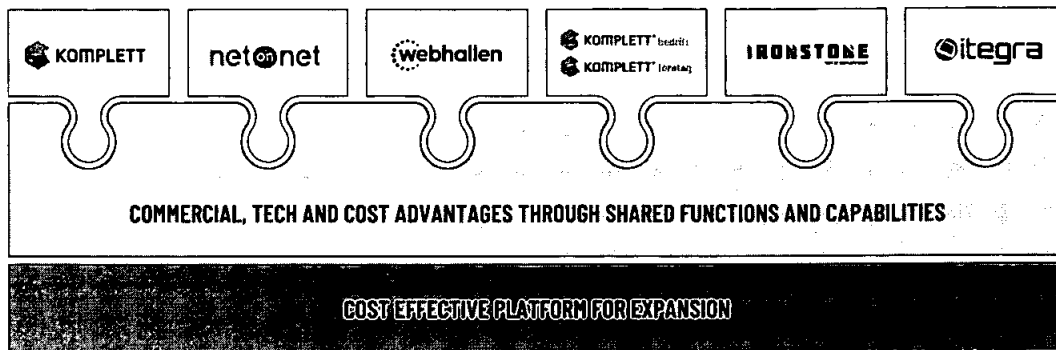
While maintaining strong brand autonomy, the group deploys its commercial and cost advantages through selected shared functions and capabilities.

These include a central commercial team, a shared supply chain network and common tech, analytics and data structures and capabilities.

The group's business model serves as an effective and scalable platform for further growth and M&A supported by a strong cost leadership position.



OUR OPERATING MODEL



OUR OBJECTIVES:

Towards NOK 20 billion in sales and 4% EBIT margin and a climate effective circular business

Komplett Group updated its medium-term financial targets early 2024. For the period 2026-2028, the group aims to outpace market growth with industry-leading profitability while maintaining a high cash conversion.

For the period 2026-2028, the group has defined the following targets:

- ▶ Sales of at least NOK 18-20 billion
- ▶ EBIT margin of at least 3-4 per cent
- ▶ Cash conversion above 70 per cent

Providing its shareholders with attractive returns through dividends and value appreciation remains a priority, which is supported by the fast capital rotation that enables cash efficient growth and high return on invested capital.

Komplett Group is attractively positioned to benefit from structural growth in its core markets and categories as well as expansion into adjacent categories such as home appliances, while carefully optimising the retail footprint and benefiting from further growth in gaming-related categories. In parallel, the group will increasingly integrate services and subscriptions into its product offering.

The profitability of the group is expected to benefit from improving store and logistics operations, optimising marketing spend, and utilising platform scalability, including its sourcing terms and commercial execution. A growing share of sales from private label products, higher-margin categories as well as service and subscriptions, will have a positive mix effect on group margins.

Integrated in the group's strategic roadmap is the ambition to continue the drive for sustainable development, and the group has defined targets for offering more circular products and services, reducing emissions and being an inclusive and attractive employer.

Circular business model:

- ▶ 15 per cent of group revenues from circular products and services by 2028

Climate neutral:

- ▶ Scope 1 & 2 GHG reduction of 42 per cent by 2030
- ▶ Net zero by 2040

Attractive & inclusive employer

- ▶ Industry leading employee temperature
- ▶ Gender balance in leadership positions



UN SUSTAINABLE DEVELOPMENT GOALS:

| LIVING BY HIGH STANDARDS

The Komplett Group's commitment to sustainability is deeply embedded in our vision, strategy and operations. By reporting on our progress within the framework of the UN Sustainability Development Goals (the SDGs), the group supports a global effort for sustainable development. We believe the focus on our own sustainability goals guide us to make a positive impact for our environment and society, and for sustaining business.



During the development of our sustainability plan in 2020, we identified our most relevant SDGs. In 2023 we conducted a double materiality assessment in accordance with CSRD. We revised the SDGs and defined the relevance for the group into three categories - where we impact, contribute to, and support the SDGs.

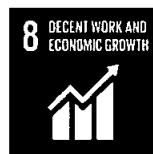
| OUR ALIGNMENT TO THE UN SDGS IS FOCUSED ON WHERE WE CAN DELIVER MEANINGFUL ACTIONS AND HAVE THE GREATEST POSITIVE IMPACT.

Komplett Group has an impact on six SDGs

These six SDGs have been identified as the core SDGs where Komplett Group has the most potential to influence and add value. We have also set measurable targets for these SDGs.



SDG 5: Gender equality
We promote gender equality and believe that creating a diverse, fair, and inclusive work environment is both the right and smart thing to do.



SDG 8: Decent work and economic growth
We operate in Norway, Sweden and China and are committed to ensuring decent work for all, equal pay and a safe working environment.



SDG 12: Responsible consumption and production
Komplett Group will reduce electronic waste, which is a major, global challenge.



SDG 7: Affordable and clean energy
We facilitate the usage of renewable energy sources both in own operations and in the value chain.



SDG 10: Reduced inequalities
We aim to ensure equal opportunities for all and increase people's ability to realise one's full potential.



SDG 13: Climate action
Our operations contribute to GHG emissions, primarily through the production, purchase and transportation of goods. Our ambition is to become climate neutral by 2040.



Komplett Group contributes to four SDGs

These four SDGs have been identified as SDGs where Komplett Group's activities have a meaningful contribution. We have activities connected to these SDGs but we also recognise that a full achievement of these SDGs require activities from other sectors in society.



Komplett Group supports seven SDGs

All of the SDG's are important to us in Komplett Group. For these seven goals we do not have a strong and direct impact, but we are committed to all of the 17 SDGs by the way we work and our values and principles.





|| CORPORATE GOVERNANCE



| CONTENTS

Board of directors.....	24
Group management	28
Board of directors' report	32
Corporate governance report	46
Risk and risk management	54
Share information	58

BOARD OF DIRECTORS



JO OLAV LUNDER
Chair since 2022,
not independent

Jo Olav Lunder (born 1961) has more than 25 years of broad directorial and executive experience from multiple private and public companies within telecommunications, IT services, business solutions and e-commerce. Lunder has held positions such as COO of Telenor Mobile AS, CEO of Ementor ASA, President of Ferd Capital, CEO of Vimpelcom Ltd and CEO of John Fredriksen Group. He currently holds board positions in various companies, including but not limited to, chair of Canica Holding AG, Axxelerator Capital AS, Element Logic Holding AS, Oleter Group AB, Deepocean Group Holding AS, and is director of Stenshaugen Invest AS. He also served as a board director of Komplett ASA from 2018 until March 2022. Lunder has an MBA from Henley Business School, and a bachelor's degree from Oslo Business School.

Lunder attended 15 of 15 board meetings in 2023.

Jo Olav Lunder is not independent of the company's main shareholder, Canica Invest AS. Lunder and related parties held 391 777 shares in Komplett ASA at 1 March 2024.



INGVILD NÆSS
Director since 2023,
independent

Ingvild Næss (born 1979) is Chief Information Officer at Schibsted ASA and has been the Head of Schibsted Enterprise Technology AB since 2022/23. Since 2016, Næss has also worked as chief privacy officer and data trends officer as of 2019 in Schibsted. Before this, she was a lawyer at Advokatfirmaet Thommesen from 2006 to 2015, where she spent the last few years within the Department of Technology and Data Protection. Næss graduated as cand. jur. from the University of Oslo in 2005. She has taken courses in disruptive innovation from Harvard Business School and the management program Stanford Executive Program (SEP) at Stanford Graduate School of Business. Ingvild Næss is a board member of Neddy AS and heads the data group in the Media Companies National Association. Næss has also served as deputy chairman of the Norwegian Privacy Commission appointed by the government.

Næss attended nine of nine board meetings in 2023.

Næss and related parties held no shares in Komplett ASA at 1 March 2024.



SUSANNE EHNÅGE
Director since 2023,
independent

Susanne Ehnåge (born 1979) has been the CEO of Stockmann Group since 2023 and Lindex AB since 2018. From 2003 to 2018, she was employed at SIBA AB/NetOnNet/NetOnNet Group AB, whereby she was the CEO of SIBA and later on the CEO of NetOnNet Group between 2014-2018. She has a master's degree in industrial and financial economics from the School of Economics and Commercial Law in Gothenburg and additional board work education from Ahrens. Susanne Ehnåge is also a board member of the Ahlsell Group. Previously, she has sat on the boards of Resurs Bank, HiQ International and Mio AB.

Ehnåge attended nine of nine board meetings in 2023.

Ehnåge and related parties held no shares in Komplett ASA at 1 March 2024.



JAN OLE STANGELAND
Director since 2023,
not independent

Jan Ole Stangeland (born 1967) has been the CEO of Canica AS since 2022 and was the CFO of the company since 2001. Stangeland has a business administration degree from BI Business School. Jan Ole is a board member of Jernia AS and has experience from several board positions, both listed and other companies associated with the Canica Group.

Stangeland attended nine of nine board meetings in 2023.

Stangeland is not independent of the company's main shareholder, Canica Invest AS. Stangeland owns 76 296 shares in Komplett ASA through Stangeland Invest AS (owned 50/50 with related parties) at 1 March 2024.



FABIAN BENGTSSON
Director since 2022,
not independent

Fabian Bengtsson (born 1972) has extensive experience in retail and e-commerce as the former CEO of SIBA AB from 2001 to 2015 and with several positions and directorships within the SIBA Invest group from 1987. He is the current chair of SIBA Invest AB and CEO of SIBA Fastigheter AB, a real estate company. He is also member of the board of Axfood AB and chair of the Swedish Federation of Business Owners (Företagarna AB). Bengtsson has served as the former chair of NetOnNet from 2012 to 2015 and as a director of the board at NetOnNet, prior to the merger with Komplett. He holds a bachelor of science in business and economics from Lund University, Sweden.

Bengtsson attended 15 of 15 board meetings in 2023.

Fabian Bengtsson is not independent of the company's large shareholder SIBA Invest AB. Bengtsson and related parties indirectly held 55 581 404 shares in Komplett ASA at 1 March 2024 through his ownership of approximately one third of the votes and shares in SIBA Invest.



ANNA FERNMO
Worker director since 2023,
employee

Anna Fernmo (born 1988) is an e-commerce sales specialist at NetOnNet, where she has been employed since 2021. Before NetOnNet, Fernmo founded and owned her own company. Fernmo has a bachelor's degree in behavioural science specialising in sociology from Linköping University. She also has a higher vocational education in web communication and digital copywriting. She was also elected president of the union representatives at NetOnNet in the period 2022-2024.

Fernmo attended nine of nine board meetings in 2023.

Fernmo and related parties held no shares and held no options in Komplett ASA at 1 March 2024.

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ANDERS ODDEN
Worker director since 2019,
employee

Anders Odden (born 1978) joined the group in 2007 as Nordic product manager for PC components. Odden currently holds the position as a sales director in Komplett Services, and he has also worked there as a sales manager. Odden has experience as a sales manager and key account manager in various companies within the electronics industry. Odden holds a bachelor of science in management from the Norwegian Business School (BI).

Odden attended 15 of 15 board meetings in 2023.

Odden and related parties held 8 333 shares and 11 411 options in Komplett ASA at 1 March 2024.



ROLAND VEJDEMO
Observer since 2022,
not independent

Roland Vejdemo (born 1957) has served as the chair of NetOnNet since 2015, as well as the chair of the remuneration committee. Vejdemo has extensive experience from the IT industry, as the former CEO of Compaq Computer AB and Hewlett Packard AB from 2001 to 2010. Vejdemo holds a master's degree in business and economics from Stockholm University.

Vejdemo attended nine of ten board meetings in 2023.

Roland Vejdemo is not independent of the company's second largest shareholder, SiBA Invest AB. Vejdemo and related parties held no shares in Komplett ASA at 1 March 2024.







GROUP MANAGEMENT



JAAN IVAR SEMLITSCH
President and chief executive officer

Jaan Ivar Semlitsch (born 1971) joined the group as chief executive officer (CEO) in February 2023.

Before joining Komplett Group, Semlitsch held the position of CEO at Orkla ASA from August 2019 to April 2022. Prior to his role at Orkla ASA, he operated his own consulting firm, Scilla AS. Earlier in his career, he served as the CEO of Elkjøp Nordic from 2013 to 2019. During this period, he was also the managing director of Dixons Carphone International Plc, managing all operations outside the UK. Semlitsch also has extensive experience in grocery and consumer goods as the CEO of REMA Industrier AS and from various companies in Scandinavia and the UK during his six years as a consultant at McKinsey & Company.

Semlitsch holds a master in business economics (Siviløkonom) from the Norwegian School of Economics (NHH), and an MBA in Marketing and Finance from Northwestern University.

Semlitsch and related parties held 180 000 shares and 500 000 options in Komplett ASA at 1 March 2024.



THOMAS RØKKE
Chief financial officer

Thomas Røkke (born 1968) joined the group as chief financial officer (CFO) on 1 March 2023.

Since December 2018, Thomas Røkke held the position of group CFO of Saferoad Holding AS based in Oslo, Norway. He has previously held similar senior positions at FristadsKansas Group AB (formerly Kwintet), headquartered in Sweden, and the Danish diversified food business Løgismose Meyers A/S. Røkke has broad international experience in both operational management positions and strategy consulting.

He holds a master's degree in addition to a PhD in finance and accounting from the University of St. Gallen in Switzerland.

Røkke and related parties held no shares and 361 049 options in Komplett ASA at 1 March 2024.



ANDREAS WESTGAARD
Commercial director

Andreas Westgaard (born 1974) joined Komplett Group as commercial director (CCO) in August 2023.

Before joining Komplett Group, Westgaard held various managerial positions at Elkjøp Nordic AS. His most recent role was as CCO, a position he undertook from 2019 after having served as category director consumer electronics and as buying director. Westgaard also holds substantial industry expertise through his past engagements as country manager and European account manager at LG Electronics Inc. and as sales manager Nordic at Sony Corp.

Westgaard is educated at the Officers' Training School at the Norwegian Army and holds management training from BI Norwegian Business School.

Westgaard and related parties held 58 147 shares and 415 782 options in Komplett ASA at 1 March 2024.



JOSEFIN DALUM
Managing director NetOnNet

Josefin Dalum (born 1983) joined the group in August 2022 as CFO for NetOnNet AB and was appointed managing director in December 2023.

Prior to NetOnNet, Dalum held positions in Moment Group AB (Publ.) for ten years (2012-2021) as CFO and acting CEO, responsible for strategy, business operations, financial reporting and investment presentations. During Dalum's time at Moment Group, the company issued corporate bonds, was listed on Nasdaq Stockholm, incorporated acquisitions and underwent several reorganisations. Before joining NetOnNet, she acted as a consultant at Polestar Automotive AB, responsible for financial controlling team during the listing process at Nasdaq New York. Dalum has four years of experience as an auditor at EY.

She holds a master of business economics (Siviløkonom) from Lund University School of Economics and Management (LUSEM), with a specialisation in business economics and accounting.

Dalum and related parties held no shares or options in Komplet ASA at 1 March 2024.



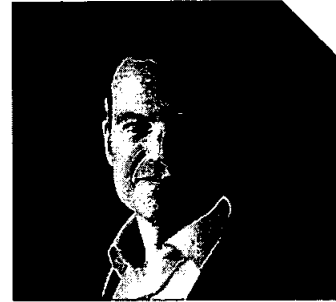
ERLEND STEFANSSON
Managing director Komplet Services

Erlend Stefansson (born 1968) joined the group in June 2022 as CEO for Ironstone and was appointed managing director Komplet Services AS in May 2023.

Prior to Komplet Group, Stefansson held the position of managing director of Arcus AS' spirits division for nine years, where he was responsible for product development, marketing and sales of the group's spirit brands globally, as well as being responsible for production for two years at Arcus' facilities at Gjelleråsen, Norway. Erlend held the position of group director sales in Ringnes AS (part of Carlsberg Group) for four years. He was the group CEO of Spits ASA from 2006 to 2008, and has held several senior management positions in sales, retail development, marketing and communication. He has three years of experience as a management consultant at McKinsey & Company.

He holds a master of business economics (Siviløkonom) from Norwegian School of Management/Handeshøgskolen BI, with a specialisation in finance.

Stefansson and related parties held 50 847 shares and 254 192 options in Komplet ASA at 1 March 2024.



TRYGVE HILLESLAND
Managing director Webhallen

Trygve Hillesland (born 1980) joined Komplet Group in August 2023 as country manager for NetOnNet Norway and was appointed managing director of Webhallen Sverige AB in January 2024.

Hillesland has more than 20 years experience from the electronics retail industry. Prior to joining NetOnNet, he was managing director Elkjøp Norway AS. Since joining Elkjøp Group in 2002, he has also served as managing director Gigantti Oy AB, property director Elkjøp Nordic, customer care center director Elkjøp Nordic, project director Elkjøp Nordic, and business support director Electro World Czech Republic.

Hillesland and related parties held no shares or options in Komplet ASA at 1 March 2024.

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KRISTIN HØDAL TORGERSEN
Chief HR officer

Kristin Hødal Torgersen (born 1961) joined Komplett Group in 2021 as interim HR director, and has held the position as chief HR officer since March 2022.

Prior to this, Torgersen held various management positions with Danske Bank and the position as CEO at Huseby Kjøkken and CEO at Neas ASA. She has experience from Vital Eienendom AS, and from various positions at Mars and as head of sales at Cinet AS.

Kristin Hødal Torgersen holds a master of science in economics and business administration from Copenhagen Business School (CBS).

Torgersen and related parties held 11 835 shares and 189 458 options in Komplett ASA at 1 March 2024.



MARKUS SOLVIK
Chief strategy officer

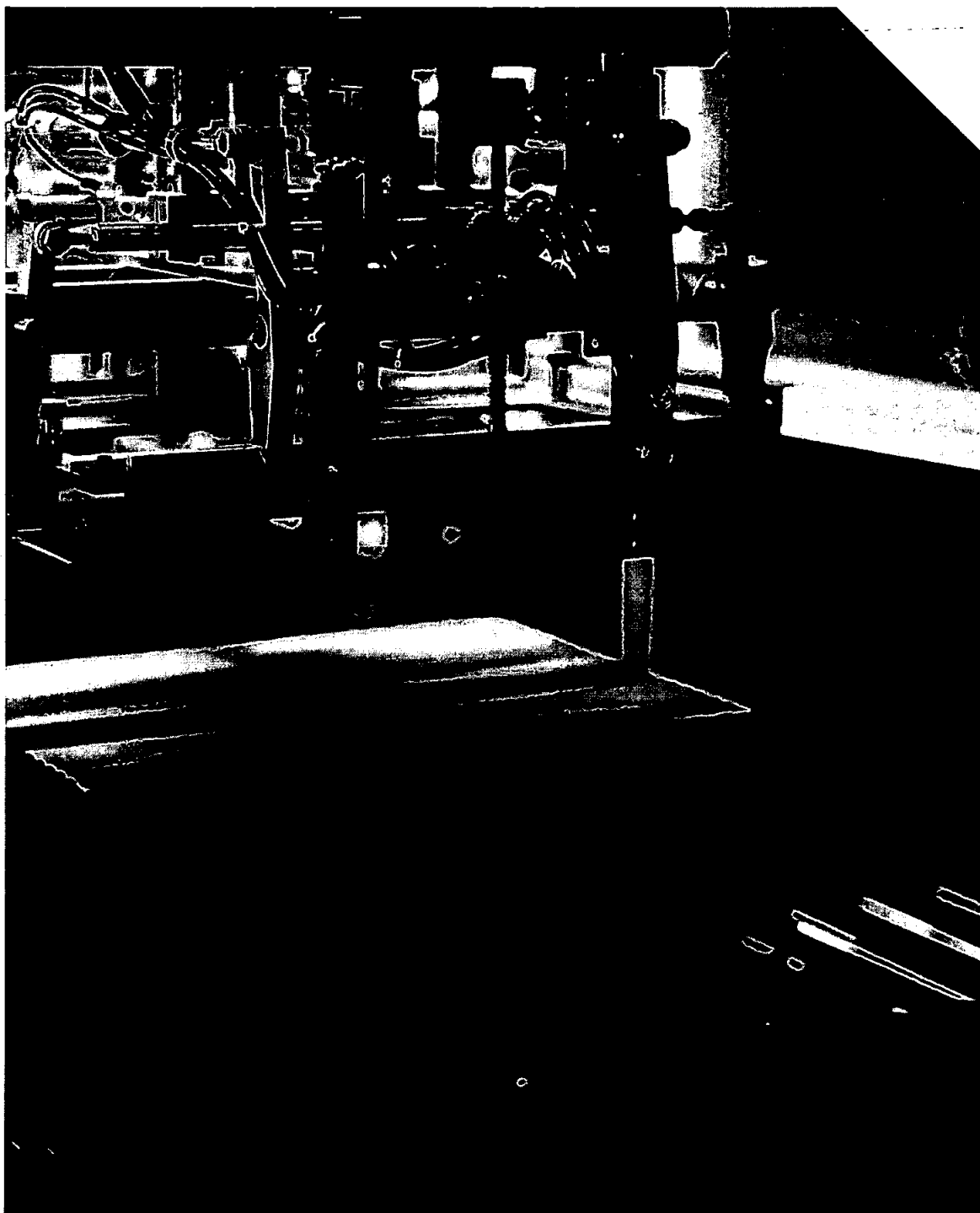
Markus Solvik (born 1986) joined the group as an executive advisor in August 2022 and was appointed chief strategy officer in January 2023.

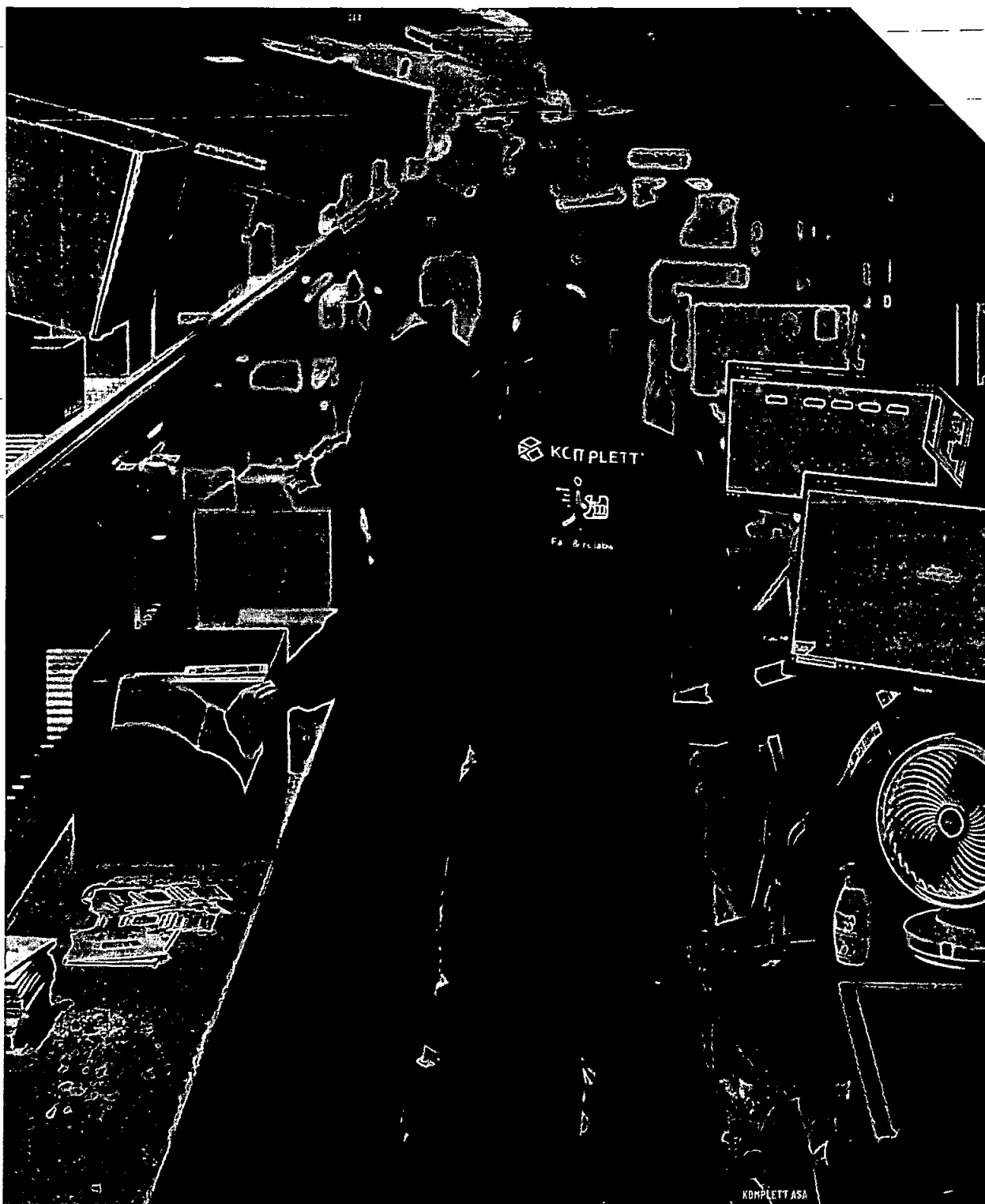
Prior to joining Komplett Group, he held various executive management roles at Løvenskiold Handel AS, a leading Norwegian home improvement retailer and wholesaler. Solvik has extensive experience from retail and consumer goods in the Nordics from seven years as a consultant with Boston Consulting Group.

Solvik holds an MSc in financial economics (Siviløkonom) from the Norwegian School of Economics (NHH) and Cornell University.

Solvik and related parties held no shares and 193 864 options in Komplett ASA at 1 March 2024.









BOARD OF DIRECTORS' REPORT 2023:

| 2023: NAVIGATING A CHALLENGING MARKET ENVIRONMENT

In 2023, Komplett Group remained dedicated to developing the business, building strong teams and lifting profitability. Improved gross margin, combined with cost management, resulted in a 60.2 per cent EBIT adjusted improvement to NOK 139 million in a difficult market. In summary, the group has made good progress across key operational and financial metrics and is entering 2024 with a controlled financial position.

Operating revenue in 2023 increased by 8.5 per cent compared to 2022 and ended at NOK 15 861 million, partly driven by positive currency translation effects and full-year impact from the inclusion of NetOnNet. Adjusted for these effects, like-for-like revenues declined by 4.0 per cent on a pro forma basis. The gross margin continued its positive trend throughout 2023 and reached 13.9 per cent. This corresponds to an increase of 1.6 percentage points from 12.3 per cent in 2022. EBIT adj. increased by 60.2 per cent, from NOK 87 million in 2022 to NOK 139 million in 2023. The increase was driven by gross margin improvement and good cost control in an inflationary environment.

The challenging market situation observed in recent periods has impacted valuations across the industry. In light of this development, non-cash impairment charges of NOK 983 million were recognised in the fourth quarter of 2023, mainly relating to impairment of goodwill, which significantly reduced balance sheet risk. The impairment was made in accordance with IFRS recommendations, and in line with generally accepted accounting principles in Norway.

During the year, Komplett Group has undergone a process of refining its strategic direction. The results of this process, as well as new financial targets, were presented at the capital markets day on 29 February 2024. Central to the group's strategy is a continued commitment to the portfolio of strong Nordic retail brands targeting distinct segments while utilising the commercial and cost advantages through a shared platform.

OVERVIEW OF THE BUSINESS

The board of directors' report covers Komplett ASA ("the parent company" or "the company"), and its subsidiaries, collectively referred to as Komplett Group ("the group").

Komplett ASA is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The shares of Komplett ASA are listed on Oslo Børs under the stock ticker KOMPL.

While the group is headquartered in Sandefjord, Norway, it has offices at Lysaker, Norway, and in Borås, Stockholm and Gothenburg, Sweden. NetOnNet also has a purchase office in Dongguan, China.

Business segments

Through the brands NetOnNet, Komplett, Webhallen, Ironstone and Itegra, the group is targeting customers within the B2C, B2B and Distribution segments.

Geographically, all the group's brands are represented in Sweden. In Norway, the group is present with the brands Komplett, NetOnNet, Ironstone and Itegra, while in Denmark, the group offers its products under the Komplett brand.

The group's reporting structure is a reflection of its customer segments: B2C (Komplett B2C, NetOnNet, and Webhallen), B2B (Komplett B2B, Ironstone) and Distribution (Itegra).

The group offers a broad range of products and services for consumers, the business market, and the public sector. These offerings span across various categories such as components, gaming, brown goods, peripherals, white goods & home, handheld & accessories, and PCs.

MARKET POSITION

The group operates in a global competitive market within e-commerce and focuses primarily on the Nordic markets.



The business is attractively positioned in the large and structurally growing Nordic electronics and IT-products market and benefit from the growth impact of continued online migration.

Komplett Group is the leading online-first player in the e-commerce segment for electronics and IT-products in the Nordic region. The online-first concept implies that products are sold mainly through online channels, but the group also has 12 physical stores in Sweden under the Webhallen brand and 31 physical warehouse shops under the NetOnNet brand, of which 3 in Norway and 28 in Sweden.

In 2023, the group generated 46.9 per cent of revenues from Norway, 51.2 per cent from Sweden 1.9 per cent from Denmark.

The aggregated market share in the Nordic area is estimated to be in the level of 10 per cent.

The group holds varying market shares across segments and markets, with a particularly strong position in the B2C segment. The group is additionally well positioned in the B2B segment through Komplett B2B and Ironstone, and in long-term distribution contracts through the Integra brand. The group enjoys a strong competitive position from leveraging superior customer satisfaction, efficient logistics across segments and distinct brands with lower cost levels than typical for the industry.

NetOnNet also contributes with an extensive portfolio of own brands enabled by a local purchasing presence in China since 2005.

FINANCIAL REVIEW

The following financial review is based on the consolidated financial statements of Komplett ASA and its subsidiaries. The statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as well as the Norwegian accounting legislation.

NetOnNet was consolidated into Komplett's financial statements as of 1 April 2022 and has been reported as a part of the B2C segment as of Q2 2022.

Statement of profit and loss

Total operating revenue was NOK 15 861 million in 2023, corresponding to an increase of 8.5 per cent compared with NOK 14 618 million in 2022. Sales were partly impacted by NetOnNet, which was consolidated into the group accounts as from the second quarter of 2022. If revenue from NetOnNet were to be included for the full-year period of 2022, on a pro forma basis, like-for-

like revenues declined by 1.4 per cent (not adjusted for currency) and by 4.0 per cent on a constant currency basis.

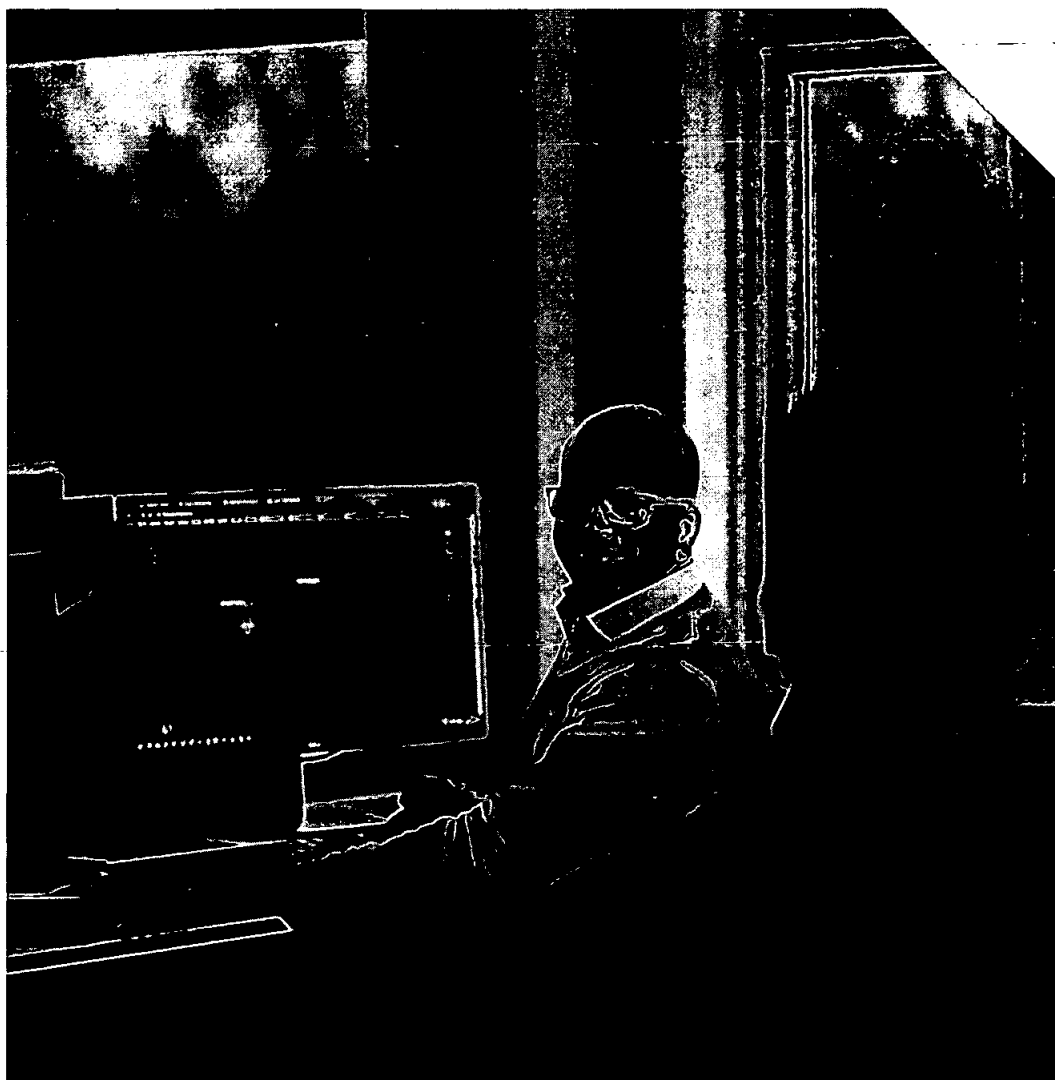
Cost of goods sold was NOK 13 650 million in the full year, compared with NOK 12 824 million in 2022. The 6.4 per cent increase is partly driven by the full-year contribution from NetOnNet in 2023. The sourcing programme has progressed largely as planned and, combined with strong supplier relations, contributed to mitigate many of the negative effects from higher input costs driven by cost inflation compared to last year. These sourcing and commercial efforts have been further reinforced by the establishment of a central commercial team.

The gross margin increased from 12.3 per cent in 2022 to 13.9 per cent in 2023 and was positively impacted by a more stable pricing environment and better pricing practices. In addition, both the industry and the group experienced advantages from improved inventory positions, resulting in reduced price pressures compared to the previous year.

Employee benefit expenses were NOK 1 014 million for the year, compared to NOK 820 million in 2022. The increase was partly driven by the full-year contribution from NetOnNet in 2023. In addition, the increase was driven by currency effects, as well as general cost inflation, salary increases, some phasing effects and certain project related costs.

Depreciation and amortisation totalled NOK 335 million in 2023, of which NOK 51 million was related to amortisation of acquired customer value.

Non-cash impairments of NOK 983 million were recognised in 2023, in accordance with IFRS recommendations, and in line with generally accepted accounting principles in Norway. NOK 932 million of the impairments were related to goodwill attributed to the Swedish entities Webhallen and NetOnNet, and directly or indirectly associated with the NetOnNet acquisition completed in April 2022. In addition, the group has made impairments of NOK 37 million regarding previously capitalised development costs associated with the supply chain initiative, as changes in phasing and priorities have made their value more uncertain. In addition, impairment of right-of-use assets in Webhallen amounted to NOK 8 million. These impairments have been made as a prudent consequence of the challenging market situation observed in recent periods, as well as a reflection on general industry valuation levels and does not alter the outlook of the business nor its strategies. Please refer to note 11 for further details.



Other operating expenses were NOK 765 million in 2023, compared with NOK 712 million in 2022. The increase was partly driven by the full-year contribution from NetOnNet in 2023. In addition, operating expenses were impacted by currency translation effects, as well as cost inflation and increased marketing investments. The cost base is being managed with the aim of maintaining the industry leading cost position. In 2023, more than the targeted cost savings in NetOnNet were realised and further cost reductions are expected in 2024.

**| KOMPLETT GROUP IS THE LEADING
ONLINE-FIRST PLAYER IN THE
E-COMMERCE SEGMENT FOR
ELECTRONICS AND IT-PRODUCTS IN
THE NORDIC REGION**



The closures of five Webhallen shops were decided in 2023, and the project was completed in January 2024. For the group's Swedish operations, further cost savings are being executed given the continued challenging market and competitive environment.

The operating result (EBIT) for the full year amounted to negative NOK 885 million, compared with a profit of NOK 6 million in the full year of 2022. Excluding the non-cash impairment charges and one-off costs, the EBIT adj. totalled NOK 139 million, compared with NOK 87 million in 2022.

Net financial expenses for the full-year period totalled NOK 164 million, compared with NOK 104 million in the same period last year. The increase is driven by higher interest rates on existing debt facilities and factoring expenses, partly offset by overall lower debt level.

Tax expense was NOK 11 million in the full year, compared with a tax income of NOK 56 million in 2022. In 2022, a tax deduction of NOK 47 million was recognised related to losses from Marked Gruppen for previous years.

I KOMPLETT GROUP OFFERS A BROAD RANGE OF PRODUCTS AND SERVICES FOR CONSUMERS, THE BUSINESS MARKET, AND THE PUBLIC SECTOR

The reported loss for the period, including substantial non-cash impairments, came in at NOK 1 038 million, compared with a loss from continuing operations of NOK 42 million in 2022. Profit from discontinued operations in 2022 was NOK 10 million, resulting in a loss for the period of NOK 32 million in the full year in 2022.

Statement of cash flows

Cash flow from operating activities amounted to NOK 866 million, compared to NOK 1 102 million in 2022. The cash flow from operations was impacted by the inventory



increase of NOK 265 million and the reduction in trade receivables of NOK 64 million of which NOK 42 million was derived from factoring due to year-end phasing of revenues. This was partly compensated by increased trade payables of NOK 151 million. In total, changes in net core working capital had a negative effect of NOK 50 million.

The group has introduced several measures to improve its operating working capital position, including leveraging increased scale in commercial terms with suppliers, improving sales and operations planning processes and improving internal operational coordination.

Cash flow used in investing activities amounted to NOK 208 million and were mainly related to the new SAP ERP solution and eCommerce infrastructure, which both successfully went live in the Komplett brand in October 2023. In 2022, cash flow used in investing activities totalled NOK 1 701 million, driven by the NetOnNet acquisition.

Cash flow used in financing activities amounted to NOK 578 million and was largely impacted by phasing of the refinancing of the company's debt. In 2022, the group had a cash inflow from financing of NOK 706 million, driven by proceeds from the private placement made following the acquisition of NetOnNet.

Statement of financial position and liquidity

Non-current assets amounted to NOK 3 899 million at the end of the full year of 2023, compared with NOK 4 487 million at the end of last year. The year-over-year decrease was impacted by goodwill impairments of NOK 932 million, directly or indirectly attributed to the NetOnNet acquisition. The decline was partly offset by an increase in software and right-of-use assets.

Current assets amounted to NOK 3 408 million at the end of the year, compared with NOK 3 046 million in the same period last year. Inventories represented NOK 2 194 million at year-end, compared with 1 928 million one year earlier. The increase from last year is mainly a result of the slow-down in sales in the second half of December.

Total cash and cash equivalents amounted to NOK 230 million at the end of the full year 2023 versus NOK 149 million over the same period last year.

Equity amounted to NOK 2 721 million at the end of the full year 2023, compared with NOK 3 496 million in the same period last year. The difference is attributed to the impact from changes in other equity stemming from the impairment charges.

Total liabilities amounted to NOK 4 586 million at the end of the full year 2023, compared with NOK 4 037 million in the same period last year

Total equity and liabilities amounted to NOK 7 307 million at the end of the full year 2023, compared with NOK 7 533 million in the same period last year.

Financing and capital structure

The group is entering 2024 with a controlled financial position and a solid liquidity reserve.

At 31 December 2023, NOK 800 million of the revolving credit facility was utilised. Including available cash of NOK 200 million, the liquidity reserve was NOK 1 230 million at the end of 2023, compared with NOK 1 333 million one year earlier. The equity ratio was 37.2 per cent at the end of the year compared with 46.4 per cent at the end of 2022.

Net interest-bearing debt at 31 December 2023 was NOK 570 million excluding IFRS 16 lease liabilities, and NOK 1 178 million including IFRS 16 liabilities.

The leverage ratio defined as NIBD / LTM EBITDA (pro forma and adjusted for certain exceptional items was 2.4x at the close of 2023. Comparable figures for the last year were a net interest-bearing debt including IFRS 16 of NOK 1 434 million, which gave a leverage ratio of 3.7x.

FINANCIAL REVIEW BY SEGMENT

B2C

The B2C segment represented 70.6 per cent of group revenues in 2023.

B2C Key figures:

NOK million	2023	2022
Operating revenues	11 195	9 785
Gross profit	1 757	1 334
Gross margin	15.7%	13.6%
Opex (ex dep)	(1 529)	(1 259)
D&A	(78)	(64)
Total opex	(1 607)	(1 322)
Opex share	(14.4%)	(13.5%)
Operating profit (EBIT)	150	12
Operating margin (EBIT)	1.3%	0.1%

In 2023, B2C had operating revenues of NOK 11 195 million, representing a 14.4 per cent increase from 2022. The increase is mainly due to the inclusion of NetOnNet from the second quarter of 2022.

If revenue from NetOnNet is included for the full-year period of 2022, on a pro forma basis, like-for-like revenues declined by 0.5 per cent and by 4.1 per cent on a constant currency basis. In local currency and on a pro forma



basis, the operations in Norway had a revenue increase of 1.8 per cent while the Swedish units had a revenue decline of 6.8 per cent. Denmark, which represents approximately 2.6 per cent of the B2C sales volume, had a sales increase of 7.9 per cent.

Gross profit was NOK 1757 million, an increase from NOK 1334 million in 2022. Gross margin increased to 15.7 per cent in 2023 compared to 13.6 per cent in 2022, supported by progress in all the group's three B2C brands. Gross margin was positively impacted by improved sourcing terms, a healthier pricing environment combined with improved pricing strategies, a sound inventory and good supplier partnerships.

Total operating expenses were NOK 1607 million in 2023, compared with NOK 1322 million in 2022. The increase was to a large extent driven by a NOK 194 million impact from NetOnNet now being consolidated for the full year in 2023.

Operating profit (EBIT) increased to NOK 150 million in 2023, compared with NOK 12 million in 2022. NOK 12 million of the reported increase is attributable to the full-year impact from NetOnNet. The EBIT margin was 1.3 per cent in 2023, compared to 0.1 per cent in 2022.

B2B

The B2B segment accounted for 10.0 per cent of group revenues in 2023.

B2B Key figures:

NOK million	2023	2022
Operating revenues	1583	1615
Gross profit	281	276
Gross margin	17.7%	17.1%
Opex (ex dep)	(172)	(152)
D&A	(9)	(8)
Total opex	(180)	(160)
Opex share	(11.4%)	(9.9%)
Operating profit (EBIT)	100	116
Operating margin (EBIT)	6.3%	7.2%

The B2B segment had operating revenues of NOK 1583 million in 2023, down from NOK 1615 million in 2022. The decrease was mainly due to overall weak macroeconomic environment leading to lower demand from smaller businesses in the SME segment in key categories. Improved service levels compared with the prior-year period had a positive impact.



Adjusted for positive currency effects, revenue declined by 2.5 per cent. In local currency, the operation in Norway delivered growth of 2.7 per cent, Sweden had a revenue decline of 1.2 per cent.

Gross profit was NOK 281 million, compared with NOK 276 million in 2022. Gross margin increased to 17.7 per cent in 2023 compared with 17.1 per cent in 2022. The margin growth is mainly a result of improved pricing conditions and a healthier inventory position.

Total operating expenses were NOK 180 million in 2023, up from NOK 160 million in 2022, the increase is mainly due to higher marketing investments and general cost inflation.

Operating profit (EBIT) decreased to NOK 100 million in 2023, from NOK 116 million in 2022. This gave an EBIT margin of 6.3 per cent in 2023 compared to 7.2 per cent in 2022.

Distribution

The Distribution segment accounted for 19.4 per cent of group revenues in 2023.

Distribution key figures:

NOK million	2023	2022
Operating revenues	3 078	3 207
Gross profit	169	173
Gross margin	5.5%	5.4%
Opex(ex dep)	(112)	(103)
D&A	(7)	(6)
Total opex	(119)	(109)
Opex share	(3.9%)	(3.4%)
Operating profit (EBIT)	50	63
Operating margin (EBIT)	1.6%	2.0%

Distribution had operating revenues of NOK 3 078 million in 2023, a decline of 4.0 per cent compared to 2022. Revenue benefitted from better product availability than in the prior-year period. On the other hand, an overall weaker consumer sentiment continued to impact sales growth, and the slow-down in sales was especially noticeable towards the end of the year.

Adjusted for positive currency effects, revenue declined by 4.3 per cent. In local currency, the operation in Norway delivered revenue decline of 3.6 per cent, while Sweden saw a decline of 14.0 per cent.

Gross profit amounted to NOK 169 million, down 2.3 per cent from 2022. Gross margins improved by 0.1 percentage points.

The operating expenses as a share of revenue increased from 3.4 per cent in 2022 to 3.9 per cent in 2023. This was due to the revenue decline combined with general inflation.

Distribution recorded operating profit (EBIT) of NOK 50 million in 2023, down from NOK 63 million in 2022. This gave an EBIT margin of 1.6 per cent in 2023 compared with 2.0 per cent in 2022.

Other / IFRS

"Other / IFRS" represents group costs not allocated to the operating segments: B2C, B2B, and Distribution. This applies when costs are difficult to allocate fairly between the segments.

Typical cost elements under this segment include management costs and group strategic initiatives as well as the different effects of IFRS (International Financial Reporting Standards), especially IFRS 16, as the operating segments are reported excluding IFRS effects. For additional explanation, please refer to note 5 to the financial statements.

GOING CONCERN

In accordance with section 3-3a of the Norwegian Accounting Act, it is confirmed that the going concern assumptions continue to apply. The board of directors firmly believes that Komplett Group has the ability to continue its operations in the foreseeable future. The board therefore confirms that the accounts have been prepared on a going concern basis and that this assumption is appropriate at the date for the accounts, and that the group, after the proposed dividend, has sufficient equity and liquidity to fulfil its obligations.

PARENT COMPANY RESULTS AND ALLOCATION OF NET PROFIT

The parent company Komplett ASA has had limited commercial operations in 2023 but has during the year started to build up certain group functions, including a central commercial team. The new structure will be fully implemented in 2024.

Komplett ASA recorded a loss before taxes of NOK 757 million in 2023, compared to a profit before taxes of NOK 19 million in 2022. The loss included group contributions from subsidiaries of negative NOK 131 million in 2023 compared with negative NOK 84 million in 2022.

The company's loss after taxes in 2023 was NOK 748 million compared with a net profit of NOK 67 million in 2022. The board proposes the following allocation of the net loss of NOK 748 million for the parent company:

Transferred from other equity: NOK 748 million



The board proposes that no dividend is to be paid for 2023.

STRATEGY

During 2023, Komplett Group conducted a process to develop a revised group-wide strategic programme, which was presented at the capital markets day in February 2024.

The group has a strong strategic platform for further expansion supported by fundamentally attractive markets, a cost-effective business model and a portfolio of Nordic retail brands with industry-leading customer satisfaction. Central to the group's strategy moving forward is a continued commitment to nurturing the group's brands while utilising central scale and capabilities, including a central commercial team, a shared supply chain network and common tech, analytics and data structures and capabilities. Maintaining its cost leadership position remains a strategic priority for the group. Integrated in the group's strategic roadmap is the ambition to be a driving force for sustainable development.

With its cost-effective, online-first business model, the group is well-positioned to sustain its leading cost position and to gain market shares as the growth trajectory for online retail recovers.

Further details about the group's updated strategic and financial roadmap can be found page 18 of this report.

RESEARCH AND DEVELOPMENT

The group does not perform research and development activities beyond development activities connected to technical solutions and functionality on the group's web-stores.

RISK FACTORS AND RISK MANAGEMENT

Komplett Group is exposed to various forms of risk, overseen by the board. The board believes there is a healthy balance between the group's overall risk and risk-bearing capacity.

In accordance with section 3-3a of the Norwegian Accounting Act, a summary of the group's key financial risks is included below and in note 4 to the financial statements.

Financial risks

The group is exposed to financial risk in different aspects, including currency risk, credit risk, and liquidity risk. The objective is to reduce the financial risk from financial instruments and thus improve predictability in the group.

Currency risk

The group is exposed to fluctuations in foreign currency which imposes currency risk. Efforts are made to reduce the currency risk through the use of financial instruments in the business in Sweden. The currency risk for the business in Norway is primarily mitigated by continuously matching the selling price of the products against developments in purchase for goods measured in NOK, as well as buying currency at the same time placed for goods in a foreign currency. The currency is then used for supplier payments.

Komplett Group exercises currency hedging by closely monitoring and adjusting selling prices while ensuring a high turnover rate for goods exposed to currency risks.

Credit risks

Komplett Group is exposed to credit risk when a counterparty fails to fulfil its financial obligations to the group. New suppliers and business customers are hence credit evaluated by the group's own credit department. The risk on sales to end consumers is mitigated by limiting the average order size and by customer prepayment.

Liquidity risks

Komplett Group is exposed to the risk that it may not be able to meet its financial obligations. Therefore, the group continuously strives to improve working capital. Improved working capital and profitability shall contribute to strengthening the group's liquidity. At the end of 2023, the liquidity reserve was NOK 1 230 million. The liquidity reserve was positively affected by the utilisation of the Swedish tax deferment scheme.

Market risks

Komplett Group focuses primarily on the Nordic markets but operates in a global competitive market within e-commerce. The group is therefore vulnerable to factors affecting international trade, foreign exchange, and the world economy in general.

The demand situation in its main Nordic markets is correlated with the general economic development of each country. The market risk may therefore vary within the different countries.

In 2023, the group witnessed an elevated level of market risks in all the Nordic countries, both in terms of macro-economic challenges, reduced purchasing power among consumers, and global geopolitical unrest.

Higher energy prices, inflation and interest rates may continue to influence consumer preferences and have an adverse impact on consumer spending, which could negatively impact demand for Komplett Group's products.





The group conducted a comprehensive risk assessment during 2023, to identify and assess risk factors of highest importance. Read more about this risk assessment on page 54 of this report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental, social and governance (ESG) factors are an integral part of Komplett Group's strategy processes.

ESG integrated in the group's strategy

For 2023, the group has used the European Sustainability Reporting Standards (ESRS) to guide the reporting, and hence starting to adopt to the new requirements becoming applicable to the group from the fiscal year 2024.

The group's sustainability strategy, which was renewed in 2023, aims to accelerate activities towards a resilient and sustainable business. Komplett Group has defined three priority areas for its efforts to promote sustainability:

1. Komplett Group aims to have a circular business model
2. Komplett Group aims to be climate neutral
3. Komplett Group aims to be an inclusive and attractive employer

Corporate social responsibility

In 2023, Komplett Group conducted a new materiality assessment in accordance with the double materiality principle to identify and prioritise its most important ESG topics. Read more about this in the General information chapter on page 62 of this report.

According to section 3-3a-c of the Norwegian Accounting Act, the group is required to report on its corporate social responsibility and selected related issues. Reporting on relevant topics can be found in the group's sustainability report, which is included in this annual report.

Komplett Group is committed to identifying, preventing, and mitigating any consequences related to human rights for its business activities, employees and in the supply chain. The statement of the due diligence in accordance with the Transparency Act for 2023 is available on www.komplettgroup.com.

Activities on gender equality and non-discrimination

Komplett Services AS is required to provide an annual equality statement describing the company's efforts to secure equal opportunities under section 26-a in the Norwegian Equality and Anti-Discrimination Act. The Equality and Anti-Discrimination Statement for 2023 is available on www.komplettgroup.com.

People and organisation

In 2023, the group had 1561 employees (headcount). The number of new employees hired in 2023 was 181. These figures include the employees of Ironstone. Komplett Group is, during certain periods, using contracted personnel mainly within warehouses, logistics and customer service. In 2023, the group had 221 temporary workers. Many of these were students helping out during weekends and summer holidays.

The working environment is considered to be healthy. Komplett Group has since the end of 2019 introduced a tool to follow the working environment on a bi-weekly basis. The tool is based on input from employees and is evaluated on an ongoing basis both by employees and managers in addition to the executive management. Further, the tool is based on a broader system for following up on health, safety, and environment.

Average sick leave in 2023 was 5.3 per cent compared with 6.0 per cent in 2022. During 2023, eight work related injuries were reported, of which one resulting in long term sick leave.

Changes to the executive management and board of directors

A new executive management team was established in 2023, consisting of:

- ▶ President and CEO Jaan Ivar Semliitsch (since February 2023)
- ▶ CFO, Thomas Røkke (since March 2023)
- ▶ Chief strategy officer, Markus Solvik (since January 2023)
- ▶ Commercial director Andreas Westgaard (since August 2023)
- ▶ Managing director Komplett Services, Erlend Stefansson (since May 2023)
- ▶ Managing director NetOnNet, Josefin Dalum (since December 2023)
- ▶ Managing director Webhallen, Trygve Hillesland (since January 2024)
- ▶ Chief HR officer, Kristin Torgersen (since March 2022)

The board of directors consists of:

- ▶ Jo Olav Lunder (chair, elected in 2022 until 2024)
- ▶ Susanne Ehnåge (director, elected in 2023 until 2025)
- ▶ Jan Ole Stangeland (director, elected in 2023 until 2025)
- ▶ Ingvild Næss (director, elected in 2023 until 2025)
- ▶ Fabian Bengtsson (director, elected in 2023 until 2024)



- ▶ Anders Odden
(employee representative, elected in 2022 until 2025)
- ▶ Anna Fernmo
(employee representative, elected in 2023 until 2025)
- ▶ Roland Vejdemo
(board observer, elected in 2022 until 2024)

In accordance with Norwegian company legislation, the board will prepare a remuneration report for 2023, which will be published at the same time as the notice of the annual general meeting.

Directors' and officers' insurance

Komplett ASA has a board liability insurance for the group, including the parent company and its subsidiaries. The insurance covers the board members, CEO, and members of the management team. The insurance comprises personal legal liabilities, including defence- and legal costs.

CORPORATE GOVERNANCE

The board of directors recognises the importance of good corporate governance. The goal is to ensure the protection of all shareholders' interests and to ensure that the company complies with high ethical and social standards.

Komplett ASA has established a corporate governance policy to ensure a clear division of roles between the board of directors, the executive management, and the shareholders. The policy is based on the Norwegian Code of Practice for Corporate Governance. The corporate governance policy is published on the Komplett Group website, together with other relevant policy documents such as the investor relation policy, guidelines for remuneration of executives and instructions for handling inside information.

Komplett ASA is subject to corporate governance reporting requirements under section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance, cf. section 4-4 on the continuing obligations of stock exchange listed companies. The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021, may be found at www.nues.no.

The annual statement on corporate governance for 2023 has been approved by the board of directors and can be found on page 46 of this annual report.

SHARE INFORMATION

Komplett ASA is listed on the Oslo Stock Exchange where it trades under the ticker symbol KOMPL. The company was listed on the Oslo Stock Exchange on 21 June 2021.

In January 2023, the company received subscriptions for a total of 43 582 shares in a subsequent offering, each with a nominal value of NOK 0.40, at a subscription price of NOK 14.75. The subsequent offering followed the private placement which was completed in 2022 in connection with the acquisition of NetOnNet AB.

Following the issuance of the 43 582 offer shares, the company's share capital is NOK 70 136 464.40, divided into 175 341 161 shares, each with a nominal value of NOK 0.40.

During 2023, the share traded between NOK 5.88 and NOK 18.82 per share, with a closing price of NOK 12.00 at year-end 2023.

Komplett ASA's annual general meeting is planned to be held 8 May 2024.

EVENTS AFTER 31 DECEMBER 2023

In January 2024, Trygve Hillesland was appointed as managing director for Webhallen. He comes from the position as country manager for NetOnNet Norge and succeeds Anders Torell.

On 29 February 2024, the group hosted a capital markets day. The programme for the day included an update on strategic priorities and new financial targets for the Komplett Group, as well as presentations of the group's key business units.

SUMMARY AND OUTLOOK

In 2023, Komplett Group has remained dedicated to building strong teams and lifting profitability. Despite challenging and unpredictable markets throughout the year, Komplett Group has succeeded in strengthened its market positions and achieved operational improvements as well as better profitability.

Throughout the year, gross margins have trended positively. Improved gross margins combined with cost mitigating actions resulted in a 60.2 per cent EBIT adj. improvement to NOK 139 million in a difficult market.

In summary, the group has made good progress across key operational and financial metrics and is entering 2024 with a controlled financial position.

Moving into 2024, the group persists in its endeavours to enhance margins while reinforcing measures to mitigate the adverse impacts of general cost inflation on expenses. Supported by the newly established commercial organisation taking responsibility for all sourcing across the group, the group has identified potential for further margin improvement in coming periods.



Simultaneously, Komplett Group is continuing to develop its strong brands, grow market shares and expand its solid footprint in private label products, while also pursuing the possibilities for growth in related categories, channels, and customer groups.

While the demand environment remains weak at the start of 2024, the underlying market fundamentals for consumer electronics as well as the growth trajectory for online retail is expected to continue in the longer term. Komplett Group remains committed to scaling up its competitive advantages. By building on its strong, differentiated brands and cost-efficient, scalable business model, the group is well-positioned for a market recovery.

Along with its refined strategic direction, the group presented new financial targets at the capital markets day in February 2024. These aim for revenues of at least NOK 18-20 billion and an EBIT margin gradually increasing to 3-4 per cent and beyond in the 2026-2028 period. Overall, the group aims to outgrow the market and to be among the most profitable players in the industry. A fast rotation of capital supports cash efficient growth with a target of an operating cash conversion rate exceeding 70 per cent over time.

STATEMENT FROM THE BOARD OF DIRECTORS

We confirm that the financial statements for the period 1 January up to and including 31 December 2023 have, to the best of our knowledge, been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the group as a whole. Moreover, we confirm that the board of directors' report includes a fair review of the development and performance of the business and the position of the company and the group as a whole, together with a description of the principal risks and uncertainties that they face.

Sandefjord, 19 March 2024
Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Ingvild Næss
Director

Jan Ole Stangeland
Director

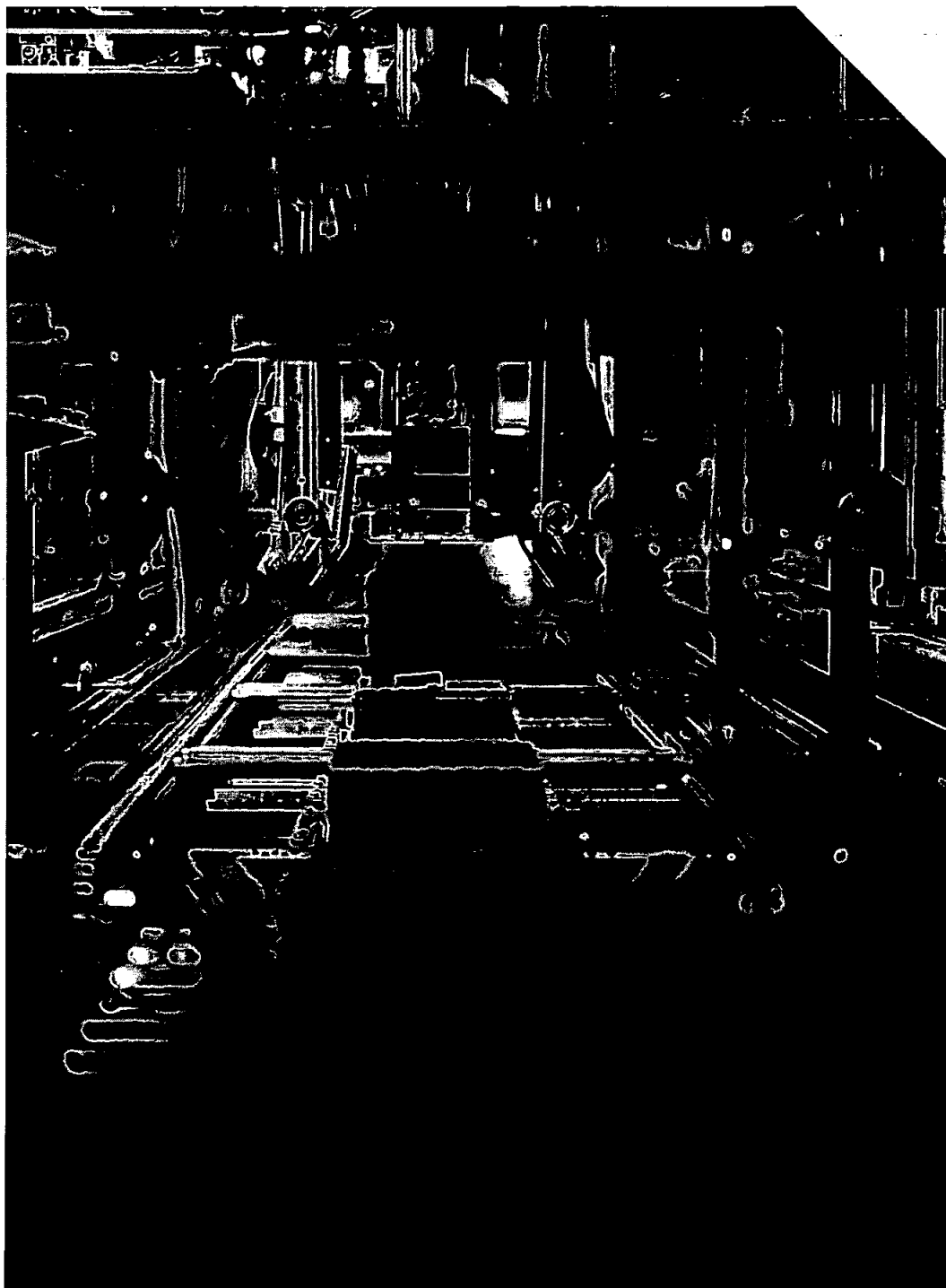
Fabian Bengtsson
Director

Susanne Ehnbage
Director

Anders Odden
Worker director

Anna Fernmo
Worker director

Jaan Ivar Semlitsch
CEO





KOMPLETT ASA



KOMPLETT ASA:

CORPORATE GOVERNANCE REPORT

Komplett Group ("Komplett") considers good corporate governance to be a prerequisite for value creation, trust from shareholders, and adequate access to capital. To secure a sound and sustainable corporate governance, Komplett considers it important to ensure good and healthy business practices, reliable financial reporting, and an environment of compliance based on applicable legislation and regulations, across the group structure.

Komplett is required to report on corporate governance under section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance. The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021, may be found at www.nues.no. This statement of policy will be an item of business at Komplett's annual general meeting on 8 May 2024. The company's auditor has assessed whether the information with regard to section 3-3b of the Accounting Act provided in this statement is consistent with the information provided in the annual financial statements. The auditor's statement is attached to this annual report.

Corporate governance at Komplett shall be based on the following main principles:

- ▶ **Transparency.** Communication with the company's shareholders, stakeholders and other interest groups shall be based on transparency and openness on issues relevant for the evaluation of the development and position of the company.
- ▶ **Independence.** The relationship between the board of directors, executive management and shareholders shall be based on independence principles. Independence shall ensure that all decisions are made on an unbiased and neutral basis.
- ▶ **Equal treatment.** A fundamental objective for good corporate governance is equal treatment and equal rights for all of the company's shareholders.
- ▶ **Control and management.** Sound control and corporate governance mechanisms shall contribute to predictability and reduce the level of risk for the company's shareholders, stakeholders and other interest groups.

A description of the company's guidelines for equality and diversity may be found under "Our policies and principles" and "Own workforce" in the ESG section of this annual report.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

The board of directors at Komplett actively adheres to good corporate governance standards and will at all times ensure that Komplett complies with the requirements of section 3-3b of the Accounting Act and the Norwegian Code of Practice for Corporate Governance. This is done by ensuring that the topic of good governance is an integral part of the decision-making process in matters dealt with by the board. Komplett's corporate governance policy describes how Komplett complies with the Code requirements and may be found at Komplett's website.

The board of directors has provided this report on the company's corporate governance as referenced to in the directors' report. The report covers every section of the Code of Practice, and if the company does not fully comply with the Code of Practice, the company has provided an explanation of the reason for the deviation and what solution it has selected.

Deviations from the Code: None.

2. BUSINESS

Komplett's objectives, as clearly defined in its articles of association, are as follows:

The objective of the company is trade in computer equipment, electronics, and other goods, and to participate in other companies and businesses.

The board of directors has defined clear objectives, strategies and risk profiles for the company's business activities such that the company creates value for shareholders in a sustainable manner. When carrying out this work, the board of directors has taken into account financial, social and environmental considerations.

The group's goals, strategies and risk profiles have been presented on pages 18 and 54 of this report.



The board of directors evaluates the group's goals, strategies and risk profiles at least yearly.

Deviations from the Code: None.

3. EQUITY AND DIVIDENDS

The board of directors is mindful of maintaining an equity capital at a level appropriate to the company's objectives, strategy, and risk profile, and continuously monitors the group's capital situation.

At 31 December 2023, the group's equity totalled NOK 2 721 million, representing an equity ratio of 37.2 per cent compared with 46.4 per cent at the end of 2022.

The board of directors has established and disclosed a clear and predictable dividend policy for the group. Komplett targets stable growing dividends year-on-year, and a pay-out ratio of 60-80 per cent of net profit adjusted for one-off costs and special items. In the last two years, investments and a challenging market environment has not permitted dividend distributions.

Authorisations empowering the board of directors to increase the company's share capital or to purchase treasury shares are limited to defined purposes and are granted for a period no longer than until the next general meeting. These authorisations are further described under Share information on page 58 of this report.

Deviations from the Code: None.

4. EQUAL TREATMENT OF SHAREHOLDERS

Komplett has one class of shares, and all shares carry the same rights in the company.

If the board of directors resolves to issue new shares and deviate from existing shareholders' pre-emptive rights pursuant to an authorisation granted to the board of directors, the stock exchange announcement issued in connection with the share issue shall also include a justification for the deviation.

The company's transactions in treasury shares shall be carried out through Oslo Børs' trading platform at the prevailing trading price or by making a public offer to all shareholders. If the company's shares suffer from weak liquidity, the board of directors shall take particular care even when making purchases and sales through the stock exchange, in order to ensure equal treatment of shareholders.

Deviations from the Code: None.

5. SHARES AND NEGOTIABILITY

The shares of the company are freely transferable and there are no restrictions on any party's ability to own or vote for shares in the company. No limitations on transactions have been laid down in Komplett's articles of association.

Deviations from the Code: None.

6. GENERAL MEETINGS

Komplett seeks to ensure that as many shareholders as possible can exercise their rights by participating in general meetings, and that the general meeting is an effective meeting place for shareholders and the board of directors. The annual general meeting is held every year before the end of May.

Notices of general meetings and related documents are made available on Komplett's website no later than 21 days prior to the date of the meeting.

Shareholders who wish to participate in the general meeting must give the company notice no later than two working days prior to the general meeting.

The company facilitates the election of an independent chair of the general meeting.

The nomination committee chair, the chair of the board and other members of the board of directors are present at general meetings, but normally not the entire board. To date, no items of business at general meetings have made this necessary. The CEO and CFO are normally present in order to reply to any questions that may be raised.

Shareholders are given the opportunity to vote on each individual matter, including the election of every single candidate to an office in the nomination committee and on the board of directors.

Shareholders who are unable to attend the general meeting may also vote in advance or by proxy. The proxy form is designed in such a way that voting instructions can be given for each item of business that is to be considered.

Both the notice of the general meeting and Komplett's website provide further information regarding the use of proxies and shareholders' right to submit items of business for consideration at general meetings.

Under the first paragraph of article eight in the articles of association, the board of directors may decide that documents concerning items of business to be considered at the general meeting are not to be sent to shareholders.



ers when the documents are made available on the company's website. This also applies to documents which by law must be included in or attached to the notice of the general meeting. A shareholder may nonetheless ask to be sent documents pertaining to items of business to be considered at the general meeting.

Deviations from the Code: *The Code advocates that all board members should participate at the general meeting. However, if the agenda is such that it is not considered necessary for every member to attend, not all Komplett board members will attend every time.*

7. NOMINATION COMMITTEE

As laid out by the articles of association, Komplett has a nomination committee.

The general meeting elects the chair and members of the committee and determines its remuneration. The general meeting has also adopted instructions for the nomination committee, which may be found at Komplett's website.

The nomination committee consists of three members, who are elected for a term of up to two years. The majority of the nomination committee shall be independent from the company's board of directors and executive management.

The committee is tasked with submitting the following reasoned recommendations to the general meeting:

- ▶ Recommend candidates for the election to the board of directors and the nomination committee, and
- ▶ Recommend a suitable remuneration for the members of the board of directors and the nomination committee.

The nomination committee's recommendation of candidates to the board of directors shall ensure that the board of directors is composed to comply with legal requirements and principles of corporate governance and that they represent a broad group of the company's shareholders.

The rules of procedure for the nomination committee contain further guidelines for the preparation and implementation of elections to the nomination committee and the board of directors, as well as criteria for eligibility, general requirements regarding recommendations, the number of members in the committee and their term of service, and detailed procedural rules for the work of the nomination committee.

The participants at the general meeting elected the following members for the nomination committee:

- ▶ **Sverre R. Kjær**, chair, elected until the annual general meeting of 2024
- ▶ **Nina Camilla Hagen Sørli**, member, elected until the annual general meeting of 2024
- ▶ **Martin Bengtsson**, member, elected until the annual general meeting of 2024

Information and deadlines for submitting input and proposals to the nomination committee are available at Komplett's website.

Information regarding the composition of the nomination committee is posted on Komplett's website under "Investor Relations".

The composition of the nomination committee is intended to ensure that the interests of all the shareholders are served and meets the requirement of the Norwegian Code of Practice for Corporate Governance as regards independence of the company's management and board of directors. None of the members of the nomination committee is a member of the board of directors of Komplett ASA. Neither the general manager nor other senior executives are members of the committee.

Deviations from the Code: *None.*

8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The composition of the board of directors is intended to serve the interests of all the shareholders and to meet the company's need for expertise, capacity, and diversity, while ensuring that the board can function effectively as a collegiate body.

The board's composition meets the requirements of the Norwegian Code of Practice for Corporate Governance as regards board members' independence of the company's executive management, main shareholders, and material business relationships. At least two of the directors are defined as non-independent of the company's main shareholders.

All the directors are defined as independent of the company's executive management or material business relationships. There are few instances in which directors are disqualified from considering board matters. Representatives of the executive management are not members of the company's board of directors. Under article 5 of Komplett's articles of association, the company's board of directors shall consist of between 3 and 9 members, to be elected by the general meeting. There are no other provisions in the articles of association governing the appointment and replacement of directors.



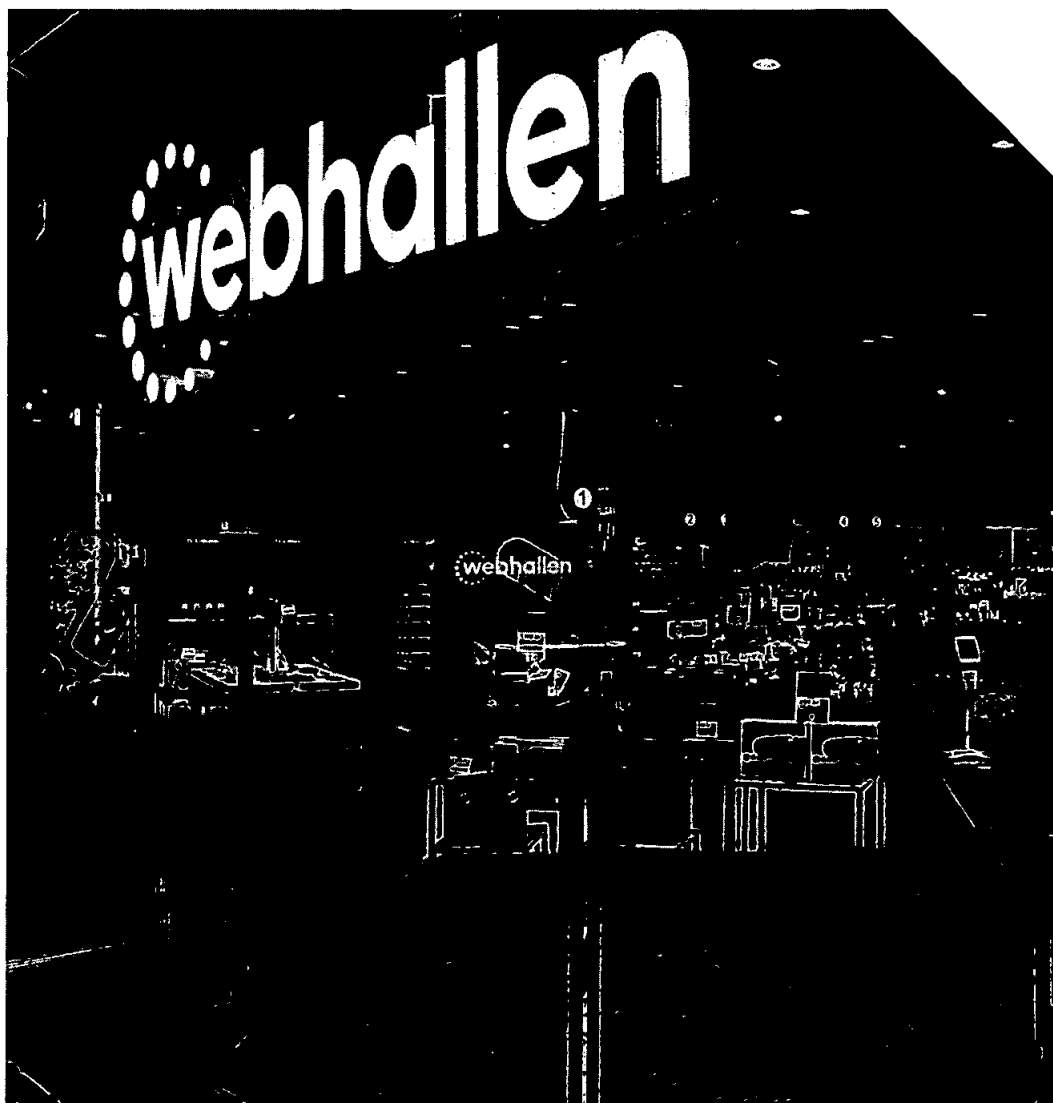
Jo Olav Lunder was elected as the chair of the board by the general meeting in June 2022 for a period until the annual general meeting in 2024. The members of the board of directors have been elected for no longer than two years at a time.

In accordance with Komplett's current system of corporate democracy, two members of the board of directors of Komplett ASA are elected from the group employees.

A description of the expertise and background of the individual board members, as well as information on their record of attendance at board meetings and their independence, can be found on page 24 of this annual report.

The directors are encouraged to hold shares in the company.

Deviations from the Code: None.





9. THE WORK OF THE BOARD OF DIRECTORS

The tasks of the board of directors are laid down in the rules of procedure for the board of directors, which govern the board's responsibilities and duties and the administrative procedures of the board, including which matters are subject to board consideration and rules for convening and holding meetings.

The board's rules of procedures also contain rules regarding the general manager's duty to inform the board about important matters and to ensure that board decisions are implemented. There are also provisions intended to ensure that company employees and other parties involved are adequately informed of board decisions, and that the guidelines for preparing matters for board consideration are followed. Other instructions to the board and clarification of its duties, authorisations, and responsibilities in respect of the general management are provided through routine communication.

The rules of procedure further establish that a director must not take part in the consideration of or a decision on an issue that is of such importance to himself or herself or to any related party that the member must be considered to have an obvious personal or financial interest in the matter. It is incumbent upon each director to consider on an ongoing basis whether there are matters which, from an objective point of view, are liable to undermine the general confidence in that board member's independence and impartiality, or which could give rise to conflicts of interest in connection with the board of directors' consideration of the matter. Such matters must be discussed with the board chair. According to Komplet's code of conduct, employees must on their own initiative inform their superior if they should recuse themselves from dealing with or if they have a conflict of interest in connection with a matter, and consequently should not take part in considering the matter.

The board of directors adopts an annual meeting and activity plan that covers strategic planning, business issues, and oversight activities.

Transactions between the company and its shareholders, a shareholder's parent company, members of the board of directors, executive management or closely associated persons to any such party that are deemed material under the Norwegian Public Limited Liability Companies Act, are subject to certain procedures and approval by the participants at the general meeting. Furthermore, the board of directors is required to arrange an independent auditor valuation of the transaction. In case such a material transaction is entered into by a subsidiary of the company, a separate notice shall be prepared and published at the company's website. The company has adopted a policy for related party transactions.

The board of directors has established two permanent board committees, which are described in further detail below. These committees do not make decisions but supervise the work of the company management on behalf of the board and prepare matters for board consideration within their specialised areas. In this preparatory process, the committees have the opportunity to draw on company resources, and to seek advice and recommendations from sources outside the company.

The remuneration committee

The remuneration committee members are Fabian Bengtsson (chair), Jan Ole Stangeland and Susanne Ehnåge. The composition of the committee meets the requirements of the Norwegian Code of Practice for Corporate Governance as regards independence, and all the committee members are considered to be independent of the executive management. The mandate of the committee, which is set out in the Instructions for the remuneration committee, is as follows:

- ▶ Review the remuneration and benefits strategy for the members of the executive management
- ▶ Review the performance of the chief executive officer (CEO) versus the adopted objectives and recruitment policies, career planning, and management development plans; and
- ▶ Prepare matters relating to other material employment issues in respect of the executive management.

The committee will otherwise deal with special questions relating to compensation for group employees insofar as the committee finds that these questions concern matters of particular importance for the group's competitive position, corporate identity, recruitment ability, etc.

The audit committee

The audit committee members are Jan Ole Stangeland (chair), Fabian Bengtsson and Ingvild Næss. The composition of the committee meets the requirements of the Norwegian Code of Practice for Corporate Governance as regards independence and competence. The nomination committee's recommendation of candidates for election to the board contains information as to which board members satisfy the requirements as regards independence and competence to sit on the audit committee. The committee's mandate, which is set out in the Instructions for the audit committee, is as follows:

- ▶ Inform the board of directors of the outcome of the company's statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the audit committee was in that process



- ▶ Monitor the company's financial reporting process and submit recommendations or proposals to the board of directors to ensure its integrity
- ▶ Monitor the effectiveness of the company's internal quality control and risk management systems and, where applicable, its internal audit, regarding the company's financial reporting, without breaching its independence
- ▶ Monitor the statutory audit of the group's annual and consolidated financial statements, in particular, its performance, taking into account any findings and conclusions by the Norwegian financial supervisory authority
- ▶ Review and monitor the independence of the company's statutory auditor, and in particular the appropriateness of the provision of non-audit services to the company
- ▶ Be responsible for the procedure for the selection of the company's statutory auditor and recommend the statutory auditor to be appointed.

Adjustments to the committee's mandate will be made on an ongoing basis in line with new legal requirements.

The board of directors' evaluation

Each year, the board of directors carries out an evaluation of its own activities and competence, and discusses improvements in the organisation and implementation of its work, both at an individual level and as a group, in relation to the goals that were set for its work. The results are made available to the nomination committee.

Deviations from the Code: None.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The board of directors is responsible for ensuring a sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities.

The board and the executive management are continuously monitoring the group's risk exposure and the group constantly strives to improve its internal control processes. An active approach is taken to risk management, where an annual review of the company's most important areas of exposure to risk and its internal control arrangements is presented and discussed with the board. The risk assessment for 2023 is presented at page 54 of the annual report, and a description of the use of financial instruments to reduce financial risk is included in note 4 to the financial statements.

Deviations from the Code: None.

11. REMUNERATION OF THE BOARD OF DIRECTORS

Remuneration of directors shall be reasonable and reflect the board's responsibilities, expertise, time invested, and the complexity of the business.

Remuneration of the board of directors is disclosed in note 7 to the group consolidated financial statements and in the remuneration report. The note shows that remuneration of the directors is not linked to the group's performance and that no options have been granted to the shareholder-elected directors.

Save for the board members elected from the employees, none of the board directors have taken on specific assignments for the company other than their board appointment. If they do, it will be disclosed to the full board, and the board will approve remuneration for such additional duties.

Deviations from the Code: None.

12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL

The board of directors has adopted clear and understandable guidelines for the remuneration of the executive management team. The guidelines have been approved by the participants at the general meeting. The company's remuneration principles shall be designed to ensure responsible and sustainable remuneration decisions that support the company's business strategy, long-term interests, and financial viability. Both the guidelines and the yearly remuneration report may be found at Kompletts website.

The board's remuneration committee presents a recommendation concerning the terms and conditions for the CEO to the board of directors and monitors the general terms and conditions for other senior executives in the group. The board assesses the CEO and his terms and conditions once a year. A description of the remuneration of the executive management and the group's compensation and benefits policy, including the scope and design of bonus and share-price-related programmes, is given in the board of directors' statement of guidelines for the remuneration of executive management approved by the general meeting and the remuneration report; see note 7 to the group consolidated financial statements.

The company's arrangements in respect of salary and other remuneration should help ensure the executive personnel and shareholders have convergent interests and should be simple. Absolute caps have been set for performance-related remuneration.

Deviations from the Code: None.



13. INFORMATION AND COMMUNICATIONS

It follows from Komplett's IR policy that the company has guidelines for the reporting of financial and other information based on openness and taking into account the requirement for equal treatment of all participants in the securities market. The IR policy also includes guidelines for the company's contact with shareholders other than through general meetings.

Komplett seeks to ensure that its accounting and financial reporting inspires investor confidence. Komplett's accounting procedures are highly transparent. The board of directors' audit committee monitors company reporting on behalf of the board. Komplett strives to communicate actively and openly with the market. The company's annual and quarterly reports contain extensive information on the various aspects of the company's activities. The company's quarterly presentations are webcast live and may be found on Komplett's website, along with the quarterly and annual reports under "Investor Relations". Komplett aims to hold a capital markets day at regular intervals, on which occasion the market is given an in-depth review of the group's strategic direction and operational development.

All shareholders and other financial market players are treated equally as regards access to financial information. The group's investor relations department maintains regular contact with company shareholders, potential investors, analysts, and other financial market stakeholders. The board is regularly informed of this activity. The financial calendar for 2024 may be found on Komplett's website.

Deviations from the Code: None.

14. TAKEOVERS

The board of directors will not seek to hinder or obstruct any takeover bid for the company's operations or shares. In the event of such a bid as discussed in section 14 of the Norwegian Code of Practice for Corporate Governance, the board of directors will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Code of Practice. This includes obtaining a valuation from an independent expert. On this basis, the board will make a recommendation as to whether or not the shareholders should accept the bid.

Deviations from the Code: The group has not found it appropriate to draw up explicit guiding principles for Komplett's conduct in the event of a takeover bid. However, the board of directors will refer to and endorse the statement in the Code of Practice regarding take overs and will act accordingly in the event that a take-over bid is made.

15. AUDITOR

The general meeting elected Ernst & Young AS as the company's auditor in 2023, after BDO had conducted the audit of the company since 2013.

The board of directors ensures that the external auditor submits the main features of the plan for the audit of the company to the audit committee annually.

The external auditor also takes part in the board's discussions of the annual financial statements. At these meetings the auditor should report on any material changes in the company's accounting principles and key aspects of the audit, and comment on any material estimated accounting figures. There have been no disagreements between the auditor and management on any material issues in 2023.

Every year, the external auditor presents to the board an assessment of risk, internal control procedures, including weaknesses, and proposals for improvement. The board of directors ensures that relevant matters may be discussed with the external auditor without the presence of the management. The external auditor is also invited to all meetings of the board's audit committee.

Komplett has established guidelines for the right of the general management to use the external auditor for services other than auditing. Responsibility for monitoring such use in detail has been delegated to the audit committee. Details of the company's use and remuneration of the external auditor are disclosed in note 7 to the group consolidated financial statements. The participants of the general meeting are informed about the group's overall remuneration to the auditor, broken down in accordance with statutory requirements into remuneration for statutory auditing and remuneration for other services. In connection with the auditor's participation in the audit committee and the board of directors' consideration of the annual financial statements, the auditor also confirms his independence.

Deviations from the Code: None.

RISK AND RISK MANAGEMENT

Komplett Group recognises that risk is an inherent part of doing business and that competitive advantage can be gained through effective risk assessment and mitigation. The purpose of the group's risk management process is to ensure proper control of the risk exposure and cost-efficient, systematic management of risks and opportunities across the group's operations. By doing so, the group will be better equipped to achieve its strategic, financial and operational targets while complying with relevant laws and regulations.

OBJECTIVES

The group's ongoing commitment to risk assessment and management aims to achieve the following:

1. Develop a systematic overview of key risks and risk factors.
2. Prioritise identified risks and assess the effectiveness of existing controls.
3. Develop controls and mitigating actions for identified key risk exposures.
4. Integrate risk management into an annual wheel and management processes

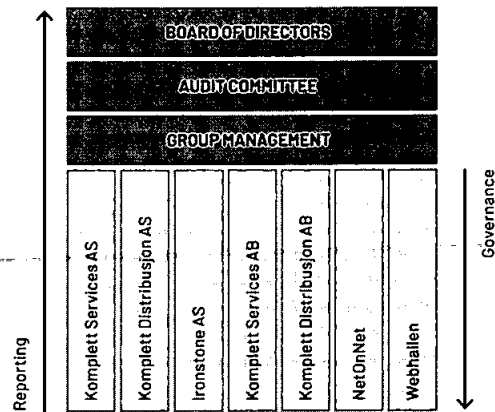
RISK MANAGEMENT PROCESS

The group's risk management is centralised and intends to ensure that all significant risks are identified, analysed, and effectively followed up by its business units.

Komplett Group updates the group's risk management procedures on an annual basis through a systematic process. The framework for risk management and the policies for assessments are made and revised by management at group level, and then reviewed by the board and the audit committee.

The updated framework and policies are then shared with all business units. Each unit conducts risk assessment workshops to identify, evaluate, monitor, and manage risks. In this process, the risks assessed to have the greatest negative impact in terms of likelihood and consequence will be prioritised by the business units. Subsequently, each business unit submits a comprehensive report to the group management. These reports are a key component of the management's and the board's strategic and operational governance, both separately and on an aggregated group level.

All business units conduct regular risk assessments to ensure proper reporting and follow-ups of risk indicators and associated risk mitigation measures. The board of directors, with assistance from the audit committee, carries out regular reviews of the company's most significant areas of risk exposure and its internal control routines.



RISK CATEGORIES

In 2023, the group conducted a comprehensive risk assessment to identify and prioritise risk factors of highest importance. Three risk categories were identified as material for Komplett Group: strategic, operational and compliance risks. All three types of risks impact the group's opportunities to achieve its vision and long-term goals.

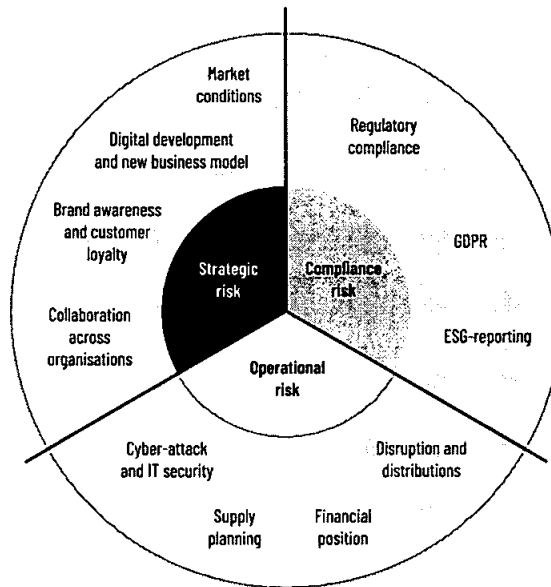
Strategic risks

Strategic risks include both internal and external events that pose challenges to Komplett Group's strategic goals, market position and competitive advantages. These risks are primarily associated with changes in the business environment, stakeholder dynamics and global events.

It follows from the table below that the CEO serves as the risk owner for the majority of the identified strategic risks. The Chief Strategy Officer (CSO) and Chief HR Officer (CHRO) also bear responsibility for two identified strategic risk factors.

In 2023, the following strategic risks were identified as material and top risks to prioritise in the short term:

RISK CATEGORIES



Note: GDPR and ESG compliance is reported as part of Regulatory compliance.

1. Market conditions



Description Changes in market conditions, affecting suppliers and/or competitors, could lead to lower margins, limited availability of relevant products/categories, reduced market share, and/or loss of key customer agreements, pose a material risk for the group.

Mitigation The group monitors market trends closely and continuously work to improve its business platform to adapt the product range and services while managing costs levels to changing market conditions.

Responsible CEO

2. Digital development and new business models



Description Slow digital development and adaption to new business models may lead to inability to adapt to trends, changes and market conditions, resulting in weaker market position.

Mitigation As an online-first player, the group has leading digital platforms and offer products that meet customer preferences and market trends. Komplet was an early mover to install an automated warehouse as one of Autostore's first customers. In 2023, the group invested in new SAP ERP solution and eCommerce infrastructure, which both successfully went live in the Komplet brand in October.

Responsible CEO

3. Brand awareness and customer loyalty



Description The distinct brands are at core of the company's competitive position and if the company fails to build brand awareness and customer loyalty, it may result in loss of market share.

Mitigation Central to the group's strategy is a continued commitment to the portfolio of strong Nordic retail brands targeting distinct segments. This entails various actions, such as boosting visibility through multi-channel marketing, offering personalised services, and increasing customer club participation, all of which mitigate this risk factor.

Responsible CSO

4. Collaboration across organisations



Description	Lack of collaboration between management/employees across departments and/or subsidiaries from the evolving business model, may result in negative impact on today's and tomorrow's business goals and objectives.
Mitigation	Although the group has separate brands and shop fronts, the group has a central HR function and has also made a strategic decision to utilise commercial and cost advantages across the group. For that reason, the group has established shared functions and capabilities, including a central commercial team, a shared supply chain network and common tech, analytics and data structure and capabilities.
Responsible	CHRO

Operational risks

Operational risks include internal and external events that may disrupt day-to-day operations, potentially impacting earnings and financial position. These risks can normally be influenced and are often linked to organisational processes, working methods and skills.

In terms of risk ownership within the group, the CFO has the responsibility for a majority of the material operational risks. Additionally, the CCO and Brand MDs also bear responsibility for two of the identified operational risk factors (see table below).

In Komplet Group, financial risks fall under the operational risk category. Risks of a financial nature consist primarily of risks associated with changes in the macroeconomic conditions, credit situation for suppliers and customers, currency exposure, and liquidity changes.

In 2023, the following operational risks were identified as material and top risk to prioritise in the short term:

5. Supply planning



Description	Komplet Group works and collaborates with different suppliers in all parts of the value chain. Potential inadequate supply planning and inefficient collaboration with suppliers, can result in adverse effects for the group, such as sub-optimal inventory levels, product unavailability or delays affecting service levels.
Mitigation	The group monitors all its suppliers closely and maintains a close relationship, to ensure a stable supply of goods and reduce the risk of disruptions. Efforts to improve and professionalise sales and operation planning have been reinforced across the group. The group remains in close and proactive dialogue with its key suppliers and conducts regular risk analyses and audits in the value chain and of suppliers.
Responsible	CCO

6. Cyber-attack and IT security



Description	Komplet Group's operations rely on efficient IT and data systems. The threat of external cyber-attacks, fraud, and IT security problems has been increasing over time, potentially posing risks such as business disruption, loss of sensitive data, and reputational damage.
Mitigation	Komplet Group works continuously to follow up its IT platforms and architecture to ensure high degree of customer satisfaction and launched a future-proof IT infrastructure in 2023. In addition, the group has IT and security systems in place to mitigate the risk of disruption in systems and potential consequences.
Responsible	CFO

7. Financial position



Description	Financial risk includes currency risk, credit risk, and liquidity risk. Access to competitive external financing and adequate short- and long-term liquidity is important for business efficiency and to minimise finance costs.
Mitigation	Financial risks are monitored and managed in accordance with our financial policies, and closely monitored by the financial departments and internal control mechanisms.
Responsible	CFO

8. Distribution disruptions



Description	Major disruptions in outbound distribution and logistics (e.g., strike or fire), may result in disruptions, delays in delivery and/or reduced customer satisfaction.
Mitigation	The group has a robust business model with different alternatives when it comes to distribution of goods and products. In addition, the subsidiaries have contingency plans.
Responsible	Brand MD

9. Supplier management



Description	Lack of ability to adequately monitor and follow up product suppliers and service providers, may result in adverse effects on business efficiency and/or non-compliance with regulations.
Mitigation	The group monitors its private label suppliers closely, and completed 67 audits during 2023. The group's Supplier Code of Conduct clearly defines what is expected from responsible business practices, ensuring that the supply chain behaves ethically and follows legal standards. Suppliers are required to follow both local laws and international conventions, and report on their performance to enable Komplett Group's Transparency act compliance.
Responsible	CCO

Compliance risk

Compliance risk involves the potential negative impact on a business from the many ongoing and rapid changes in framework conditions, regulations, and laws, for instance within material areas such as ESG and GDPR. This category captures the legal, reputational, and financial penalties for failing to comply with both internal and external regulations.

In Komplett Group, the CFO is the designated risk owner of this risk category.

In 2023, the following compliance risks were identified as material and top risk to prioritise in the short term:

10. Regulatory compliance



Description	Lack of ability to keep up to date and comply with regulatory changes, resulting in penalties, loss of customers and market share, and change of suppliers.
Mitigation	The group actively works to be in compliance with applicable legislation and regulation across the group structure. In 2023, the group hired a compliance officer at group level, and a compliance officer and a data protection officer in Komplett Services, who continuously monitor and implement updates to relevant regulations. In addition, the group has adjusted sustainability reporting to comply with the new EU-regulations in the Corporate Sustainability Reporting Directive
Responsible	CFO



KOMPLETT ASA:

SHARE INFORMATION

Komplett ASA is a public limited liability company organised pursuant to the Norwegian Public Limited Companies Act, which is part of the laws of Norway. The company was listed on the Oslo Stock Exchange on 21 June 2021 under the ticker code KOMPL.

Komplett has one class of shares, and in accordance with the Norwegian Public Limited Companies Act, all shares have equal rights and are freely transferable.

The total number of shares issued at 31 December 2023 were 175 341 161. The nominal value per share is NOK 0.40.

SHARE CAPITAL CHANGES

In January 2023, the company received subscriptions for a total of 43 582 shares in a subsequent offering, each with a nominal value of NOK 0.40, at a subscription price of NOK 14.75. The subsequent offering followed the private placement completed in 2022 in connection with the acquisition of NetOnNet AB. Following the issuance of the 43 582 offer shares, the company's share capital is NOK 70 136 464.40, divided into 175 341 161 shares, each with a nominal value of NOK 0.40.

TRADING IN THE KOMPLETT SHARE

The average daily volume of Komplett shares traded on the Oslo Stock Exchange in 2023 was 0.07 million, equivalent to 0.04 per cent of the total number of Komplett shares issued at year-end.

The share closed at NOK 12.00 on 31 December 2023. The highest closing price was NOK 18.82, and the lowest closing price was NOK 5.88. Komplett's market capitalisation was NOK 2.10 billion at 31 December 2023.

OUR DIVIDEND POLICY

The group has a policy of distributing 60-80 per cent of net profit as annual dividend adjusted for one-offs and special items but expects no dividend to be paid for the financial year 2023.

AUTHORISATION TO ACQUIRE TREASURY SHARES

At the annual general meeting in 2023, the board of directors was granted an authorisation, on behalf of the company, to acquire Komplett shares with a total nominal value equal to 10 per cent of the company's share capital at the time the authorisation was granted.

The authorisation is valid until the company's annual general meeting in 2024, but no longer than 30 June 2024.

The authorisation was not used in 2023, and the company owns no treasury shares at year-end 2023.

AUTHORISATION TO INCREASE SHARE CAPITAL

At the annual general meeting in 2023, the board of directors was granted an authorisation to increase the company's share capital by up to NOK 7 000 000, in one or more rounds. The authorisation may be utilised to issue consideration shares to strengthen the company's capital structure for example in connection with acquisitions of other companies or businesses.

The authorisation is valid until the company's annual general meeting in 2024, but no longer than 30 June 2024.

VOTING RIGHTS

Komplett has one class of share, and each share carries one vote. Shareholders are entitled to vote for the number of shares they own. It follows from the Norwegian public limited liability companies act that only those who are shareholders five working days before the general meeting (registration date) have the right to participate and vote at the general meeting.





SHAREHOLDERS

At 31 December 2023, Komplett had 3 253 shareholders.
The top 20 shareholders held 93 per cent of the shares.

Top 20 shareholders at 31 December 2023:

	Name	Holding	Stake	Type of account
1	Canica Invest AS	74 376 317	42.42%	Ordinary
2	SIBA Invest AB	55 581 404	31.70%	Ordinary
3	Verdipapirfondet Alfred Berg Gambak	5 832 206	3.33%	Ordinary
4	The Bank of New York Mellon	4 139 247	2.36%	Nominee
5	The Bank of New York Mellon	3 330 739	1.90%	Nominee
6	Sole Active AS	3 183 646	1.82%	Ordinary
7	Verdipapirfondet Holberg Norge	2 400 000	1.37%	Ordinary
7	Verdipapirfondet Holberg Norden	2 200 000	1.25%	Ordinary
9	Morgan Stanley & Co. Int. Plc.	2 029 233	1.16%	Nominee
10	The Northern Trust Comp, London Br	1 650 000	0.94%	Nominee
11	Skandinaviska Enskilda Banken AB	1 365 500	0.78%	Nominee
12	Wenaasgruppen AS	1 273 370	0.73%	Ordinary
13	Citibank, N.A.	1 259 197	0.72%	Nominee
14	Verdipapirfondet Storebrand Norge	1 183 243	0.67%	Ordinary
15	UBS Europe SE	839 072	0.48%	Nominee
16	Manara AS	620 100	0.35%	Ordinary
17	UBS AG	618 057	0.35%	Nominee
18	Norda ASA	603 549	0.34%	Ordinary
19	Gulbrand Gråstein AS	469 350	0.27%	Ordinary
20	Northern Trust Global Services SE	408 532	0.23%	Nominee
	Total top 20	163 362 762	93.17%	
	Other	11 978 399	6.83%	
	Total number of shares	175 341 161	100.00%	

FINANCIAL CALENDAR

Date	Event
24 April 2024	Q1 2024 reporting
8 May 2024	Annual general meeting
18 July 2024	Q2 2024 reporting
25 October 2024	Q3 2024 reporting

SHARE PRICE DEVELOPMENT

Click or scan the QR-code for access to the share price development.

ANALYST COVERAGE

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SUSTAINABILITY REPORT 2023

CONTENTS

General information	62
How we report	62
How we work	65
How we engage and prioritise	70
Environmental information	82
Climate change	82
Pollution	88
Resource use and circular economy	89
Numbers and statistics	94
Social information	96
Own workforce	96
Workers in the value chain	106
Consumers and end-users	110
Numbers and statistics	112
Governance information	116
Business conduct	116
Numbers and statistics	120
Other reporting	122
EU Taxonomy Report 2023	122
Transparency Act Account 2023	122
Equality And Anti-Discrimination Statement 2023	122
Carbon Accounting Report 2023	123

KOMPLETT ASA



| SUSTAINABILITY PERFORMANCE HIGHLIGHTS



Early adopter of the new EU sustainability reporting standard ESRS

- ▶ For 2023, the group has used the European Sustainability Reporting Standards (ESRS) to guide the reporting, and hence starting to adopt to the new requirements becoming applicable to the group from the fiscal year 2024.
- ▶ In 2023, we conducted a double materiality assessment in accordance with ESRS, involving company representatives from all our subsidiaries and external interviews, resulting in seven material topics and fourteen sub-topics.



The group's sustainability strategy renewed

- ▶ The group's sustainability strategy, which was renewed in 2023, aims to accelerate activities towards a resilient and sustainable business. We have defined three strategic focus areas.
 1. Komplet Group aims to have a circular business model
 2. Komplet Group aims to be climate neutral
 3. Komplet Group aims to be an inclusive and attractive employer



New ambition for climate neutrality by 2040

- ▶ We launched our new ambition about net zero (Scope 1, 2, 3) by 2040, and to reduce Scope 1 and 2 GHG-emissions by at least 42 per cent by 2030 compared to 2022 baseline, in line with a 1.5 degree pathway.
- ▶ In 2023, we offered new initiatives like fossil-free deliveries to customers and worked with several courier suppliers to reduce our upstream transport footprint.



Due diligence improvements as required by the Transparency Act

- ▶ We have established new business conduct policies at group level. These are the Code of Conduct, Supplier Code of Conduct, the Anti-Corruption and -Bribery Policy, and Whistleblower Policy.
- ▶ 67 factory audits were conducted among our private label suppliers. Seven audited factories in China did not meet our standards, leading to termination of contracts.



GENERAL INFORMATION

This is Komplett Group's 2023 Sustainability Report. For the first time we have used the European Sustainability Reporting Standards (ESRS) to guide our reporting, being early adopters to the new requirements applicable to the group from the fiscal year 2024.

HOW WE REPORT

ABOUT THE REPORT (ESRS 1 BP-1)

The report covers the entire Komplett Group, including its subsidiaries; Komplett Services AS, Komplett Distribusjon AS, NetOnNet AB, Webhallen AB, Komplett Services Sweden AB, Komplett Distribution Sweden AB and Ironstone AS. The scope of consolidation is the same as for the financial statement. When data and sustainability efforts pertain to a specific subsidiary, the report specifies this accordingly.

The report, which is published annually, covers the fiscal year from 1 January 2023 to 31 December 2023. In 2023, we conducted a double materiality assessment with reference to the requirements in ESRS. The ESRS statement is structured according to the material topics. In the materiality assessment we also identified where the impact is material in our value chain that guide where we report on upstream and downstream information.





The ESRS index in this report provides an overview of the disclosures made according to the ESRS. In addition, we have included a chapter for other reporting requirements. The sustainability reporting has during this early phase of ESRS-adoption not been externally assured. From next year we are obliged to limited assurance. We acknowledge that we are not yet fully compliant with the ESRS requirements, and work continuously towards full compliance next year.

Report details (ESRS 1 BP-2)

Komplett Group started the work of calculating greenhouse gas emissions in 2022. Emissions from Ironstone AS have been reported from 2023, and there is ongoing inclusion of new emission sources and refinement of calculations. In 2024, particular emphasis will be placed on expanding scope 3 reporting to further enhance quality.

For the 2022 figures, we have identified several necessary restatements. In 2023, efforts were initiated to align ESG data with ESRS requirements, with plans to implement processes and routines in 2024 to enhance high data quality.

Any questions relating to this report, or the sustainability work carried out by Komplett Group, can be directed to:

Mari Myhre Marthinsen

Director legal & compliance, Komplett Group
mmm@komplett.com

ESRS-INDEX (ESRS 2 IRO-2)

The ESRS-index provides readers with guidance on how Komplett has applied the European Sustainability Reporting Standards (ESRS). The index points to where the information can be found in Komplett Group's Annual Report 2023.

Chapter	Standard	Disclosure requirement	Page
GENERAL INFORMATION			62-81
About the report	ESRS 2	BP-1, BP-2, IRO-2	62-64
Sustainability governance	ESRS 2	GOV-1, GOV-2, GOV-3, GOV-4	65-67
Sustainable strategy and business model	ESRS 2	SBM-1	68-69
Stakeholder engagement in 2023	ESRS 2	SBM-2	70-73
Materiality assessment in 2023	ESRS 2	SBM-3, IRO-1	69, 74-79
Embedding sustainability in our policies and processes	ESRS 2	MDR-P	80-81
ENVIRONMENTAL INFORMATION			82-95
Climate change			82-87
Transition plan	ESRS E1	E1-1	122
Policies	ESRS E1	E1-2	
Action and resources	ESRS E1	E1-3	83-85
Targets	ESRS E1	E1-4	85
Metrics	ESRS E1	E1-5, E1-6, E1-7, E1-9	86-87, 94-95
Pollution	ESRS E2		88
Resource use and circular economy			89-93
Policies	ESRS E5	E5-1	89
Action and resources	ESRS E5	E5-2	89-90
Targets	ESRS E5	E5-3	91



Chapter	Standard	Disclosure requirement	Page
Metrics	ESRS E5	E5-4, E5-5, E5-6	91-92, 94-95
SOCIAL INFORMATION			95-115
Own workforce	ESRS S1		96-105
Policies	ESRS S1	S1-1	96, 98
Processes	ESRS S1	S1-2, S1-3	98
Action and resources	ESRS S1	S1-4	97-99
Targets	ESRS S1	S1-5	100
Metrics	ESRS S1	S1-6, S1-7, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-15, S1-16, S1-17	99-105, 112-115
Workers in the value chain	ESRS S2		106-109
Policies	ESRS S2	S2-1	106-107
Processes	ESRS S2	S2-2, S2-3	107
Action and resources	ESRS S2	S2-4	107-108
Metrics	ESRS S2	S2-5	108, 114-115
Consumers and end-users	ESRS S4		110-111
Policies	ESRS S4	S4-1	110
Processes	ESRS S4	S4-2, S4-3	110
Action and resources	ESRS S4	S4-4	110-111
GOVERNANCE INFORMATION			116-121
Business conduct	ESRS G1		116-121
Policies and corporate culture	ESRS G1	G1-1	118
Suppliers	ESRS G1	G1-2	119
Corruption and bribery	ESRS G1	G1-3	119-120
Targets	ESRS G1	G1-4	120
Metrics	ESRS G1	G1-4	120-121

We have not reported on GOV-5, E1-2, E1-8, E2-1 to E2-6, S2-5, S4-5, but will continue our effort to cover more disclosure requirements for the 2024 report.

COMPOSITION AND DIVERSITY OF THE BOARD OF DIRECTORS AND THE GROUP MANAGEMENT

Independence of the board of directors



57%

Four independent and three non-independent

Board of directors' gender diversity ratio



43%

Three females and four males

Group management's gender diversity ratio



25%

Two females and six males



HOW WE WORK

SUSTAINABILITY GOVERNANCE

Sound governance is the foundation of oversight and responsible decision-making. Our sustainability governance structure ensures progress on our strategic goals. We have incorporated ESG into our strategy, business model and governance policies. This is a long-term commitment, and we believe it is key to ensure growth and business success.

Governing bodies (ESRS 1 GOV-1)

The CEO is responsible for the day-to-day management of the company, which includes responsibility for ESG matters of material importance. Komplett has co-organised the responsibilities for financial and sustainability performance under the CFO area, in line with the objectives of integrated reporting.

The Director legal & compliance and Head of PR, communications and sustainability are responsible for systematically embedding ESG topics into the core business processes. This is done in cooperation with human resources, procurement, and other functions.

We firmly believe that our new strategic sustainability goals give us a competitive advantage in a market that values sustainable solutions. We will continue to update policies, mandates, and roles and responsibilities to fully embed and integrate sustainability into our culture.

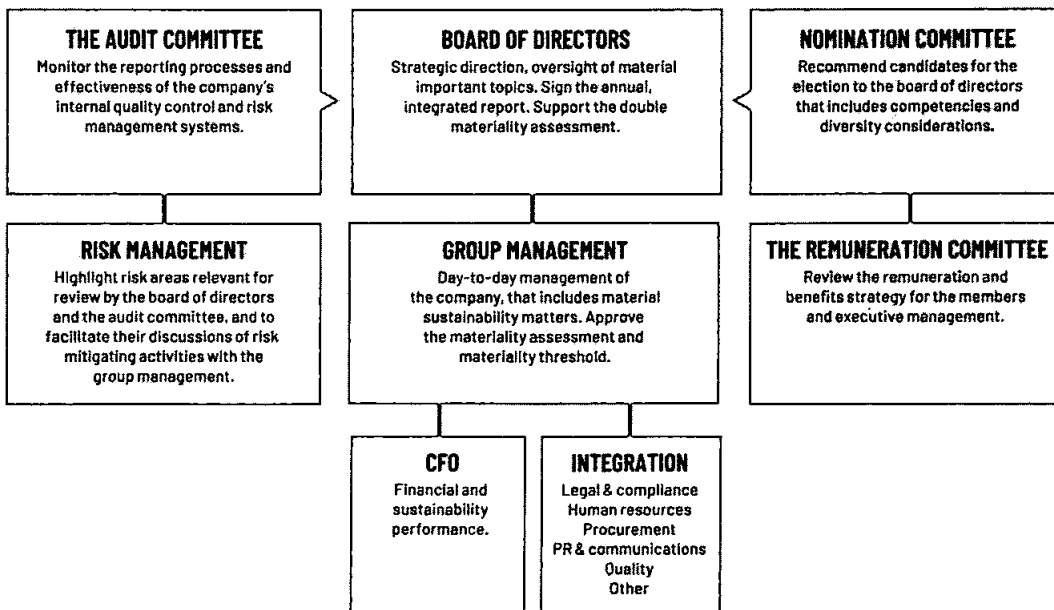
The composition and diversity of the board of directors and group management

A diverse composition in all its forms, including in leadership, is a key to our success.

The board of directors consists of seven non-executive members, including two employee representatives, all with a variety in expertise, skills, and background. The group management consists of eight members.

>> Board of directors and group management, page 24-30

Sustainability governance model





Sustainability matters addressed (ESRS 1 GOV-2)
These are the key sustainability topics addressed by the group management and strategically supported by board

of directors in 2023. First quarter 2024 activities are also shared:

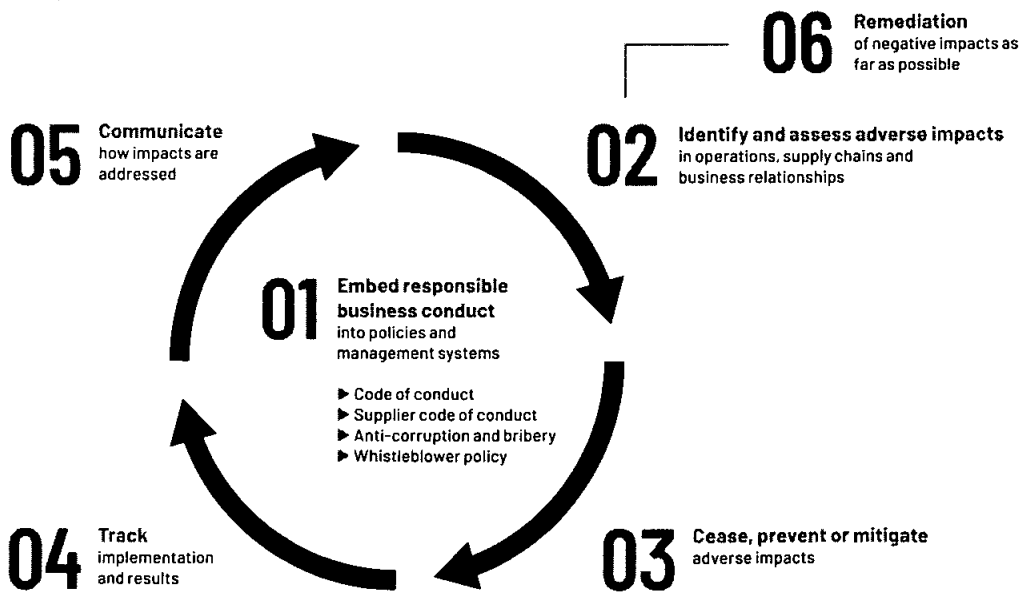
	2023	Q1 2024
Transparency account	Completed	
Double materiality assessment	Completed	
Define strategic sustainability areas	Completed	
Establish common policies at group level	Completed	
Define strategic sustainability KPIs		Completed
EU Taxonomy reporting		Completed
New climate strategy		Start project

The group CFO informs the group management, audit committee and board of directors about material impacts, risks, and opportunities on a regular basis.

Integration of sustainability-related performance in incentive schemes (ESRS 1 GOV-3)

The remuneration performance criteria do not cover sustainability goals, but with our newly defined strategic sustainability KPIs, it will be considered whether such criteria should be incorporated.

KOMPLETT'S APPROACH TO DUE DILIGENCE





Statement on due diligence (ESRS 1 GOV-4)

Due diligence is the process whereby we identify, prevent, reduce, and take responsibility for how we manage actual and potential adverse impacts on the environment and people associated with our operations.

We are committed to conducting due diligence in accordance with the concepts and principles set forth in the UN Guiding Principles for Business and Human rights and OECD Guidelines for Responsible Business Conduct, including the Norwegian Transparency Act.

Managing compliance in the supply chain

One of Komplett Group's goals is to develop relationships with suppliers and business partners that share similar corporate values and conduct their business in an ethical and compliant manner. The Supplier Code of Conduct is the Komplett Group's policy that outlines the legal obligations, and the integrity standards Komplett Group expects its suppliers and business partners to uphold.

Our activities are presented in a table, cross-referencing the core elements of our due diligence.

>> Our governance approach: Joining forces, page 117

Core elements of due diligence	Paragraphs in the sustainability statement	Page
a) Embedding due diligence in governance, strategy, and business model	ESRS 2 GOV-2 Sustainability matters addressed	66
	ESRS 2 GOV-3 Integration of sustainability-related performance incentive schemes	66
	ESRS 2 SBM-3 Material topics and how Komplett understands them	69, 74-77
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 Sustainability matters addressed	66
	ESRS 2 SBM-2 Stakeholder engagement in 2023	70-73
	ESRS 2 IRO-1 Komplett's materiality process	74-79
	ESRS 2 MDR-P Embedding sustainability in our policies and processes	80-81
	ESRS S1-2 Engaging with own workers and workers' representatives	98
	ESRS S2-2 Engaging with value chain workers	107
c) Identifying and assessing adverse impacts	ESRS S4-2 Engaging with consumers and end-users	110
	ESRS 2 IRO-1 Komplett's materiality process	74-79
	ESRS 2 SBM-3 Material topics and how Komplett understands them	69, 74-77
	ESRS G1-1 Whistleblower program	118
d) Taking actions to address those adverse impacts	ESRS 2 MDR-P Whistleblower policy	80-81, 118
	ESRS E1-3 Actions and resources (climate change)	84-85
	ESRS E2-2 Actions and resources (pollution)	88
	ESRS E5-2 Actions and resources (circular economy)	89-90
	ESRS S1-4 Taking actions (own workforce)	99
	ESRS S2-4 Taking actions (value chain workers)	107-108
	ESRS S4-4 Taking actions (consumers and end-users)	110-111
ESRS G1-1 Corporate culture	118	
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M Number and statistics – environment data	94-95
	ESRS 2 MDR-M Number and statistics – social data	112-115
	ESRS 2 MDR-M Number and statistics – governance data	120-121
	ESRS 2 SBM-1 Strategic focus areas, ambitions and targets	69

Risk management and internal controls (ESRS 2 GOV-5)

In 2023, we defined all our sustainability metrics, to ensure that the Komplett Group and its subsidiaries do

report in the same way. Employees in the relevant functions report numbers to Komplett Group, who consolidates and validates the numbers.



SUSTAINABILITY STRATEGY AND BUSINESS MODEL (ESRS SBM-1)

We aim to live up to our responsibility as a leading company in the industry regarding all critical ESG matters. Customers want to buy sustainable products, and we are here to help, by pursuing to offer products that have a long life, can be repaired, and recycled, and helping customers make more informed choices.

In 2023, we renewed our materiality assessment to prioritise which sustainability topics matter the most, both to us and to our stakeholders. We defined three strategic focus areas – circular business model, climate neutral and attractive and inclusive employer – with tangible KPIs.

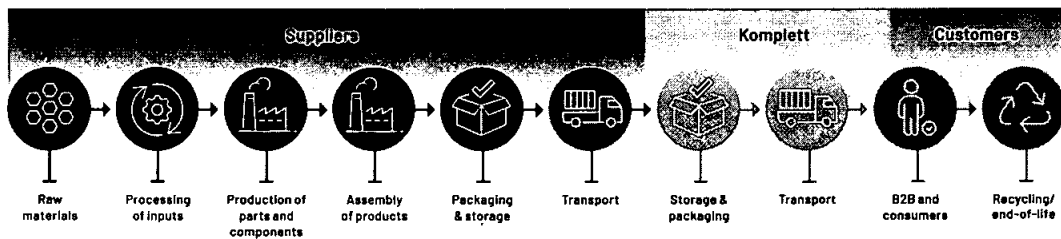
>> This is Komplett Group, page 6-21

| ELECTRONIC WASTE

Electronic waste as the world's fastest growing waste stream

Technology brings great possibilities, but not without challenges. The electronics sector has a significant footprint, with electronic waste emerging as the world's fastest growing solid waste stream. While products are becoming ever more energy efficient, their production is energy intensive. Many electronic products also contain scarce and precious materials, and thus products need a long life, and they need to be recycled at life's end.

From raw materials to customers
Companies: Komplett Services, NetOnNet and Webhallen



| TOTAL NUMBER OF EMPLOYEES IN KOMPLETT GROUP


1 561
Total employees (headcount)












1 094
Sweden


444
Norway


23
China



Strategic focus areas, ambitions and targets:

STRATEGIC FOCUS AREAS	 CIRCULAR BUSINESS MODEL	 CLIMATE NEUTRAL	 ATTRACTIVE AND INCLUSIVE EMPLOYER
AMBITIONS	<p>Komplett Group is determined to contribute in the transition to a circular economy. To do this Komplett Group will focus on:</p> <p>Prolonging the loop: Establish circular services, such as return, repair and reuse, to allow for the products to stay in the loop for as long as possible. Ensuring access to spare parts for products and refill (where applicable).</p> <p>Enabling circular choices: Give information through our platforms, make sustainable products available to our customers and inform on services and end-of-life treatment of products sold (nudging).</p>	<p>Komplett Group will reduce climate impact from the whole value chain and aim to reduce emissions in line with the Paris Agreement (1.5 degree scenario). This means:</p> <p>Reducing direct emissions: Reduce emissions from transportation and buildings. Optimise packaging to reduce material use, transport of air and protect the products in transportation.</p> <p>Reducing emissions from our products: Weighting climate criteria for Private Label products. Working with sustainable category management across products to increase recycled content, ensuring products are repairable, recyclable, and durable and reducing emissions.</p> <p>Enabling sustainable choices: Offering sustainable products in each category and allow filtering based on emissions in production, circular-aspects, and energy use.</p>	<p>Komplett Group aims to be an inclusive and attractive employer that attracts and retains talent and has a positive impact on society. This means:</p> <p>Creating a great work environment: Ensure workers thrive, feel safe and have the opportunity to develop, learn and progress.</p> <p>Promoting equality and inclusion: Promoting equal opportunities and diversity in the work force.</p> <p>Being a preferred employer: Have a high retention rate, attract, and develop the best candidates.</p> <p>Positive impact on society: Impacting business partners, suppliers, and communities where we are present by taking care of our employees and promoting a strong business culture.</p>
MATERIAL TOPICS	<ul style="list-style-type: none"> ▶ E5 Resource outflow ▶ E5 Resource inflow ▶ E1 Climate change mitigation ▶ E5 Waste 	<ul style="list-style-type: none"> ▶ E1 Climate change mitigation ▶ E1 Energy ▶ E5 Waste 	<ul style="list-style-type: none"> ▶ S1 Working conditions ▶ S1 Equal treatment and opportunities for all ▶ G1 Corporate culture
STRATEGIC KPIS	<p>15 per cent of Komplett Group's revenues comes from circular products and services by 2028</p>	<p>Scope 1 and 2 (1.5 degree pathway): Reduction of at least 42 per cent GHG emissions by 2030, compared to 2022 baseline</p> <p>Scope 1, 2 and 3: Net zero by 2040</p>	<p>Industry leading employee temperature: Temperature > index (index based on selected industries)</p> <p>Gender balance in leadership positions</p>
SDGS	 	 	  

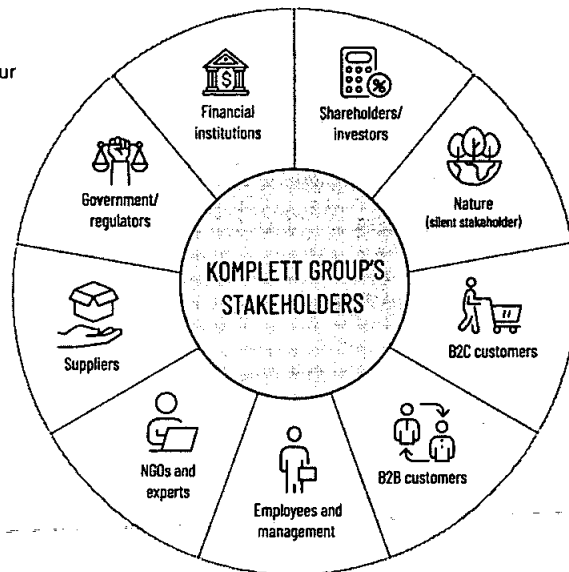


HOW WE ENGAGE AND PRIORITISE

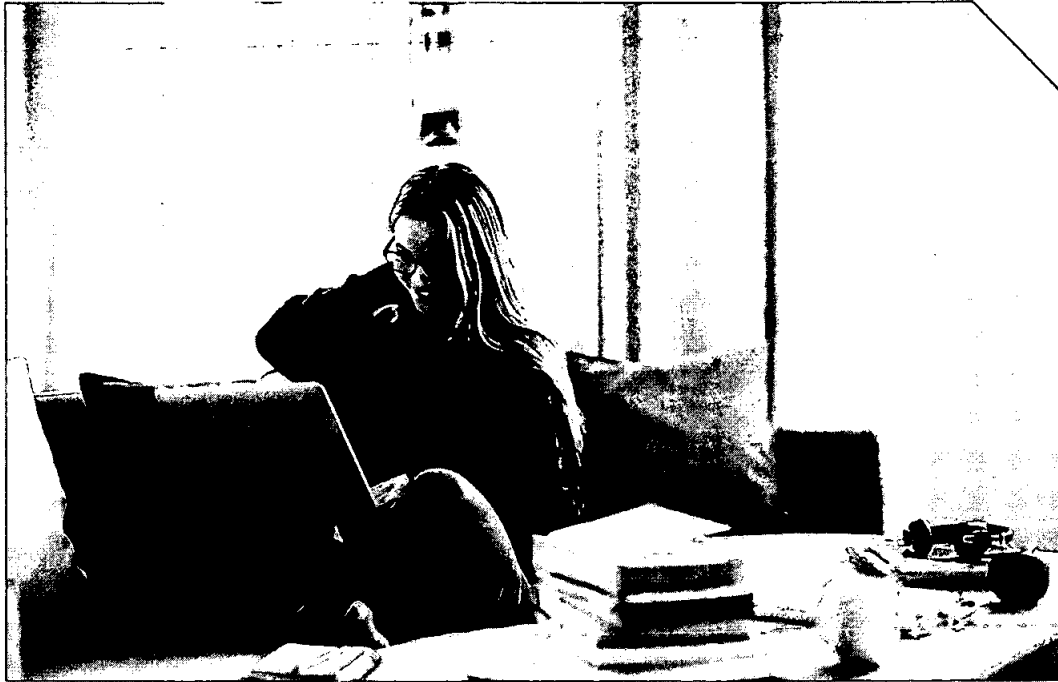
STAKEHOLDER ENGAGEMENT IN 2023 (ESRS 2 SBM-2)

We aim for continuous, active, and open dialogue with our stakeholders and regularly seek external views on our operations.

We follow the business environment actively and engage with relevant stakeholder groups. We also involve our stakeholders in our materiality assessment process to seek their views on the topics. Active engagement is essential throughout our value chain and in the collaboration with suppliers and non-governmental organisations.



WHY WE ENGAGE	HOW WE ENGAGE
<p>Customers B2C Our B2C customers are core to our business and delivering best in class customer experience is critical for our own success</p>	<ul style="list-style-type: none"> ▶ Multiple channels, including face-to-face meetings in shops, customer care call centres as well as contact via our customer clubs ▶ Active interaction and prompt follow-up to queries/feedback received via social media platforms such as Facebook, X and Instagram ▶ Regular customer interactions via satisfaction surveys ▶ Gathering insight through sustainability surveys
<p>Customers B2B Our B2B customers are core to our business and delivering best in class customer experience is critical for our own success</p>	<ul style="list-style-type: none"> ▶ Engaging through online communication, newsletters, face-to-face meetings ▶ Gathering insight through surveys and interviews
<p>Suppliers We expect our suppliers to deliver on their promises while living up to internationally recognised best practices</p>	<ul style="list-style-type: none"> ▶ Regular, direct dialogue ▶ Gathering insight via interviews ▶ Strategic collaborations and long-term relationships



KEY TOPICS OF INTEREST IN 2023	HOW WE RESPONDED
<ul style="list-style-type: none"> ▶ Product, service and operations sustainability and quality, customer relationships and cooperation ▶ Recycling and waste management of consumer electronics ▶ Offering spare parts and repairs ▶ Offer a good working environment for our employees ▶ Environmentally friendly transportation ▶ Reducing GHG emissions 	<ul style="list-style-type: none"> ▶ Responding promptly to questions and concerns via e-mail, phone through our call centre and social media ▶ Environmentally friendly deliveries marked out in online checkout (NetOnNet) ▶ New packaging strategy for private label, ensuring efficient packaging and the use of more environmentally friendly packaging
<ul style="list-style-type: none"> ▶ Product, service and operations sustainability and quality, customer relationships and cooperation ▶ Packaging ▶ Transportation matters, including social aspects within the transportation area ▶ GHG emissions including access to information about GHG emissions ▶ Financing and payment terms 	<ul style="list-style-type: none"> ▶ Ongoing dialogue ▶ Continuous service development based on customer feedback
<ul style="list-style-type: none"> ▶ Working conditions for workers in the value chain ▶ Optimising energy consumption of products ▶ Producer responsibility such as eco-design of products ▶ Inspiring customers to buy more eco-friendly products ▶ Packaging 	<ul style="list-style-type: none"> ▶ Ongoing dialogue ▶ Strengthened group supplier code of conduct ▶ Conducted 67 factory audits for private label suppliers in 2023 ▶ 100 per cent of private label shipments quality inspected prior to shipping (NetOnNet)



WHY WE ENGAGE	HOW WE ENGAGE
<p>Shareholders/investors We engage to provide the public with accurate, comprehensive, and timely information, to form a good basis for making decisions related to valuation and trade of Komplett ASA share</p>	<ul style="list-style-type: none"> ▶ Quarterly and annual reports and presentations ▶ Regular engagement through regulatory financial communications (financial reporting, stock exchange press releases etc) ▶ Investor seminars ▶ Individual investor calls ▶ Majority owners are represented on the board of directors ▶ Gathering insight via interviews
<p>Financial institutions</p>	<ul style="list-style-type: none"> ▶ Regular engagement through regulatory financial communications ▶ Continuous dialogue ▶ Gathering insight via interviews
<p>Employees and management We depend on our employees, their knowledge, engagement, and great diversity to successfully deliver our strategy</p>	<ul style="list-style-type: none"> ▶ Employee satisfaction and engagement measured through surveys every week or every two weeks ▶ Internal channels and quarterly group-wide townhalls ▶ Training and coaching ▶ Engagement with trade unions ▶ Regular job appraisals
<p>Government/regulators We engage to share our knowledge and shape regulatory actions in pursuit of common goals and industry transition</p>	<ul style="list-style-type: none"> ▶ PR and meetings ▶ Engagement and cooperation with organisations and experts to influence government in sustainability matters
<p>NGOs and experts We commit ourselves to gain insights and guidance on the issues that are considered important in science and among NGOs</p>	<ul style="list-style-type: none"> ▶ Gathering insight via interviews and dialogue
<p>Nature (silent stakeholder) Just as we consider human stakeholders, we need to be inclusive of non-human stakeholders</p>	<ul style="list-style-type: none"> ▶ Silent stakeholder



KEY TOPICS OF INTEREST IN 2023	HOW WE RESPONDED
<ul style="list-style-type: none"> ▶ Equal treatment and opportunities for all ▶ Contribution to the green shift 	<ul style="list-style-type: none"> ▶ Transparent and regular reporting and disclosure ▶ Transparent communication ▶ Dividend and share buy-back dialogue
<ul style="list-style-type: none"> ▶ GHG emissions ▶ Conditions for own workforce ▶ Human rights for workers in the value chain 	<ul style="list-style-type: none"> ▶ Transparent and regular reporting and disclosure
<ul style="list-style-type: none"> ▶ Flexible and hybrid working ▶ Career paths, learning and development ▶ Diversity, equality, and inclusion ▶ Safety, health, and well-being at work 	<ul style="list-style-type: none"> ▶ Proactive and systematic communication and training ▶ Individual development discussions, development tools and programs ▶ Flexible ways of working and smart tools ▶ Talent program ▶ Social committees for employee satisfaction
<ul style="list-style-type: none"> ▶ Swedish chemical taxes on consumer electronics ▶ Taxes on spare parts and repairs ▶ Renewal of Second-Hand Goods Act to improve and secure conditions for sales of second-hand products 	<ul style="list-style-type: none"> ▶ Supported with insight and expertise
<ul style="list-style-type: none"> ▶ Repairability, circularity and recycling ▶ Sustainable packaging ▶ Inspiring customers to recycling ▶ Clear communication to customers on related topics information ▶ End of life treatment ▶ Social responsibility in transport sector 	<ul style="list-style-type: none"> ▶ New packaging strategy for private label, ensuring efficient packaging and the use of more environmentally friendly packaging ▶ We offer circular services such as Trade in, sale of used products and Flex
<ul style="list-style-type: none"> ▶ The construction and operation of storage and store facilities may require clearing land or altering the landscape, potentially disrupting local ecosystems and habitats ▶ The generation and disposal of waste from storage operations, such as packaging materials or hazardous waste, can also impact ecosystems if not managed properly 	<ul style="list-style-type: none"> ▶ Circular business through initiatives such as buy-back programmes ▶ Emission reduction initiatives ▶ Ongoing energy surveys of our various properties ▶ Requirements for energy efficiency in construction and materials when building new properties ▶ We strive to have properties that are built to be energy efficient and environmentally friendly, including through various certifications



MATERIALITY ASSESSMENT IN 2023

Our work on ESG only has meaning and impact if it focuses on addressing the issues that matter the most. Engaging our stakeholders in the process of defining our priorities is key to our approach to sustainability. In 2023, we conducted a double materiality assessment aligned with ESRS. This assessment resulted in the identification of seven material topics and fourteen sub-topics for the group.

To keep pace with the evolving legal requirements through CSRD, and make sure our sustainability priorities are up to date, we decided to refresh our materiality assessment at the end of 2023. We partnered with a third party to facilitate the materiality assessment to ensure all new methodological requirements are met.

Connecting material topics to performance measurement

Vision	Pillars	Tier 1 topics	Tier 2 topics
		All tier 1 topics are measured through strategic KPIs	All tier 2 topics are to be measured annually through targets
The obvious choice	Environment	<ul style="list-style-type: none"> ▶ Climate change ▶ Resource use and circular economy 	<ul style="list-style-type: none"> ▶ Pollution
	Social	<ul style="list-style-type: none"> ▶ Own workforce 	<ul style="list-style-type: none"> ▶ Workers in value chain ▶ Consumers and end users
	Governance		<ul style="list-style-type: none"> ▶ Business conduct








The identified sustainability matters significantly influence Komplett Group's overarching strategy, performance measurement and decision-making processes.

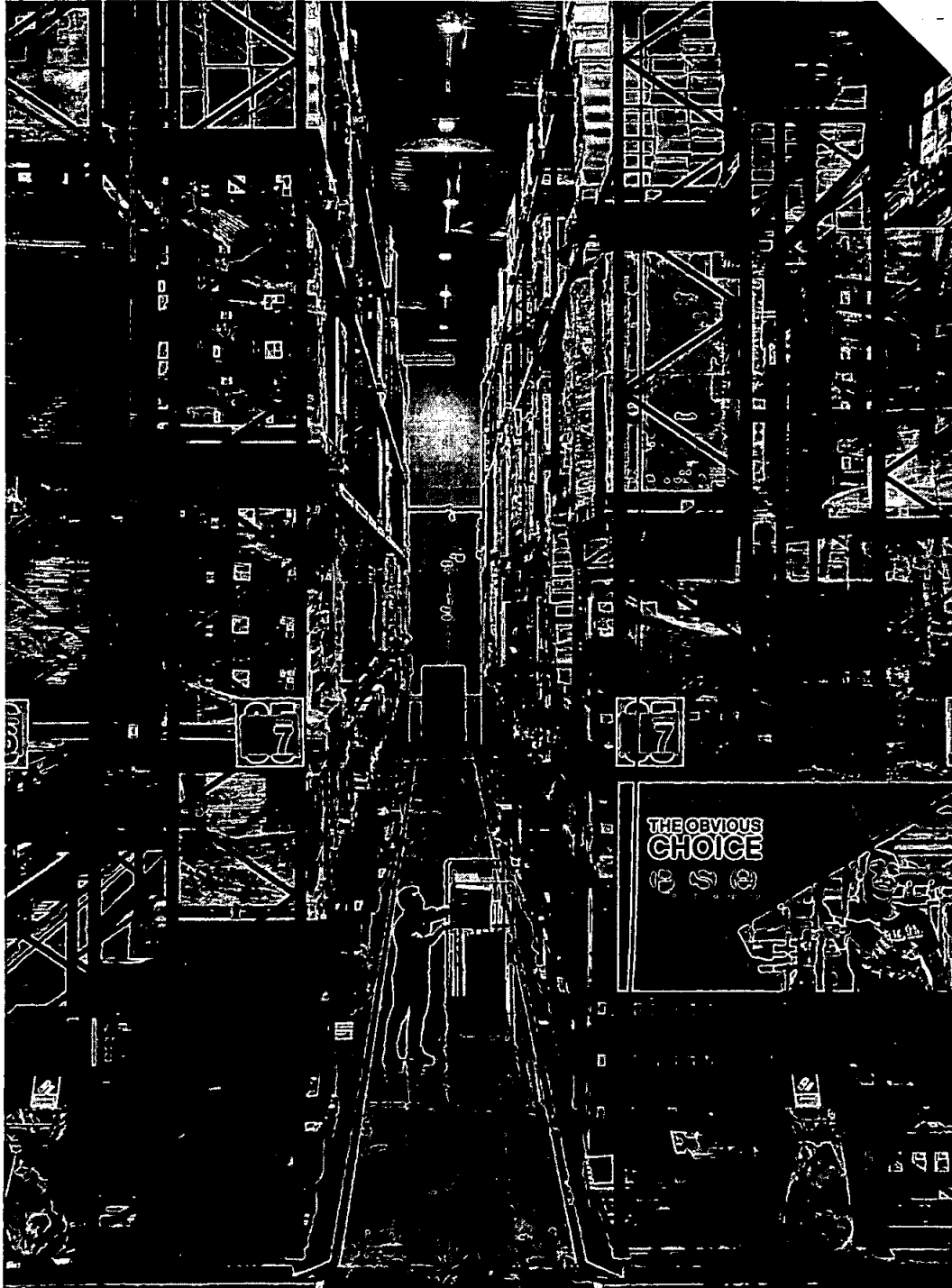
We have just launched our new strategic KPIs and will continue the work to define targets.

>> Strategic focus areas, ambitions and targets, page 69



Material topics and how Komplett understands them (ESRS 2 SBM-3)

ENVIRONMENT Environmental performance is a vital part of our licence to operate.	SOCIAL Our employees and culture are our key success criteria.	GOVERNANCE Success can only be celebrated when it is achieved in the right way.
<p>Climate change: </p> <p>Mitigating climate change by reducing greenhouse gas emissions and adopting to climate change is material to Komplett Group. The company recognises the negative impact caused by upstream activities and acknowledges financial risks associated with supply chain disruptions. Positive opportunities lie in reputation enhancement through emissions reduction and renewable energy adoption.</p>	<p>Own workforce: </p> <p>The positive impact on the company's own workforce is crucial, influencing talent attraction and retention. Komplett Group recognises diversity as an essential factor in this context, with financial risks associated with the potential loss of candidates. Opportunities lie in the development of employee skills and the positive reputational impact of a diverse workforce.</p>	<p>Business conduct: </p> <p>Establishing a strong culture regarding business conduct, anti-corruption, and whistleblower protection is a high priority for Komplett Group. The positive impact on employees, partners, and workers is recognised, with financial risks associated with corruption and bribery. Opportunities include continuous improvements in anti-corruption measures and supplier management.</p>
<p>Pollution: </p> <p>Addressing pollution, particularly in water and soil, is a key consideration for Komplett Group. The company acknowledges negative impacts on ecosystems and communities, emphasising the financial risks associated with product-related pollution. Opportunities for future changes include stringent pollution control measures and eco-friendly product designs.</p>	<p>Workers in the value chain: </p> <p>Considering workers in the value chain, especially in the electronics supply chain, is crucial for mitigating human rights violations. Komplett Group aims to address these risks through due diligence and engage with suppliers and business partners. Opportunities include improved relationships.</p>	
<p>Resource use and circular economy: </p> <p>The lifecycle of products sold by Komplett Group is a central topic, with a focus on design, material use, durability, and end-of-life disposal. The company acknowledges negative impacts caused by e-waste but sees opportunities to improve product longevity, reparability, and recyclability. Future initiatives involve sustainable sourcing, circular products, and effective recycling programs.</p>	<p>Consumers and end-users: </p> <p>Ensuring right data management, especially GDPR compliance, is a critical factor of consumers and end-users. Komplett Group acknowledges privacy concerns and emphasises the financial risks associated with ineffective data management. Opportunities lie in continuous improvements in data protection measures and end-user privacy practices.</p>	





Current and anticipated financial effects

Komplett Group has assessed the financial effects of each material topic. We have identified that the topics of high financial materiality (based on likelihood and potential magnitude) are related to resource use and circular economy, climate change and own workforce.

Resource use and circular economy

- ▶ **Financial risk:** Increased regulations on circularity, e-waste management, recycling, packaging, and use of chemicals will require investments in R&D, design and increase costs. Potential reputational risks identified for Komplett Group's return services, if they were to be marketed as "green" and did not meet these standards.
- ▶ **Financial opportunities:** The most important opportunity overall for Komplett Group lies in building strong and credible sustainability initiatives in the context of creating more circular products. This should involve all aspects related to sourcing recycled and recaptured materials, designing for durability, recycling, reparability, re-use, and adequate waste management.

Own workforce

- ▶ **Financial risk:** Risk of not attracting the best and right candidates if the company is not seen as a place with good working conditions, inclusion, and diversity.
- ▶ **Financial opportunity:** Opportunity if the company develops the right skills in employees. Diversity in the organisation has reputational benefits, may attract more talent, possibly resulting in ability to design desirable products, better understand and communicate with a diverse customer base.

Climate change

- ▶ **Financial risk:** Climate change puts pressure on areas where metals and parts used in electronics are mined and sourced. Increased demand and lower access to materials, may lead to increased costs. Especially for rare metals such as cobalt, palladium and germanium.
- ▶ **Financial opportunity:** Reducing emissions from transportation, will have reputational benefits as many customers, especially larger B2B customers, care about the topic.

In a long-term perspective, we anticipate regulatory changes and the increasing demand for green investments, as the most significant factors that might lead to financial effects.

Where impacts, risks and opportunities are likely to occur

How we manage and monitor material topics depends on where they are likely to have an impact, and the risks and opportunities ahead. Acknowledging the fact that ESG-matters are expected to play out over the coming years and decades, we have a long-time horizon when approaching materiality and making plans.

How we define the value chain:

- ▶ **Upstream:** All activities related to our suppliers of third-party brands and private label
- ▶ **Own operations:** Storage, packaging, sale, transport, customer service and administration
- ▶ **Downstream:** Distribution and sale of goods and services to B2C and B2B

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
E1: Climate change	E1: Energy	Upstream	Own operations	Downstream	Medium	Low
	E1: Climate change adaption	Upstream	Own operations	Downstream	Low	Medium
	E1: Climate change mitigation	Upstream	Own operations	Downstream	High	Medium
E2: Pollution	E2: Pollution of water	Upstream	Own operations	Downstream	Medium	Low
	E2: Pollution to soil	Upstream	Own operations	Downstream	Medium	Low
E5: Resource use and circular economy	E5: Resource inflow	Upstream	Own operations	Downstream	Medium	High
	E5: Resource outflow	Upstream	Own operations	Downstream	High	High
	E5: Waste	Upstream	Own operations	Downstream	High	High
S1: Own workforce	S1: Working conditions	Upstream	Own operations	Downstream	High	Medium
	S1: Equal treatment and opportunities for all	Upstream	Own operations	Downstream	High	Medium
S2: Workers in the value chain	S2: Working conditions	Upstream	Own operations	Downstream	High	Medium
	S2: Other work-related rights	Upstream	Own operations	Downstream	High	Low
S4: Consumers and end users	S4: Information related impact	Upstream	Own operations	Downstream	Medium	Low
G1: Business conduct	G1: Corporate culture	Upstream	Own operations	Downstream	Medium	Low

More details about each material sub-topic, including management of the topics through policies adopted, actions and resources, metrics and targets for the material sustainability matters are described in the topical chapters.

These are the topics in CSRD that we defined as relevant, but non-material:

- ▶ **Water and marine resources:** Data centres use vast amounts of potable water to cool their equipment but also indirectly through energy consumption. Water is becoming a scarcer resource, however, this topic is below our defined materiality threshold.
- ▶ **Biodiversity and ecosystems:** Our locations that are mainly in cities and industrial zones, are most likely not in areas with significant impacts on biodiversity and ecosystems. We realise, however, that best practice would be to execute nature risk assessments per location to increase this knowledge.

Komplett's materiality process (ESRS 2 IRO-1)

In 2023, we renewed our approach to materiality. We widened our mapping of impacts, risks, and opportunities, linked the materiality assessment to our stakeholders and strategy, and strengthened the connection between our material topics, risk management and performance management.

In accordance with the Corporate Sustainability Reporting Directive (CSRD), Komplett Group has undertaken a double materiality assessment to identify and assess sustainability matters relevant to the company's operations and its stakeholders' expectations. This process involves evaluating Komplett Group's impact on Environmental, Social, and Governance (ESG) factors (impact materiality) and understanding how risks and opportunities related to these factors influence the company financially (financial materiality).

Rooted in the European Sustainability Reporting Standards (ESRS), the assessment included a thorough analysis of relevant topics and sub-topics in order to comply with the CSRD reporting standards, and to set the framework for which sustainability topics to disclose in the sustainability report. The methodology used for risk assessment with regard to likelihood and consequence was based on and aligned with the methodology used for the enterprise risk assessment. Also, the results of the double materiality assessment were included in the process of the overall enterprise risk assessment.

We also considered entity-specific topics, but did not identify any additional, material matters beyond those covered in ESRS.

FOUR STEP-APPROACH

The 2023 materiality assessment was conducted in four steps:

- 1. Understand**
 - ▶ Understanding the context including business model, relationships, and value chain
- 2. Identify**
 - ▶ Collect information from internal and external sources
 - ▶ Identify impacts, risks and opportunities
- 3. Evaluate**
 - ▶ Score topics
 - ▶ Define the final list of material matters
- 4. Decide**
 - ▶ Determine threshold values
 - ▶ Verification and approval by group management and directionally support by board of directors

1. Understand

We mapped key activities in the value chain, see illustration in the Sustainability strategy and business model chapter. We also did a stakeholder mapping by which the most essential ones were agreed upon. A plan for stakeholder engagement regarding ESG topics was then created. The project team had members from Komplett ASA and all the subsidiaries, as well as associated key resources and experts from different parts of the organisation.

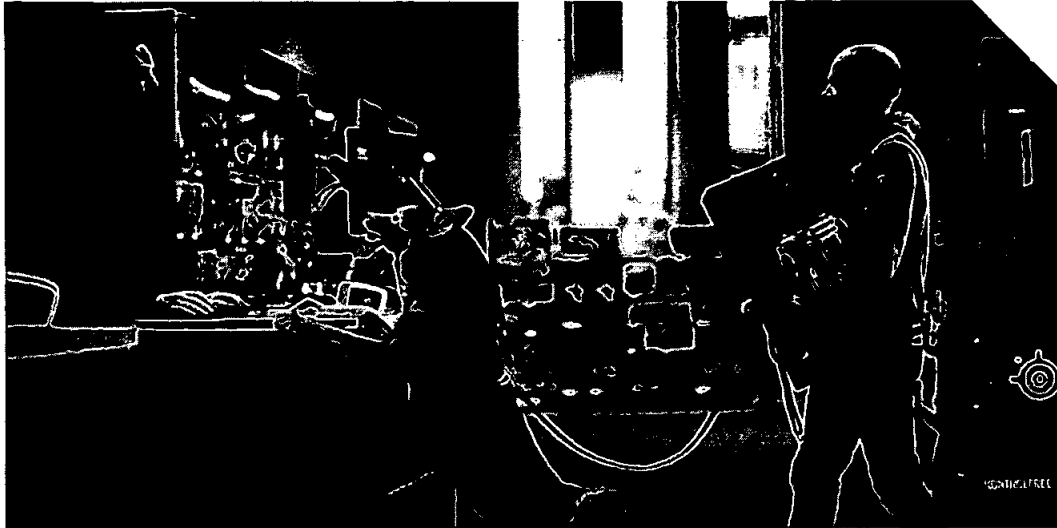
2. Identify

Our mapping of risks and opportunities drew on input from several sources and processes, not least from our stakeholder engagement.

Sources used:

- ▶ Workshops and interviews with internal stakeholders from across the group companies and fields of expertise
- ▶ Interviews with external stakeholders, customer surveys and industry-insights
- ▶ External reports and sources
- ▶ Document review of internal reports

Evaluation of financial and impact materiality was carried out in an Excel-workbook, giving a full impact risk and opportunity register on the ESRS topics and sub-topics. We did not identify any entity-specific topics beyond those already defined by CSRD.



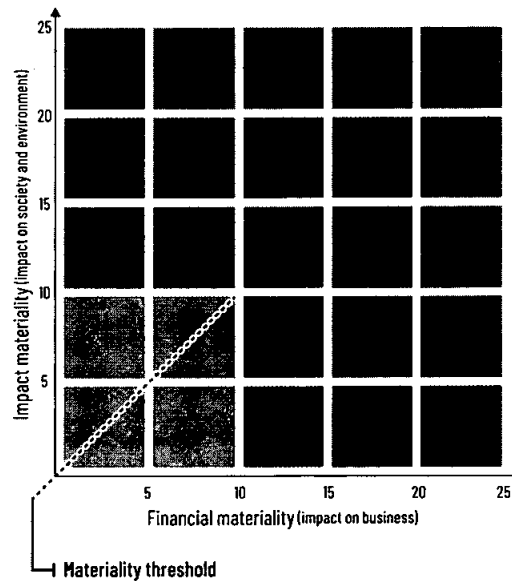
3. Evaluate

An assessment was done separately for actual and potential impacts, as well as actual and potential risks and opportunities. The following elements were captured with a scoring on a scale of 1 to 5.

Impact materiality	Financial materiality
Impacts are assessed based on severity and likelihood.	Risks and opportunities are assessed based on a combination of:
Severity:	Likelihood of occurrence
<ul style="list-style-type: none"> ▶ Scale of impact ▶ Scope of impact ▶ Irremediable character ▶ Likelihood 	Potential magnitude of the financial effects:
In the case of potential negative human rights impact, the severity of the impact takes precedence over likelihood.	<ul style="list-style-type: none"> ▶ Financial impact ▶ Reputational impact ▶ Compliance impact

4. Decide

Thresholds are used to determine which impacts, risks and opportunities that are material. This drives the identification of material matters and material information for disclosure. Group management determined to set the threshold at the numeric value 10. This was based on our overall risk tolerance and which topics we believe our most important stakeholders may determine material.



Defined thresholds	Values from	Values to
High	15.1	25
Medium	10.1	15
Low	0	10

We plan to update the materiality assessment every year ahead of our annual report, but we may do it more often if there are unexpected changes in our business situation.



HOW WE MANAGE MATERIAL MATTERS

EMBEDDING SUSTAINABILITY IN OUR POLICIES AND PROCESSES (ESRS 2 MDR-P)

The group integrates sustainability into the core business principles and processes that govern how we strategise, make decisions, and conduct our everyday work. In 2023, we established new business conduct policies at group level. These are the Code of Conduct, Supplier Code of Conduct, the Anti-Corruption and -Bribery Policy, and Whistleblower Policy.

All our corporate codes, policies, procedures, processes, and guidelines are published on the company's internal website. Going forward, we are also considering publishing more policies on our external homepages to make them available to our suppliers, business partners and other stakeholders.

Where applicable, the standards and policies have been developed based on internationally recognised initiatives such as UN's Global Compact's principles, OECD Guidelines

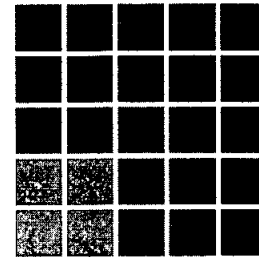
Our sustainability policies at group level:

POLICY NAME	PURPOSE	CONTENT
Code of Conduct	Ethical guide outlining standards for employees and stakeholders	<ul style="list-style-type: none"> ▶ Compliance with local and international law ▶ Principles: honesty, transparency, and respect ▶ Addresses environmental responsibility, fair trade, and human rights ▶ Annual review process to enhance ethical standards
Corporate Governance policy	Ensures good governance practices, reliable reporting, and compliance	<ul style="list-style-type: none"> ▶ Regulates roles between shareholders, board, and management ▶ Sets objectives, means of attainment, and reporting ▶ Ensures compliance with legislation and standards
Supplier Code of Conduct	Integrates UN Global Compact principles for responsible business practices in engagement with suppliers	<ul style="list-style-type: none"> ▶ Mandates compliance with local laws and international standards ▶ Emphasises human rights, safe working conditions, and fair trade ▶ Strict regulations on wages, working hours, and overtime ▶ Refusal to collaborate with illegal practices
Anti-corruption and -bribery policy	Zero-tolerance approach to all forms of corrupt activities	<ul style="list-style-type: none"> ▶ Prohibits bribery, kickbacks, facilitation payments, and gifts ▶ Strict regulations on gifts, hospitality, and entertainment ▶ Third-party due diligence and ethical standards ▶ Mandatory anti-corruption training and whistleblowing
Whistleblower policy	Encourages reporting of concerns related to violations of laws and ethics	<ul style="list-style-type: none"> ▶ Defines whistleblowing and applicable issues ▶ Applies to all employees, business partners, and suppliers ▶ Reporting through electronic channels or confidentially ▶ Protection for whistleblowers
Enterprise risk management policy	Ensures systematic risk management and contributes to value creation	<ul style="list-style-type: none"> ▶ Systematic and uniform approach to risk management ▶ Common understanding of group risks, including financial, operational, and reputational ▶ Early mapping, analysis, and control of significant risks ▶ Clarifies roles and responsibilities associated with risk management
Local policies	Supplement group policies with local policies in subsidiaries	<ul style="list-style-type: none"> ▶ Encompass HR, working environment, equal opportunities, and safety



for Multinational Enterprises, ILO conventions and United Nations Convention against Corruption. Komplett Services is also certified according to ISO 9001 and ISO 14001.

Komplett Group has developed a set of policies that apply to all group-companies which in turn acts as guidelines for the development of their respective policies. Below follows an overview of the main policies, procedures, guidelines, and manuals governing the operations of the Komplett Group level and in subsidiaries specifically.



	APPROVAL AND RESPONSIBILITY
vs pect air competition, and information security standards	<ul style="list-style-type: none"> ▶ Approved by the board of directors ▶ The group CEO is responsible for implementation and compliance
ard, and management performance monitoring regulations	<ul style="list-style-type: none"> ▶ Approved by the board of directors ▶ The group CEO is responsible for implementation and compliance
nternational conventions nditions, and environmental responsibility s, child labour, and non-discrimination s	<ul style="list-style-type: none"> ▶ Approved by the group CEO ▶ Group commercial officer is responsible for implementation and compliance
lyments entertainment ards alignment istleblower reporting	<ul style="list-style-type: none"> ▶ Owned by group CEO ▶ Implemented by group CFO
ies s, and suppliers ther means	<ul style="list-style-type: none"> ▶ Overseen by group CEO ▶ Implemented by group CFO
anagement luding sustainability ificant risks ted with risk management	<ul style="list-style-type: none"> ▶ Approved by the board of directors ▶ The group CEO is responsible for implementation ▶ The group CFO is responsible for reporting risks to the audit committee and the board of directors
ality, discrimination, and harassment policies	

ENVIRONMENTAL INFORMATION

Our ambition is to become climate neutral by 2040, and to align with the 1.5-degree pathway according to the Paris Agreement in our own operations by reducing scope 1 and 2 with 42 per cent by 2030 from a 2022 baseline. Decarbonising our own operations is critical, but we also want to contribute to reducing emissions and impact on nature from our supply chain.



CLIMATE CHANGE

We are committed to reducing our own emissions and helping our customers to make greener choices. In 2023, we offered new initiatives like fossil-free deliveries to

customers and worked with several courier suppliers to reduce our upstream transport footprint, taking us one step closer to our net-zero ambition.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
E1: climate change	E1: Energy	Upstream	Own operations	Downstream	Medium	Low
	E1: Climate change adaption	Upstream	Own operations	Downstream	Low	Medium
	E1: Climate change mitigation	Upstream	Own operations	Downstream	High	Medium

Energy: Energy consumption in Komplett Group's warehouses, stores and offices contributes to energy use and indirect carbon emissions. This includes energy used in logistics, involved in moving products to and from storage facilities.

Climate change adaptation: Climate change puts pressure on areas where metals and parts used in electronics are mined and sourced. Increased demand and lower access to materials, may lead to increased costs.

Climate change mitigation: GHG-emissions stem mainly from upstream activities and the largest opportunity for reduction is related to transportation. This includes transportation from suppliers to own operations for private labels and from own operation to customer "last mile". Reducing emissions from transportation will have reputational benefits.

MATERIALITY MANAGEMENT

Transition plan for climate change mitigation (ESRS E1-1)

We defined and released our strategic KPIs about climate neutrality in the beginning of 2024.

In parallel with defining this, we also had a working group looking into what activities will contribute to emission reductions, and what reductions are achievable short and long term.

Zero emissions from own operations

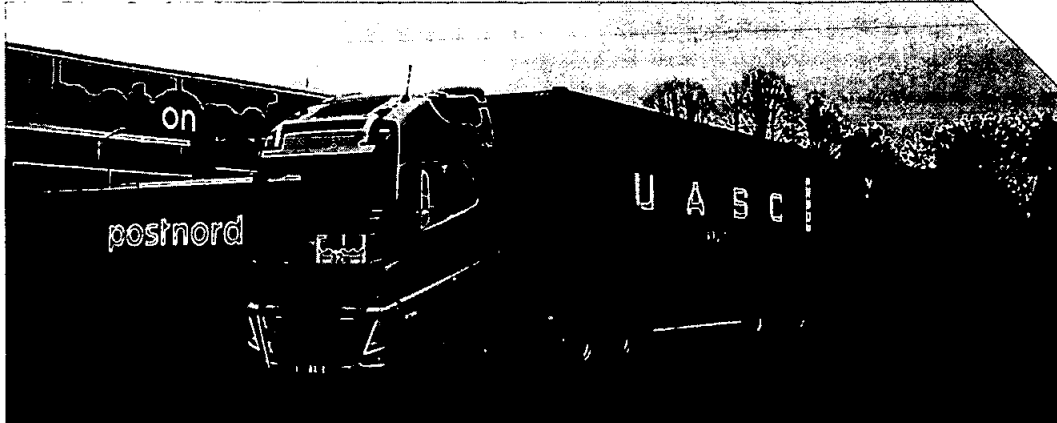
We are working to make all parts of our own operations free from emissions, by reducing the electricity consumption in our stores and warehouses, sourcing only renewable energy and introducing zero emission transport across our operations. In addition to this, we will start a large number of smaller initiatives which together make a real difference.

Reducing energy consumption

We monitor energy consumption throughout the year and will map our stores on consumption per square meter. All new stores are fitted with LED lighting, and we are working to change to LED in existing stores as well. In 2023 we finished a huge switch from conventional lighting in Sweden.

Enabling sustainable choices

Customers want to make sustainable choices, and we are here to help, by pursuing to offer products that have a long life, can be repaired, and recycled, and helping customers



| AUTOFREIGHT: HOW WE REDUCE CO₂ EMISSIONS

The project "Autofreight" is a joint effort to reduce CO₂ emissions from the transportation of goods from the port in Gothenburg to a number of companies in Viared, 60 km west of Gothenburg. The project is hosted by the City of Borås and one of the companies taking part in the project is NetOnNet, whose central warehouse is in Viared.

"It's all about making transportation more efficient," says Johanna Nordh, who is responsible for import and transport of private label goods in NetOnNet.

"The company's private label goods are primarily transported by ships that arrive at the port in Gothenburg. From there, the goods are unloaded onto trucks that are driven to Viared".

Viared serves as a significant logistical hub for freight transport in western Sweden, hosting a large number of companies.

"The goal of the Autofreight project is to streamline transportation from the port in Gothenburg. The project is a broad collaboration involving the City of Borås, Volvo Trucks, major companies based in Viared and Swedish authorities. The objective is to coordinate and synchronise freight transport for multiple companies to maximise the utilisation of trucks to reduce their environmental footprint".

Johanna explains that a prerequisite for the success of the project is the use of larger vehicles, known as High Capacity Transport, HCT.

"Larger trucks enable us to carry more goods per haul. Specifically, it means that we can take on two 40-footer containers from the ships, whereas ordinary trucks can only transport one 40-footer and one 20-footer".

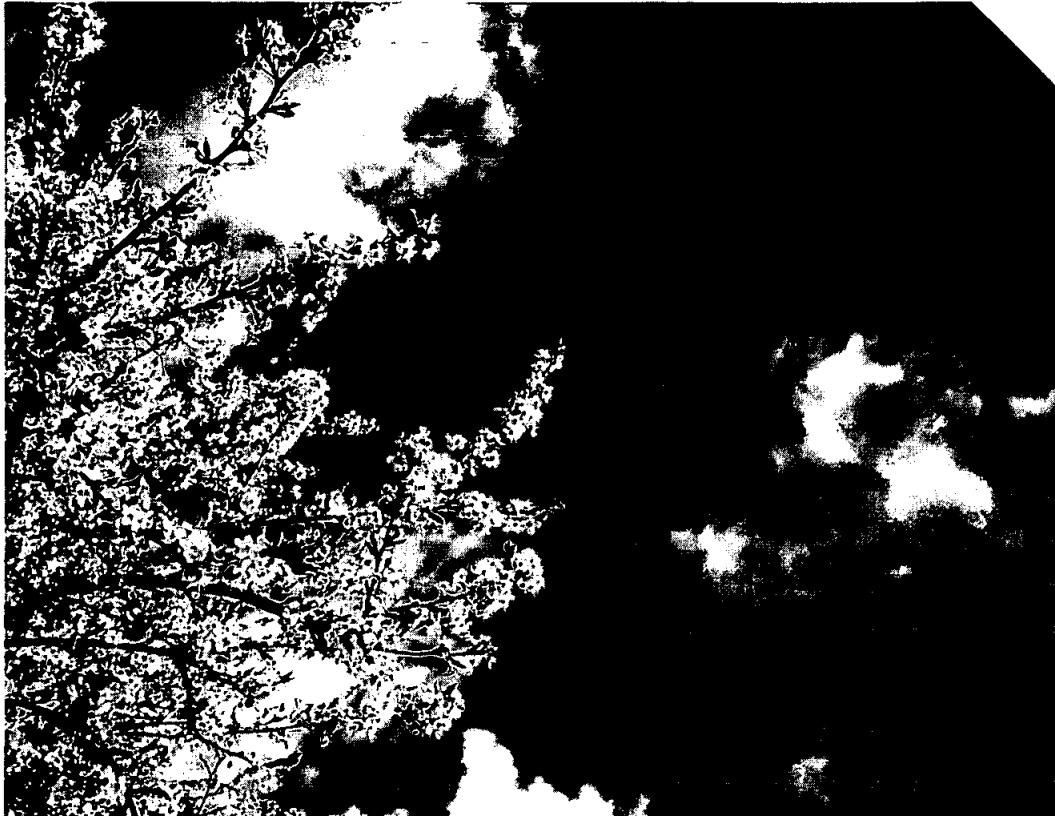
By increasing the volume of each haul, the company is reducing the overall fuel consumption – and thus CO₂-emissions. This, however, does not come about without efforts:

"The use of larger vehicles depends on properly dimensioned roads that must be in accordance with safety standards. Together with a host of other companies, we have established a collaboration with the Transport Agency and the Swedish Transport Administration", she explains.

"This group has worked for several years with the goal of improving the road standards to enable larger trucks".

These efforts reaped awards when the upgraded roads opened for 34.5-meter trucks in 2023. Johanna says that approximately one-third of NetOnNet's transportation now utilises the bigger trucks enabled by the improved road standards.

"This gives us great opportunities to improve even further in the years ahead. About a third of our shipments already benefit from the improved system. However, we will strive to involve even more companies in the initiative, thereby maximising the collective benefits in terms of cost savings and CO₂ reduction".



make more informed choices through communicating with them in an open and transparent way in relation to environmental parameters and facts. As an effort, we make green choices through our private labels, in addition to pushing our suppliers towards becoming more sustainable. We also see environmentally certified goods and services as a great opportunity for sustainable choices.

Transition plan

Our climate strategy, which we will set at the start of 2024, aims to lower our emissions and benefit the climate and nature. We will also implement an environmental group policy that supports this goal. We are still working on a full transition plan, and we expect to finalise and adopt it in 2024.

PRIORITIES 2023

Actions and resources (ESRS E1-3)

Collaboration with our delivery suppliers

As an e-commerce actor, transport logistics is an extensive part of our business. This means that we transport large quantities of goods every day. We recognise that

our impact from the upstream transportation and distribution is one of our largest contributors to GHG emissions as it counts for more than half of the group's total reported emissions.

Komplett Group works with several small and large courier suppliers for our outgoing transportation in Sweden, Denmark, and Norway, as well as several suppliers and producers who deliver products to our warehouses. We continue our efforts to collaborate with our delivery suppliers and to find collective solutions to this mutual industry challenge.

All Komplett Group's transports, both internally and with partners, must be carried out in the most climate-friendly way possible. Solutions like biodiesel, efficient packaging to reduce the number of transports, or optimised transportation routes to reduce fuel consumption are key. All outgoing shipments are handled through the warehouses and the warehouse stores, where the subsidiaries cooperate with various transportation partners.

Fossil-free deliveries to customers

Through participation in the branch-initiative "Fossil-free deliveries" driven by Svensk Handel, NetOnNet works to make it easier for customers to make sustainable choices when shopping online. NetOnNet's checkout clearly marks out the fossil free shipping options. If any fossil-free option is available, it is always presented at the top of the list of shipping options.

Less customer returns

The high return rate within the e-commerce business is receiving increased public attention because of its negative climate impact. Komplett Group strives to reduce the return rate to a minimum serving both our business and the environment by reducing our emissions. This requires us to ensure that our customers receive the correct products with the expected standard and quality. Detailed descriptions of our products, along with reviews from other customers, play a part in maintaining low return rates.

Customer product return rates:

Per cent	2023	2022	2021
Komplett	2.4%	2.1%	2.1%
Webhallen	4.2%	4.6%*	4.4%*
NetOnNet	3.9%	3.6%	3.3%

* The number has been restated from the 2022 report.

Product return rate is measured as the number of items returned by customers (a previously purchased item to Komplett to receive a refund, exchange for another item, or store credit) divided by the total number of items sold.

We are working to reduce the return rate in a number of ways. Among other things, we have been improving and automating the buyback process for several years, and neither Webhallen nor NetOnNet offer free returns. For 2023, we see that the return rate increases for NetOnNet and Komplett, while decreases for Webhallen. Possible reasons for the increases are a combination of enhanced consumer awareness and difficult economic times, as well as improved data quality. On the other hand, the return rate for Webhallen decreases, partly due to stricter criteria for accepting returns and improved product quality.

Carbon accounts

We have continued our efforts to improve the quality of our climate accounts. In 2023, we have included climate data related to the company Ironstone. We continue our efforts to improve the quality of scope 3-reporting.

PERFORMANCE 2023

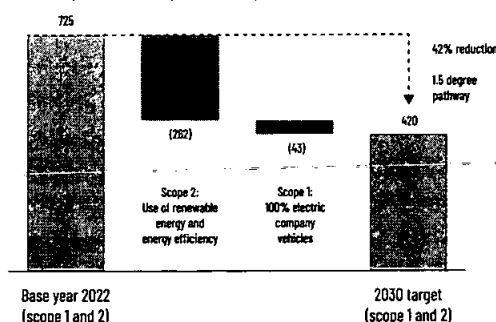
Commitments (ESRS E1-4)

CLIMATE NEUTRAL

Scope 1 and 2 (1.5 degree pathway):
Reduction of at least 42 per cent GHG emissions by 2030 from a 2022 baseline
 Scope 1, 2 and 3:
Net zero by 2040

CLIMATE EMISSION ROADMAP BY 2030

Reduction planned in own operations (scope 1 and 2)



Energy consumption:

MWh	2023	2022
Komplett	4 868	4 653
Webhallen	2 510	2 870
NetOnNet	10 177	10 996
Ironstone	88	-
Total	17 743	18 519

Energy consumption is the amount of energy used.

Renewable energy share:

Per cent	2023	2022
Komplett	75	75
Webhallen	88	60
NetOnNet	68	61
Average	70	65

Renewable energy is energy from renewable sources that are naturally replenished on a human timescale.

Energy consumption and mix (ESRS E1-5)

Komplett Group's operations involve the consumption of energy through electricity, district heating and transportation, contributing to carbon emissions within scope 2. We have reduced our energy consumption by over four per cent compared to last year, demonstrating our commitment to energy efficiency.

The group's ambition is to reduce energy consumption and increase the use of renewable energy sources at our locations. By continuously implementing new processes and technologies aimed at reducing energy consumption and the overall energy footprint, Komplett Group is taking steps each year to achieve this ambition. These steps include, but are not limited to, more efficient lighting in our facilities, reducing reliance on fossil fuel transport and increasing the amount of fossil-free electricity purchased. Last year, for example, NetOnNet was able to change the way some of its landlords purchase electricity, so that only electricity with green certificates was purchased. This is reflected in the group's renewable energy share, which increased by five per cent.

Green electricity

NetOnNet and Webhallen aim to use green electricity in all properties where the companies are free to choose their electricity supplier. LED-lightning is installed in all NetOnNet stores in Sweden. This is in progress for the stores in Norway. Komplett Services purchases electricity from solar panels, which covers part of the energy needed to run one of the company's two central warehouses. Going forward, we will look at the possibility of more solar panels.

Energy-efficient products

The tech sector's increasing energy consumption globally presents an opportunity for Komplett Group to influence customers by promoting more energy-efficient products. Demand for energy-saving products is expected to increase significantly in the future, and this will be reflected in the subsidiaries' assortment through energy-efficient products. Customers will also have the opportunity to filter products on websites based on the energy aspect.

Komplett Group's carbon accounts (ESRS E1-6)

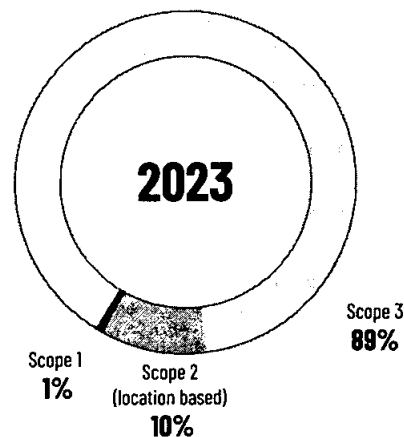
tCO ₂ e	2023	2022
Scope 1	84	102
Scope 2 location based	648	623
Scope 3	5 711	4 348
Total GHG emissions	6 443	5 074

As in the previous year, scope 3 continues to represent the largest share of emissions within the Komplett Group. More emission sources have been included in this year's reporting, which explains the increase in emissions compared to 2022. The main additions to this year's carbon accounting include:

- ▶ The inclusion of Ironstone (scope 1 and 2, purchased goods and services, and waste).
- ▶ Expanded coverage of transport suppliers for both Webhallen and Komplett compared to 2022. The figures for Komplett also include outbound transportation for Ironstone.
- ▶ Inclusion of purchased packaging materials in purchased goods and services for NetOnNet.
- ▶ Incorporating business travel emissions from Webhallen.

Upstream transportation and distribution accounts for the largest share of emissions in the 2023 carbon footprint, at 55 per cent, similar to 2022. The second largest category is purchased goods and services, representing 24 per cent of the total emissions. It should be noted that the scope 3 emissions are not complete or fully mapped and that the distribution of emissions per category is likely to change as more emission sources are included in the carbon accounting. Komplett Group will continue to work on expanding scope 3 to include more emission sources and improving data quality.

KOMPLETT GROUP'S FOOTPRINT





Komplett Group's footprint 2023:

	tCO ₂ e	Share of total
Scope 1: Transportation	66	1.00%
Scope 1: Refrigerants	17	0.30%
Scope 2: Electricity	350	5.40%
Scope 2: District heating & cooling	298	4.60%
Scope 2: Electric vehicles	1	0.01%
Scope 3: Upstream transportation and distribution	3 569	55.40%
Scope 3: Purchased goods and services	1 519	23.60%
Scope 3: Fuel-and-energy-related activities	243	3.80%
Scope 3: Waste	228	3.50%
Scope 3: Business travel	153	2.40%

Direct emissions (scope 1)

Komplett Group's scope 1 emissions stem from the fuel combustion from leased vehicles and refrigerants. Komplett Group has no stationary combustion.

Indirect emissions from electricity (scope 2)

Komplett Group's scope 2 includes emissions from purchased electricity, heating and cooling in offices, warehouses, and stores. Energy from electricity and heating at our owned and leased locations accounts for the

majority of our total energy consumption and Scope 2 emissions.

Indirect emissions (scope 3)

Upstream transportation and distribution accounted for the largest share of emissions, at 55 per cent of the total GHG emissions for the group. The second largest category was purchased goods and services, which accounted for 24 per cent of the emissions and included emissions from the production of materials used for packaging and Ironstone software.

Anticipated financial effects (ESRS E1-7, ESRS E1-9)

To achieve our net zero target by 2040, we will consider purchasing carbon credits in the future. Climate-induced challenges, such as water stress, extreme heat, and flooding that affect electronics production hubs are all risks. Additionally, high demand and limited access to materials, especially rare metals like cobalt, palladium, and germanium, may lead to increased costs as well.

THE WAY FORWARD

We will be developing a comprehensive climate strategy in the coming year, accompanied by an environmental policy and a clear transition plan outlining the steps towards achieving our net-zero goal by 2040. This initiative aligns with our commitment to environmental sustainability. Moving forward, we will ensure the necessary resources and investments to achieve our goals.





POLLUTION

Pollution is a material concern for many companies due to its impact on environment. In our 2023 materiality assessment, we identified pollution to water and soil by raw material producers and sea transportation as mate-

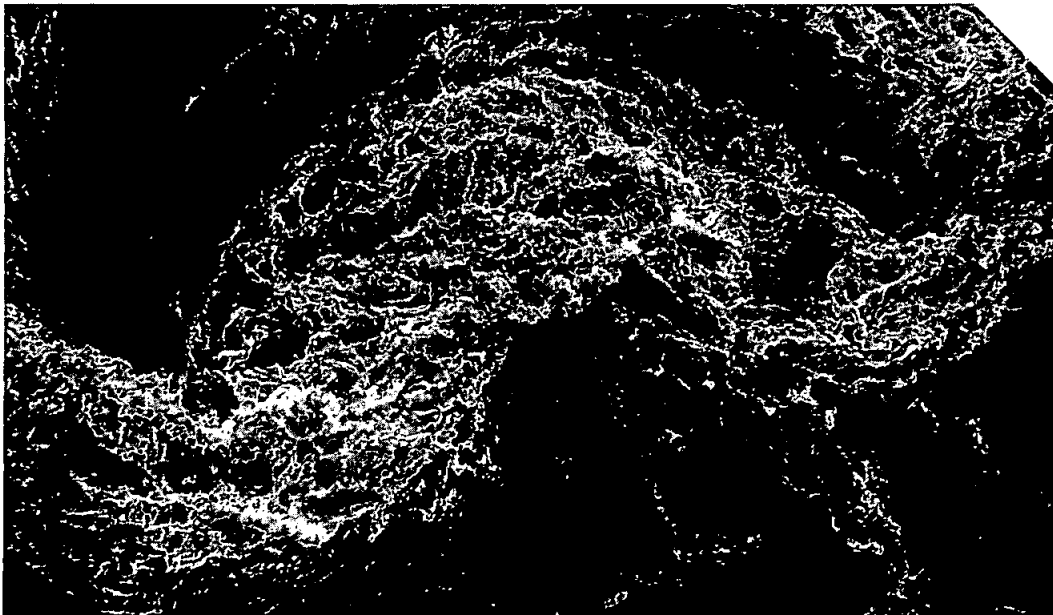
rial matters, which related to our upstream supply chain. We realise, however, that there is a need for more knowledge about our impacts, to initiate actions and measurements during 2024.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
E2: Pollution	E2: Pollution of water	Upstream	Own operations	Downstream	Medium	Low
	E2: Pollution to soil	Upstream	Own operations	Downstream	Medium	Low

Pollution of water: Products sold by Komplett Group contain plastic and steel, which emit wastewater containing toxic compounds during production. A large proportion of Komplett Group's suppliers transport goods by ships. The fossil fuel used in transportation by sea may lead to pollution in water and oil spills.

Being a technology provider, Komplett Group acknowledges the presence of metals like cobalt, copper, nickel, and manganese in electronics and lithium batteries in several of the products in its portfolio. Strategies are being implemented to identify and substitute these materials with more sustainable alternatives. Furthermore, emphasis is placed on responsible sourcing practices to minimise the environmental impact of raw material extraction.

Pollution of soil: Products sold by Komplett Group use metals as cobalt, copper, nickel, and manganese which have substantial impacts on topsoil around mining and smelting sites and release massive amounts of heavy material into the environment.





RESOURCE USE AND CIRCULAR ECONOMY

Our sector brings many opportunities, but not without challenges. Electronic waste is the fastest growing solid waste stream in the world. Electronic products often contain scarce and precious materials, and thus products need a long life, and they need to be recycled. We have

ways to efficiently collect electronic waste from our customers. Together with our recycling partners, we want to make sure as little as possible goes to waste but is given a new life.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
E5: Resource use and circular economy	ES: Resource inflow	Upstream	Own operations	Downstream	Medium	High
	ES: Resource outflow	Upstream	Own operations	Downstream	High	High
	ES: Waste	Upstream	Own operations	Downstream	High	High

Resource inflow: Most consumer electronics provided by Komplett Group can be recycled when handled properly. Komplett may influence resource inflow by carefully curating its product catalog and using recycled materials. New regulations related to circularity for electronics and packaging may increase the need for further investments.

Resource outflow: Products lacking repairability, durability and replacement options promote frequent replacements and resource waste. As a supplier of electronic products and producer of private label products, Komplett Group thus negatively impacts e-waste levels. An opportunity for Komplett lies in building services that increase circularity in product design and re-use of products and materials.

Waste: Manufacturing electronics sold by Komplett Group require significant volumes of chemicals and hazardous substances that when not handled properly, can generate significant harm to the environment. There is a risk related to changes in the regulatory environment for waste and resource outflow.

MATERIALITY MANAGEMENT

Policies related to resource use and circular economy (ESRS E5-1)

At Komplett Group, we recognise that the retail business faces many sustainability challenges. These include resource scarcity, the environmental footprint of resource extraction, and hazardous components that must be safely handled. Additionally, electronic products tend to be replaced frequently.

Komplett Group aims to contribute more to business models based on circular models' principles for optimal

reuse and recycling. Through our collection of used and discarded electronics, we operate in accordance with the Waste Electrical and Electronic Equipment Directive (WEEE) to contribute to minimising the environmental impact of electrical and electronic equipment waste.

PRIORITIES 2023

Circular business (ESRS E5-2)

By partnering with waste management actors in Norway and Sweden, along with our suppliers, we have established efficient ways to collect electronic waste from our customers. We also have concepts that offer customers the opportunity to buy used and remanufactured products, along with buyback options.

Komplett FLEX

FLEX is a service offered by Komplett Services that enables consumers to subscribe to a product, with an option after two years to either return the used product or keep it. Customers can choose this service for more than 1000 of Komplett's products. This gives Komplett more control over the product life cycle and makes it easier for the consumer to dispose of their products. Komplett ensures that returned products are either refurbished and given a new owner or recycled in an eco-friendly manner, aligning with Komplett Group's goal of promoting sustainable product life cycles. Today, FLEX represents approximately 10 per cent of B2C sales in Norway and Sweden. The first subscriptions were renewed in 2023 and customers have started returning products.

Trade-in and buyback programme

NetOnNet's buyback programme is offered both online and in warehouses in Norway and Sweden. The service enables customers to return used products. When customers turn in their old product, they are either rewarded



with a gift card or a discount on a new product. In 2023, 91 per cent of returned products were reused. The estimated CO₂e savings from this service is about 932 tonnes in 2023.

NetOnNet's partner, Foxway, purchases NetOnNet's used products, repairs them, and produces spare parts, creating a second lifecycle for the devices. This approach saves energy and resources by avoiding the production of new products. Repairing old equipment saves energy and finite resources that would otherwise be consumed in the production of new products. The remanufacturing and remarketing of used ICT equipment and IT devices benefit all parties. Partners and consumers receive a functioning device at a significantly lower price. Only a small percentage of items are sent to recycling.

Most devices are given a new life by being sold to new customers. The collected products are sorted according to their condition. Some items do not need much attention and can simply be sent to the second lifecycle after repair, while others need to undergo a more thorough repair. To replace broken or worn parts, NetOnNet reuses components from unrepairable products as far as possible before using new parts. Some items are severely damaged and therefore not suitable for second lifecycle. The items can still be recycled, and the raw materials can be reused.

Sale of used products

In NetOnNet, customers can also buy used products such as laptops and mobile phones both in Lagershop and online. The interest in pre-owned products has increased sharply among customers in 2023, leading the company to sell more than four times as many pre-owned products as the previous year.

Hyreshyllan

Through NetOnNet's concept "Hyreshyllan" the company has provided the customers with an opportunity to rent products. At the end of the rental period, the product is returned, stored, and then offered for rent to other customers. This ensures that the products can be used throughout their lifetime. The service was launched in Sweden in February 2022. After almost two years of building knowledge about customer preferences and understanding how business models operate, the company decided to pause the service in December 2023 for further development.

Webhallen Revive

Webhallen continues with the buy-back programme, Revive. The service enables customers to bring their old mobile phone, iPad or MacBook to Webhallen in exchange for a new one. When customers turn in their old product,

they are either rewarded with a gift card or a discount on a new product. The buy-back value of the product is based on criteria set by Corporate Mobile Recycling (CMR).

In 2023 there were a total of 300 trades with an average value of SEK 1530. The total product value was SEK 456 000. These products are bought by the partner company CMR who sells the products as second-hand products.

Outlets

Komplett Services, NetOnNet and Webhallen also offer bargain and outbound products for sale in addition to items returned by customers. All products for sale in the online outlets are of high quality but cannot be sold as A-grade goods. The companies also offer bargain and outbound products in physical stores and via partners. These initiatives have in total given a second life to approximately 80 000 items in 2023.

Waste management

For Komplett Group, effective and responsible waste management is a top priority in our sustainability strategy. We continually work to find solutions to reduce waste in our operations and to help our customers do the same. This includes establishing a sustainable waste system, recovering valuable resources more efficiently by incorporating them into the life cycle of new products and services.

Management of electronic waste


Products containing electronic materials can be both dangerous and toxic. Therefore, it is very important that these products are recycled when they no longer function or if they are no longer in use. Materials such as lead, chromium, mercury, beryllium, arsenic, and cadmium can be dangerous if not handled properly. There is also a risk if these chemicals get into the soil and water. Komplett Group encourages all customers to return their broken or damaged electronics to us so that we can make sure all e-waste is recycled in an approved manner.

Sustainable packaging

For Komplett Group, it is important to reduce the use of natural resources and develop new high-quality electronic products from recycled resources and raw materials. We aim to make our packaging more sustainable and strive to reduce the consumption of materials and the number of non-renewable materials. Also, many products are sent from the warehouses to the stores, where internal cartons and pallets are used multiple times until they are no longer functional.



PERFORMANCE 2023
Commitments (ESRS E5-3)



CIRCULAR BUSINESS MODEL

15 per cent of Komplett Group's revenues comes from circular products or services by 2028.

Resource inflows (ESRS E5-4)

When considering resource inflow, Komplett Group pays careful attention to the acquisition of raw materials, use of recycled materials, and the reuse of materials in production. This sustainability focus of circularity guides decisions related to which materials are used in product packaging.

Material use in 2023:

Tonnes	Komplett	NetOnNet	Webhallen
Cardboard and paper	622	113	110
Single-use wood pallets	58	188	92
Plastics	14	28	12
Total	694	329	214

Consumer electronics are mainly shipped in cardboard boxes, often filled with a lot of air or with fillers like paper or plastics. Due to the standardised sizes, the boxes are often larger than the products ordered. The use of material and transport volume is therefore larger than necessary. To handle this challenge, Komplett Services has invested in a packaging machine at the warehouse in Sandefjord. With the packing line, as much as 99 per cent of Komplett's orders leaving AutoStore are shipped without plastic since 2022. We have estimated that this reduces the use of plastic by 16-19 tonnes a year. The





reduced size of the cardboard boxes has also reduced transportation volumes equal to 390 containers per year.

During the year, all subsidiaries in the group continued their work to reduce the climate footprint of all shipments to customers and within their own operations. In addition to the positive impact that the new packing line has had on current plastic consumption, we are actively working to reduce the volume of parcels sent to end customer, resulting in a reduction in the use of packaging materials such as bubble wrap and cardboard. In many cases, we also stick the address label directly on the product packaging rather than putting the product in a shipping box, which saves both cardboard and air. Among other measures, we try to use thinner stretch film (plastic) whenever possible.

In 2023, NetOnNet has implemented its new packaging strategy, with the goal of shipping as little air as possible for private label products. Both transport and product packaging have worked through to ensure optimised dimensions, as well as, when possible, choosing more environmentally friendly materials for the packaging.

Resource outflows (ESRS E5-5)

In 2023, the total amount of waste in the Komplett Group was 2 258 tonnes. The largest waste fractions were paper and cardboard, wood, general waste, and electronic waste. All fractions are in general recycled, either as materials or as energy recovery. The share of recycled waste in Komplett Group was 76.5 per cent in 2023.

Waste management:

Tonnes	Komplett Services		NetOnNet		Webhallen		Komplett Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Metal and glass	1	23	26	43	1	7	28	73
Wood	179	311	289	358	1	3	449	672
Plastic	23	20	15	17	13	17	51	54
Paper and cardboard	412	419	383	417	147	149	942	985
Electronic waste, mixed EE waste	39	12	204	196	13	20	256	228
Mixed, residual and organic waste	271	110	220	255	40	43	531	408
Hazardous waste	-	0.1	2	1	-	3	2	4
Total	925	896	1 118	1 287	215	242	2 258	2 424

The tonne of waste is the total amount of waste in the Komplett Group. Note that numbers are based on all the group's facilities in Sweden and Norway, including offices, warehouses, and retail.

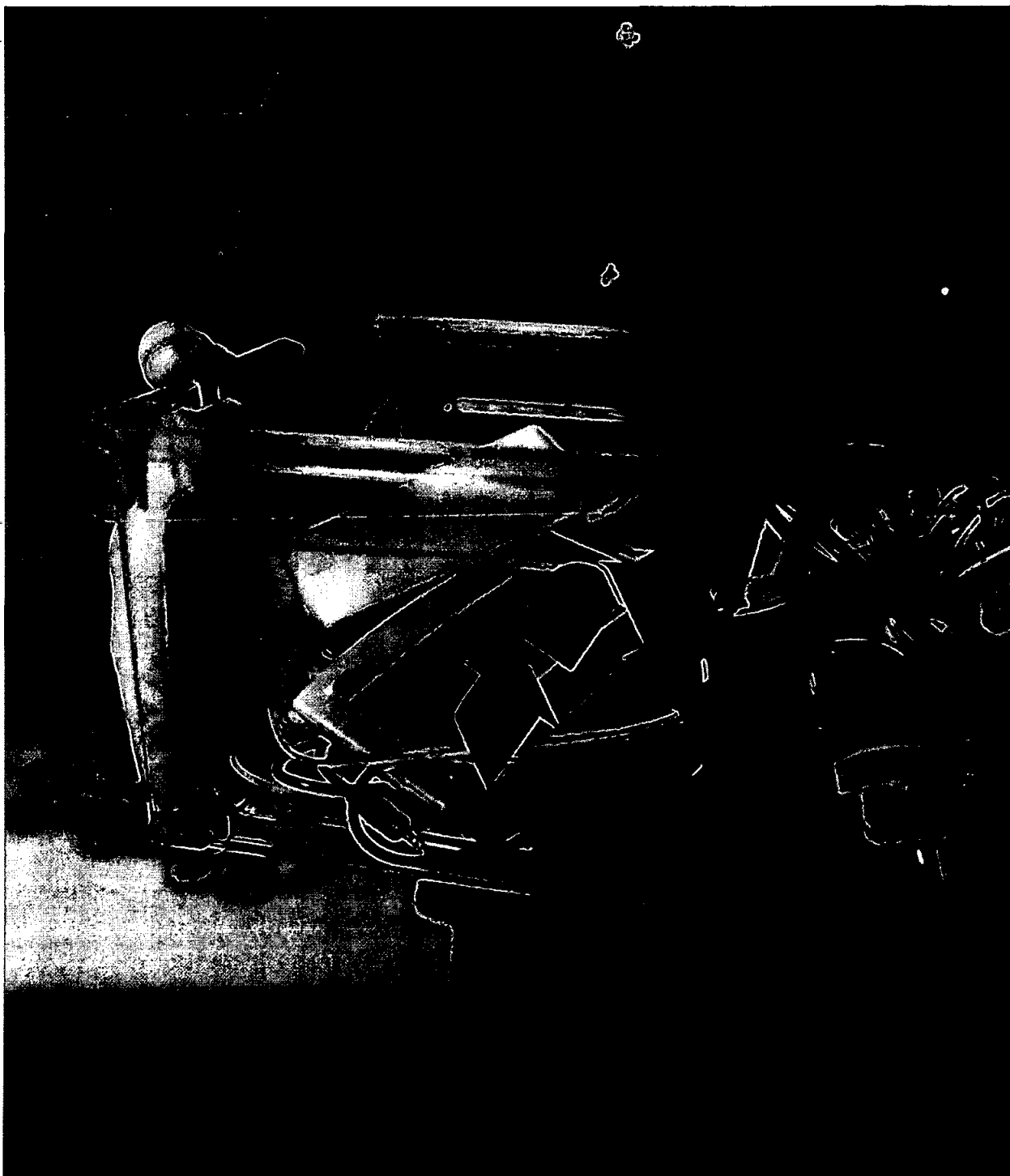
Anticipated financial effects (ESRS E5-6)

There are recognised financial risks associated with increased regulations on circularity, and the introduction of new taxes. However, opportunities for Komplett Group include building strong and credible sustainability initiatives and aligning with genuine sustainability objectives. This not only minimises risks but also contributes to long-term financial prosperity.

and beyond. We closely monitor the development of legal requirements such as the Ecodesign Directive that aims to ensure electronic products being designed for a circular economy.

THE WAY FORWARD

Komplett Group aims to make a significant contribution to the transition to a circular economy, which is why circularity is one of our three sustainability focus areas. Our goal is to achieve 15 per cent of Komplett Group's revenue from circular products and services by 2028. The group will keep developing current services and products such as FLEX and buy-back programmes. There are also plans to explore for opportunities and identify new circular services. We are assessing the growth potential and exploring possible circular products in private labels





NUMBERS AND STATISTICS

ENVIRONMENTAL DISCLOSURES

ESRS	DR	Paragraph	Measure	Unit	Komplett Group
					2023
ENERGY CONSUMPTION AND MIX					
ESRS E1	E1-5	37	Total renewable energy	MWh	12 506
ESRS E1	E1-5	37	Total renewable share	Per cent	71
ESRS E1	E1-5	37	Renewable energy - scope 1	MWh	46
ESRS E1	E1-5	37	Renewable energy - scope 2	MWh	12 460
ESRS E1	E1-5	37c	Renewable energy share - scope 1	Per cent	16
ESRS E1	E1-5	37c	Renewable energy share - scope 2	Per cent	71
GHG EMISSIONS					
ESRS E1	E1-6	44d+52	Total GHG emissions	tCO ₂ e	6 443
SCOPE 1 TOTAL					
ESRS E1	E1-6	48 a	SCOPE 1 TOTAL	tCO ₂ e	84
ESRS E1	E1-6	48 a	Transportation total	tCO ₂ e	66
ESRS E1	E1-6	48 a	Refrigerants total	tCO ₂ e	17
SCOPE 2 TOTAL					
ESRS E1	E1-6	52 a	SCOPE 2 TOTAL	tCO ₂ e	648
ESRS E1	E1-6	52 a	District heating & cooling - location-based method	tCO ₂ e	298
ESRS E1	E1-6	52 a	Electric vehicles - location based method	tCO ₂ e	1
ESRS E1	E1-6	52 a	Electricity - location-based method	tCO ₂ e	350
ESRS E1	E1-6	52b	Scope 2 GHG emissions - marked based metod	tCO ₂ e	2 626
SCOPE 3 TOTAL					
ESRS E1	E1-6	51	SCOPE 3 TOTAL	tCO ₂ e	5 711
ESRS E1	E1-6	51	Waste	tCO ₂ e	228
ESRS E1	E1-6	51	Fuel-and-energy-related activities	tCO ₂ e	243
ESRS E1	E1-6	51	Business travel	tCO ₂ e	153
ESRS E1	E1-6	51	Upstream transportation and distribution	tCO ₂ e	3 569
ESRS E1	E1-6	51	Purchased goods and services	tCO ₂ e	1 519
GHG EMISSIONS INTENSITY					
ESRS E1	E1-6	53	GHG emissions intensity, location-based	tCO ₂ e per NOK million	0.41
ESRS E1	E1-6	55	Net revenue used to calculate GHG intensity	NOK million	15 861
RESOURCE INFLOW					
ESRS E5	E5-4	31a	Total material use - resource inflow	Tonnes	1 129
ESRS E5	E5-4	31a	Plastics	Tonnes	55
ESRS E1	E1-5	31a	Paper and cardboard	Tonnes	736
ESRS E5	E5-5	31a	Single-use wood pallets	Tonnes	339
ESRS E5	E5-5	31a	Steel	Tonnes	0
RESOURCE OUTFLOW					
ESRS E5	E5-5	37a	Total waste - resource outflow	Tonnes	2 258
ESRS E5	E5-5	37a	Electronic waste - resource outflow	Tonnes	256

Note that data from Komplett Services AB, Komplett Distribution AB and Komplett ASA is not collected due to the limited scope of these units.



Komplett Group	Komplett Services AS	NetOnNet AB	Webhallen AB	Ironstone AS
2022	2023	2023	2023	2023
11953	3 811	6 925	1 720	51
65	77	68	69	58
53	4	43	0	0
11900	3 807	6 882	1 720	51
14	12	16	0	0
66	77	69	69	58
5 074	1 981	3 308	587	588
102	7	77	0	0
85	7	59	0	0
17	0	17	0	0
623	1	125	419	103
285	1	231	65	1
0	0	1	0	0
338	1	123	188	38
1 921	1 443	783	386	12
4 348	1 850	2 812	484	566
121	85	140	23	1
128	78	142	23	1
58	49	57	48	0
2 787	0	1 103	2 236	230
1 253	565	556	238	160
0.35				
14 618				
1 573	0	695	330	105
226	0	14	29	12
888	0	622	114	110
446	0	59	188	93
12	0	0	0	0
2 425	0	925	1 118	215
228	0	39	204	13



SOCIAL INFORMATION

The social information chapter covers three key areas: our own workforce, workers in our value chain, and consumers and end users. These topics, identified as material in our 2023 materiality assessment and aligning with the ESRS topics, are essential to our business. Recognising the importance of these areas, we prioritise fostering a positive relationship with our employees, ensuring fairness throughout our value chain, and meeting the needs and expectations of our consumers and end users for our long-term success.



OWN WORKFORCE (ESRS S-1, S1-2, S1-4)

Komplett Group aims to be an inclusive and attractive employer to retain talents. Our primary focus is to ensure that our employees experience a sense of responsibility, security, and motivation. We create an environment where managers play a crucial role in fostering the development and success of our employees.

ity, security, and motivation. We create an environment where managers play a crucial role in fostering the development and success of our employees.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material		Impact materiality	Financial materiality	
S1: Own workforce	S1: Working conditions	Upstream	Own operations	Downstream	High	Medium
	S1: Equal treatment and opportunities for all	Upstream	Own operations	Downstream	High	Medium

Working conditions: Komplett Group can impact employee health and safety by ensuring good working conditions. Komplett Group has an opportunity to improve conditions for their employees resulting in a healthier workforce.

Equal treatment and opportunities for all: Komplett Group is committed to being a preferred employer and to providing equal opportunities at all levels of our organisation. If done right, this gives Komplett Group a good possibility to attract and keep the best candidates as well as a positive effect on reputation and a competitive advantage.

Integrating material matters into our strategy and business model (ESRS 2 SBM-3)

Komplett Group continues to integrate material sustainability matters into its strategy. In the 2023 materiality assessment we identified 'working conditions' and 'equal treatment and opportunities for all' as crucial. These findings influenced our priorities of three strategic focus areas. One of these three areas emphasises Komplett Group's commitment to being an inclusive and attractive employer, attracting and retaining talents for a positive societal impact.

>> Strategic focus area, ambitions, and targets, page 69

MATERIALITY MANAGEMENT

Employee engagement (ESRS2 SBM-2)

We are actively seeking and valuing employee opinions through diverse channels such as surveys, focus groups, and direct interactions. This ongoing dialogue enables us to align our sustainability efforts with the diverse expectations and concerns of our workforce.

Policies related to own workforce (ESRS S1-1)

Our commitment to the well-being, safety, and development of our employees is integrated in our corporate governance. Guided by our Code of Conduct, we prioritise an ethical, safe, inclusive, and empowering work environment at all levels. Through an annual review of the Code of Conduct, we ensure adaptability and continuous improvement, contributing to sustainable growth and building trust with our employees.



| DEVELOPING TALENTS: TALENT TASK FORCE

"There are numerous talents in our workforce. That was the starting point. The goal of the project was to meticulously examine the organisation and identify a group of talented individuals that we wanted to further develop".

Kristin Torgersen is chief HR officer in Komplett Group. She has long experience in developing talents within various organisations.

"Talents are present in all our companies. My desire is to nurture and refine enough talents so that we can be confident in having an ample supply of future leaders in the pipeline in the years to come", Kristin says.

Kristin explains how the company is developing a programme where talents can challenge themselves and test their abilities. "The broader objective is to create a greater sense of belonging and demonstrate that there are exciting career paths within the company. Cultivating talent within an organisation is crucial for any company", Kristin says.

"Identifying the talents is not a straightforward task. Each leader in various parts of the organisation was assigned the responsibility of identifying potential talents within their departments. Through a selection process, the group management chose 14 talents for the programme who were invited to participate in a two-day gathering in Moss".

"The primary goal was to get to know each other. At the same time, the participants were subjected to various

tests and challenges. During the stay, we utilised the communication tool insights. We discussed the company strategy and leadership, engaged in group work on positioning, and conducted feedback sessions to understand the leadership potential of the participants".

Both the group CEO and the group strategy officer took part in the gathering.

"We worked on leadership principles, and the participants were assigned the task of translating these principles into plans and priorities. The session also featured a unique activity where participants used a spider web to analyse how much time they should ideally spend on various leadership tasks. This was compared to the actual time spent, thus creating a GAP analysis and a personal action plan".

"This plan serves as the foundation for how all the participants should work in the following months. We plan to have a new session in March".

However, Kristin assures that all the participants are being followed up in the meantime. Each one has a designated mentor from the group management, and they have monthly meetings for progress and guidance.

Overall, the talent program aims to build a cohesive and effective leadership pipeline within the company group, fostering a culture of internal growth, motivation, and development.



The HR policies in the subsidiaries are primarily a support for managers and summarises how to work with a wide range of HR-related issues, from recruitment, employee health, diversity and inclusion to targets, skills development and working conditions.

>> Code of Conduct, page 80-81

Processes for collaboration with own employees and employee representatives (ESRS S1-2)

Collaboration with our employees and their representatives is central to our commitment to transparency and inclusivity. Our processes facilitate an open dialogue, encouraging employees to actively participate in decision-making processes. Through collaborative efforts,

we strive to create an environment where everyone feels heard and valued.

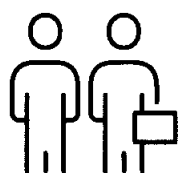
Processes to remediate negative impacts and channels for employees to raise concerns (ESRS S1-3)

Addressing negative impacts and providing channels for employees to voice their concerns are integral components of our social responsibility. We have established effective mechanisms for reporting and addressing concerns, including weekly or bi-weekly pulse surveys, whistleblower programmes and regular forums where employees can express their thoughts and bring attention to any issues they may encounter.

>> Whistleblower policy and principles, page 80-81, 118

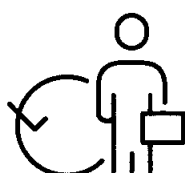


| CHARACTERISTICS OF OUR EMPLOYEES (ESRS S1-6)



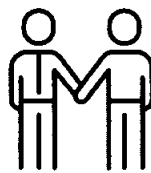
1 561

Employees total



221

Employees temporary



181

New hires

EMPLOYEE DISTRIBUTION BY LOCATION

Store	46%
Warehouse	15%
Office	39%

Komplett:



27%

Females

73%

Males

NetOnNet:



35%

Females

65%

Males

Webhallen:



31%

Females

69%

Males

Ironstone:



4%

Females

96%

Males

PRIORITIES 2023

Employee satisfaction (ESRS S1-4)

To engage with our employees and measure employee satisfaction, Komplett Group makes use of the AI software Winningtemp. The tool assesses nine indicators: leadership, employee satisfaction, meaningfulness, autonomy, work situation, participation, personal development, team spirit and engagement, serving as a feedback channel. Surveys are sent to all employees weekly or bi-weekly. Results are handled individually for each company, allowing a thorough assessment and a tailored approach to each case. This is crucial for a nuanced and effective evaluation process.

>> Employee satisfaction target and results, page 100

Komplett Services Employee Board

Established in 2021, the Komplett Services Employee Board plays a crucial role in providing employee input and implementing actions agreed with the management team at Komplett Services. Employees from all levels of Komplett Services' business actively participate. They meet four times a year and arrange social activities throughout the whole year. In 2023 they arranged several "Lunch & Learn"-sessions, where employees can meet during lunch for a physical and digital learning session on different topics, such as personality mapping, investments, dementia, photography, performance marketing and leadership. They also arranged "12 weeks of hell", a programme with a positive focus on workout and healthy food.



PERFORMANCE 2023
Commitments (ESRS S1-5)



- ▶ **Industry leading employee temperature:**
Temperature > index
(index based on selected industries)
- ▶ **Gender balance in leadership positions**

Employee satisfaction survey

Our goal is to be the best in the industry, which means that we aim to be above the industry every month during the year.

The score measures the employees' loyalty and engagement and gives an indication of how our employees feel about our company. Zero to six are critics, seven to eight are passive, and nine to 10 are ambassadors.

We have our highest score on team feeling. This is a result of a strong and positive culture that have been built up over time so that employees enjoy working as colleagues in their daily jobs.

Personal development is the weakest area. We have looked into this, and we have introduced measures like e-learning. However, most of the training happens as "on-the-job-training", which may not be noticed unless leaders are good at showing it. So, we believe that improving leaders is almost as important as direct measures for employees.

NetOnNet has been using Learnifier for a while and has actively used it for the development of its employees for several years. Now, Komplet Services and the administration on group level are introducing this and will prioritise assessing the employees' needs and deliver on these in 2024 and going forward.

In NetOnNet the response rate for Winningtemp was 77 per cent in 2023 and in Komplet Services and Webhallen it was 76 per cent. The Winningtemp questionnaires are sent out weekly and bi-weekly.

Our organisation relies on our employees, and their varied skills and traits are essential. We respect the different qualities that everyone contributes to the team, making a vibrant and welcoming workforce. Our dedication to building a workplace that values and uses the diverse features of our employees is a key part of our social sustainability strategy. The employee count has gone down since the last year as part of a process of reorganisation.

>> New employees and employee exits, page 112-115

Gender balance in leadership positions

Our industry has a history of attracting more males than females. In 2023, 68 per cent of our employees were men and 32 per cent were women. This is also reflected in the number of female leaders. In 2023, 32 per cent of our leaders were female.

It is our strong belief that a gender balance creates many advantages, recognising the value that a diverse workforce brings to our collective capabilities.

We aim for reaching gender balance in leadership positions. Our short term ambition is to reach 40 per cent female leaders, and the goal is to reach a balance of 50/50.

| INDUSTRY LEADING EMPLOYEE TEMPERATURE



Komplet temperature:

7.7

Average value in Komplet Group 2023



Index:

7.7

Compared with other organisations within the same industry



Collective bargaining and social dialogue (ESRS S1-8)

At Komplett Group, we recognise the value of collective bargaining, and respect the right to unionise within our organisation. Understanding the significance of collaboration between management and employee representatives, we prioritise providing our employees with a platform to contribute to decision-making processes related to workers' compensation and their well-being.

An important prerequisite for the well-being and safety in our organisation is respect for the fundamental human rights. Komplett Group fully supports the right of workers to freedom of association and collective bargaining as enshrined in the International Labour Organisation's Core Convention.

As a company that works in a labour-intensive industry, we respect and acknowledge the role of unions in safeguarding the rights of our workers and creating a collaborative and secure work environment. In Sweden, our employees belong to the Unionen (administrative employees) and Handels unions (store and warehouse employees), while in Norway our employees belong to the EL & IT Forbundet and Fellesforbundet. Komplett Group is part of the employer associations NHO Service, Yirke (in Norway) and Svensk Handel (in Sweden). The collective bargaining agreements between the unions and employer organisations apply accordingly. As per GDPR, union membership is regarded as sensitive information and therefore we do not record how many employees are union members.

Diversity metrics (ESRS S1-9)

At Komplett Group, we cherish diversity as a fundamental element within our organisation. Our proactive initiatives aim to attract individuals with diverse backgrounds, experiences, and perspectives, recognising the value that a varied workforce brings to our collective capabilities.

We regularly measure diversity metrics to monitor our progress, learning about our workforce composition and identifying areas for improvement. This continuous assessment ensures that our employees represent the diverse communities where Komplett Group works. Diversity not only improves our internal culture, but also increases our knowledge of and responsiveness to the different needs of our customers. Basically, our dedication to diversity acts as a driver for continued growth and inclusivity at Komplett Group.

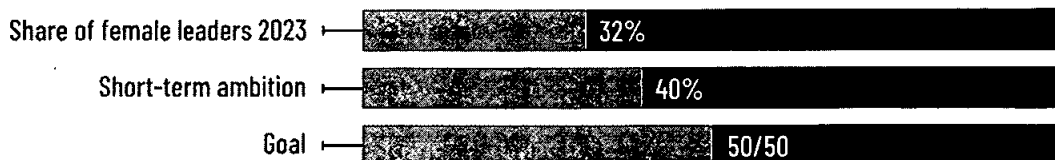
In parts of the organisation, we offer onboarding training, where equality is a central focus, and exit conversations as a service. This includes recruitment guidelines with the overall goal of balanced workgroups, meaning that at least one member of the underrepresented gender of the workgroup being recruited should be among the final candidates.

In Komplett we give people a second chance, and a way back into working life where they can develop and thrive. We welcome people with different backgrounds and ways of thinking to create a dynamic and organic work environment where our employees feel comfortable.

Discrimination or harassment based on gender, nationality, ethnicity, language, sexual orientation, age, or religious and political beliefs will not be tolerated in any part of our organisation. We take these matters very seriously and closely follow up the incidents reported in our various channels. No incidents of diversity discrimination were reported in 2023.

>> Equality and Anti-Discrimination Statement 2023, page 122

| GENDER BALANCE IN LEADERSHIP POSITIONS





Adequate salaries (ESRS S1-10)

At Komplett Group, we seek to provide competitive salaries, and aim to ensure fairness and employee satisfaction. We are committed to providing equitable salaries that reflect the skills, contributions, and responsibilities of everyone, and in line with the expectations of the market. Our policies related to working conditions also covers our employees in China. It includes standards related to wages, working time and conditions, and are in line with the standards regulated by law.

We actively support professional development through structured training, mentorship, and clear career paths, empowering our employees to advance. This dual focus on competitive salaries and career growth creates a workplace where employees feel valued, motivated, and rewarded with adequate salaries as they reach their full potential within Komplett Group.

Social protection (ESRS S1-11)

All employees at Komplett Group are covered by social protection through public programmes as well as through benefits offered by the company. The programmes and benefits are offered to protect from loss of income due to sickness, employment injury and acquired disability, parental leave, and retirement. The public programmes in Norway also partly cover loss of income due to unemployment caused by redundancy.

The social protection of our employees is a top priority. We go beyond providing competitive wages by offering comprehensive social protection measures, including health insurance and other benefits above industry standards. Our commitment to the well-being of our employees extends to creating a supportive environment where they feel secure and protected. We comply with the laws and regulations in each country.

Persons with disabilities (ESRS S1-12)

We are dedicated to creating an inclusive workplace for individuals with disabilities. Our policies and practices aim to remove barriers, promote accessibility, and ensure that individuals with disabilities have equal opportunities for growth and development within our organisation. All company premises are designed to ensure that everyone, regardless of functional level, can move freely within the premises. The office spaces are a mix of individual offices and open office landscapes. To mitigate noise issues, sound-absorbing partitions (soft walls) have been installed.

In accordance with personal data and anti-discrimination legislation Komplett does not keep records of employees' disabilities and hence will not disclose the percentage of our own employees with disabilities as required by the ESRS.

Training and skills development measurements (ESRS S1-13)

At Komplett Group, training our employees is critical to ensure they are adequately prepared for their role as part of the team. We offer various courses, from mandatory safety training and new employee onboarding, to training courses in GDPR, ergonomics, customer management, and sales to all employees who wish to improve and expand their knowledge.

Performance and career development reviews

Performance and career development reviews are mandatory for all employees once a year. These reviews include a performance score and preparation of a development plan for the individual. The review process is supported by a common template in the HR management system.

Learnifier

The digital learning platform Learnifier, already implemented in NetOnNet, was introduced to Komplett Services in 2023. At this learning platform, employees have access to a digital course catalogue where the company is constantly adding new courses.

The Talent Task Force

The programme aims to nurture leadership potential among employees by challenging them and testing their abilities. The goal is to create a sense of belonging, showcasing exciting career paths within the company. Ongoing support includes mentorship and regular progress meetings. The programme focuses on translating leadership principles into actionable plans to cultivate a cohesive and effective leadership pipeline within the company group, promoting internal growth and development.

>> Developing talents: Talent Task Force, page 97

Internal Warehouse Leadership Programme

Through Webhallen's Internal Warehouse Leadership Programme, all warehouse employees can receive training to become team managers. This programme is conducted yearly to secure succession and find and evaluate talents in real working environments. Additionally, this is an effective method to ensure that it has enough highly skilled leaders during peak periods.

Leadership gathering

Each year all the management teams in the subsidiaries and group gather to focus on different topics, such as strategy, culture, people, and leadership.

Health and safety metrics (ESRS S1-14)

Sick leave

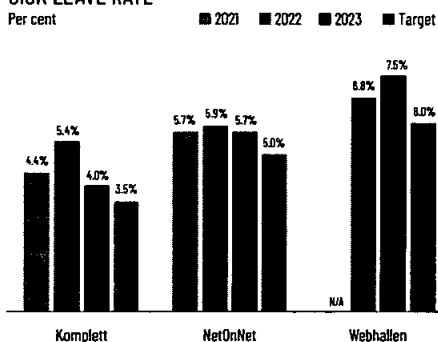
We work actively to reduce sick leave, for example by maintaining clear processes for our leaders on how to



continuously have dialogue, facilitate and follow up our employees before, during and after sick leave.

SICK LEAVE RATE

Per cent



The rate is calculated as percentage of Komplett Group employees' sick leave hours against the total number of working hours.

Occupational health and safety

We care for our employees, and safety is therefore a top priority. Our belief is that all accidents are preventable. Occupational health and safety are regular topics in vari-

ous committees, and training is integrated as part of the on-boarding process. Komplett, NetOnNet and Webhallen all work independently and approach employee safety with slight variations through routines established within the companies prior to the mergers.

Work related injuries:

	2023	2022	2021
Number of accidents	8	20	12

Work related injuries during the year refer to any physical harm or illness suffered by an employee as a result of work activities or environment.

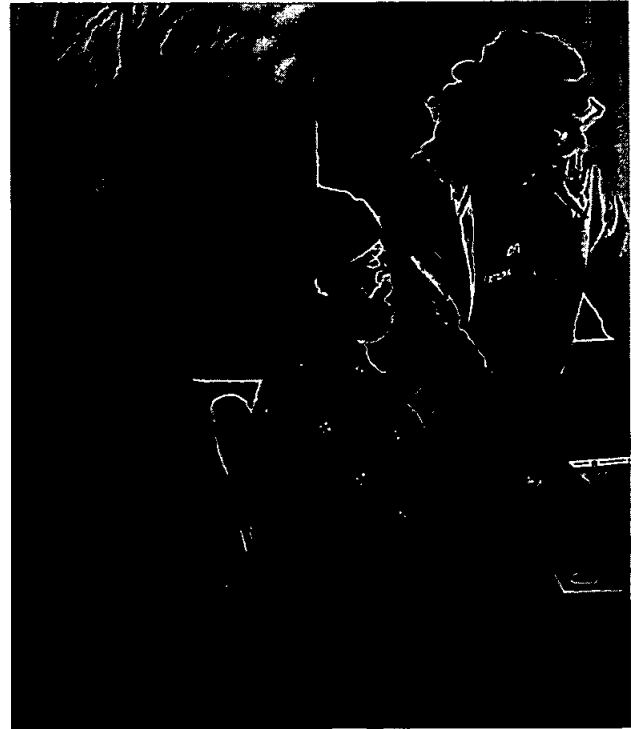
In 2023 the company introduced a new category of injuries, "near miss injuries", which is defined as events or situations in the workplace that could have resulted in an injury, illness, or damage, but, fortunately, did not cause harm. The reduction in work related injuries is partly due to this change, as well as the fact that improvements have taken place during the year, based on experience and insights from previous years' reported injuries.

Komplett Services' work on safety is divided into different areas. The Working Environment committee (AMU) consisting of representatives for the employer and the employees from different areas of the company meet quarterly to ensure that the working environment legislation is implemented in the undertaking. Violations are reported and addressed on an ongoing basis, and measures are taken to prevent similar incidents in the future. Nine events have been reported and handled by AMU during 2023. In addition, Komplett has an AKAN representative with focus on help and prevention of substance abuse and addiction. AKAN is a competence centre helping Norwegian businesses to prevent and handle issues related to alcohol, drugs, gaming, and gambling.

Komplett Services also has safety representatives (HSE) and has established a committee with special focus on industrial protection. Safety rounds with focus on HSE and industrial protection are performed twice a year and deviations are registered and followed up in the management system TQM. In addition, Komplett has an agreement with a third-party provider of occupational health services that provides health insurance and offers an arrangement with a massage therapist at the office. All warehouse employees are required to wear safety equipment, and Komplett provides in-house necessary equipment both to own employees and visitors.

Webhallen has an integrated injury reporting system in its warehouses. Webhallen currently uses ADAPT as its system for reporting health and injury incidents. These reports are sent to safety representatives and management. Webhallen's injury risk assessments are reviewed two to three times a year. For each reported case, Webhallen creates an action plan for its warehouses to prevent repetitive and frequent injuries. In 2023 a new role has been instigated in the warehouse to facilitate required training and to enhance all employees' knowledge and awareness of how to prevent work related injuries. Webhallen has also updated most of the policies and improved the distribution of the policies to all the employees. Webhallen will further strengthen the work related to training in this area in HQ and in stores, and regular health and safety check-ups throughout the year will be performed as last year.

All **NetOnNet's** employees have received training on health and safety-related policies via the e-learning platform Learnifier. Every new employee must do this when starting the employment. The policies are available on the intranet along with the Code of Conduct. All forklift drivers must undergo training each year, where they are obliged to conduct an assessment with the safety representative. In addition, all NetOnNet's employees sign the Code of Con-



duct. Good leadership is an important factor in creating a good work environment where employees can develop and thrive. Staff representatives, leaders and managers meet four times per year to discuss the work environment.

Work-life balance metrics (ESRS S1-15)

Maintaining work-life balance is a key aspect of our employee initiatives. Our measurements in this area assess the effectiveness of our policies and programmes that promote work-life balance. We recognise the importance of supporting our employees in achieving harmony between their professional and personal lives, contributing to their overall satisfaction and productivity.

At Komplett Group, we strive to encourage both parents to use their available parental leave. We believe that by providing good conditions for parental leave, we facilitate the phase of life adjustment and enable an equal everyday life that allows both parents to play a caring role in the family.

>> Parental leave, page 114-115

The company facilitates employees to combine family life with work at Komplett. Employees have the opportunity for flexibility in their workday to the extent possible given the nature of the work. This is also stated in our Code



of Conduct. For employees who require adjustments in certain situations to perform their jobs, Komplett as an employer aims to contribute to this.

Gender pay-gap (ESRS S1-16)

Ensuring fair compensation practices and addressing any disparities are integral to our social sustainability approach. Our measurement metrics assess compensation structures, aiming for transparency and fairness. By regularly evaluating compensation practices, we strive to minimise any gender or diversity-related pay gaps, fostering an equitable and inclusive work environment.

We take and will continue to take initiatives and actions to ensure that our employees are fairly and equitably compensated. This includes addressing any gender, racial, or other disparities that may be present in the company's compensation practices.

Incidents, complaints, and severe human rights impacts (ESRS S1-17)

We are committed to addressing events, complaints, and human rights impacts with utmost seriousness. Our processes for handling such issues are robust, involving thorough investigations and corrective actions. We

encourage open communication channels for employees to report concerns, and our commitment to human rights remains unwavering. We have established whistleblower channels both at group level and at our subsidiaries.

In 2023, we had one case reported through the whistleblowing channel related to drugs and sexual harassment that has been handled, and some cases discovered and routinely handled according to Komplett's processes.

THE WAY FORWARD

Komplett Group is determined to be a desirable and inclusive employer in the future. We keep working hard to provide our employees with excellent working conditions, with an emphasis on social dialogue, work-life balance, health, and safety. We also prioritise inclusion, diversity, equal treatment, and equal opportunities for all. This means we are committed to gender equality, equal pay for equal work, education, and skills development. We are resolved to tackle issues such as workplace violence and harassment, and to create an inclusive work environment for everyone.



WORKERS IN THE VALUE CHAIN

Our suppliers commit to our ethical expectations that are in harmony with international standards, by signing up to our Supplier Code of Conduct. This chapter describes our expectations and our engagement with workers in

the value chain. In 2023, we particularly increased our risk mapping and actions related to fundamental human rights and decent working conditions, in response to the Transparency Act, which is required by Norwegian law.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
S2: Workers in the value chain	S2: Working conditions	Upstream	Own operations	Downstream	High	Medium
	S2: Other work-related rights	Upstream	Own operations	Downstream	High	Low

Working conditions: Workers in transportation and logistics have a higher risk of work rights violations as the sector is under high pressure to compete on flexibility and responsiveness from the companies, which applies pressure to reduce wages and working conditions. Ensuring safe e-waste disposal practices is essential to protect the health of workers involved in e-waste recycling.

Other work-related rights: Production of electronics parts, metals and plastics pose a higher risk of human rights violations.

MATERIALITY MANAGEMENT

Engaging with workers in the value chain (ESRS 2 SBM-2, ESRS 2 SBM-3)

Our operations heavily rely on numerous suppliers, both national and international. The production of electronic components, metals and plastics poses an increased risk of human rights violations.

Komplett and its suppliers, particularly in China, face concerns regarding forced and child labour. With commercial agreements in China, there is a risk that Komplett's consumer electronics may contain plastic components produced by child labour. Mining and mineral sourcing, especially for lithium and microchip materials, involve risks for workers, including harsh conditions, noise, long hours, and vibrations. Komplett may sell products with lithium extracted in such conditions.

The working conditions for the transportation and logistics industry are also considered to have a higher risk of human rights violations, both in upstream and downstream. In downstream, the working conditions for the transportation and logistics industry, as well as the waste collectors and handlers, are considered to have a higher risk of human rights violations and forced labour.

Komplett Group can influence this by ensuring appropriate policies and contractual commitments with suppliers are in place. Efforts to eliminate child and forced labour can include identifying suppliers beyond Tier 1, conducting due diligence and audits or by more directly addressing the root causes by engagement with the affected communities. Training, communication, and awareness-raising programmes are also important measures to mitigate human rights violations.

Komplett Group's home markets are small and our ability to influence global supply chains is limited. However, as a leading Nordic player, we see the opportunity to influence the Swedish and Norwegian markets in the right direction through our choices. Using nudging, which means to influence people's behaviour by making it easier for them to make certain decisions, we aim to encourage our customers to make more sustainable choices, and we can expand our product range actively through industry collaborations. We can also carefully select our collaboration partners, set requirements for sustainability in the purchasing process, and thereby influence the sustainability of our product range.

Policies related to value chain workers (ESRS S2-1)

One of Komplett Group's goals is to develop relationships with business partners that share similar corporate values as Komplett and conduct their business in an ethical and compliant manner. The Supplier Code of Conduct is the Komplett policy that outlines the legal obligations, and the integrity standards Komplett Group expects its suppliers and business partners to uphold.

The external suppliers we purchase from must sign and adhere to our Supplier Code of Conduct, which is based on the UN Universal Declaration of Human Rights, the ILO's (International Labour Organisation) eight fundamental human rights conventions on working life, the Convention on the Rights of the Child, UN Global Compact, and the OECD Guidelines for the Operations of Multinational



Enterprises. If the suppliers have their own Code of Conduct, they must comply with at least the same level and provide us with information about its subcontractors upon request.

>> Supplier Code of Conduct, page 80-81

PRIORITIES 2023

Processes for engaging with value chain workers (ESRS S2-2)

We have constant communication with our suppliers, both domestic and international, creating a collaborative atmosphere that goes beyond business transactions. This continuous engagement covers material and product providers, as well as delivery services. We aim to understand and address any possible negative impacts that might occur in our value chain. We have active processes to identify, assess, and mitigate risks, ensuring a comprehensive approach to maximise positive impacts and to minimise negative effects. This commitment aligns with our overall goal of creating a value chain that meets high standards of quality and proactively supports the welfare and dignity of every individual involved.

>> Our governance approach: joining forces, page 117

Processes for remediating negative impacts with workers in the value chain (ESRS S2-3)

We have instituted robust processes to rectify negative impacts and have established channels to facilitate the

voices of workers in our value chain through routine evaluation of our suppliers and implementation of a whistleblower channel. This two-fold approach ensures that concerns are heard and swiftly addressed in incidents where Komplett Group can make a positive contribution.

When we conduct factory audits, factories that do not meet the expected standards are given the opportunity to improve, and in the future have a re-audit and, in that way, to start over as a supplier. Prior to a potential re-audit, no orders from us will be placed with this supplier. However, if they fail to improve, or the breach of standard is severe, the collaboration is terminated.

Taking actions and effectiveness of those actions (ESRS S2-4)

The standardisation of the Supplier Code of Conduct at group level has been one of the key measures implemented in 2023 related to the management of significant impacts for workers in the value chain.

Our ability to influence suppliers of our private label products is greater, even though we are only a small customer to most of the factories. The private label business, including inspections and supplier follow-up, was handled by NetOnNet in 2023. Going forward, this work will continue as a part of the centralised procurement process within Komplett Group. NetOnNet has commercial agreements with all our 196 suppliers in China, where the Supplier Code of Conduct is a key component. Compliance is ensured through ongoing physical inspections as



part of our factory audits. The aim is to inspect each factory at least every two years.

NetOnNet's inspection protocol is based on the standards from ISO and includes approximately 70-90 questions for each of the three areas: Corporate Social Responsibility (CSR), Quality Management System (QMS) and Environmental Management System (EMS). The QMS and CSR were updated in 2021 and the EMS in 2023. The greatest risk associated with CSR is that NetOnNet's private label suppliers' employees are not covered by fundamental rights. Therefore, the updated CSR now covers nine sub-categories: child labour, forced labour, discrimination, compensation, work environment, health, union rights, disciplinary action, and environment.

The plan is to conduct inspections of approximately 70 suppliers in 2024 in accordance with our inspection protocol. In 2024, we will expand our auditing to include tier 2 suppliers as well. Our suppliers are not allowed to use subcontractors that are not approved by NetOnNet.

This work is followed up by the company's local delegation in China, where the employees are familiar with local conditions. In this context, NetOnNet announces that none of our factories had any reported incidents of child or forced labour.

PERFORMANCE 2023

Metrics for managing negative impacts and promoting positive influences (ESRS S2-5)

In 2023, a total of 67 factory audits were conducted among our private label suppliers. Seven audited factories in China failed to meet our standards. The factories that failed did not reach the required number of points in certain chapters of our auditing protocol, among others related to labour rights, leading to termination of contract.

>> Factory audits, page 119

>> Transparency Act Account 2023, page 122

THE WAY FORWARD

Komplett Group is committed to enhancing the well-being of workers in our value chain. We will implement our updated Supplier Code of Conduct, collaborate closely with global suppliers, further enhance our risk assessments and mitigating actions related to the Transparency Act, and continue to promptly address any issues. Looking ahead, we will establish more measurable goals to ensure sustainable and ethical practices related to workers in our value chain.







CONSUMERS AND END-USERS

We are serving customers in the B2C, B2B, and distribution segments. Building on decades of expertise and deep customer commitment, the group enjoys a loyal and growing customer base. Leading customer satisfaction

is our top priority. Through our double materiality assessment 2023, we identified information-related impacts on our customers as a material sub-topic, and specifically related to privacy.

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
S4: Consumers and end users	S4: Information related impact			Downstream	Medium	Low

Information related impact: There are privacy concerns associated with collecting customer data as Komplett Group has access to a wide range of customer data. Inadequate data handling may impose a negative impact risk for our customers.

tion, not only to ensure GDPR compliance but because it stands as a high priority as part of our customer experience. In the digital era, where data privacy is paramount, we believe that upholding the principles of GDPR is not just a legal obligation but a fundamental element of our commitment to safeguarding the trust our customers place in us.

MATERIALITY MANAGEMENT

Customer engagement and information related impact (ESRS 2 SMB-2, ESRS 2 SMB-3)

Our customers are a key group of affected stakeholders.

Processes to remediate negative impacts (ESRS S4-3)

Addressing negative impacts, especially those associated with privacy concerns, is a priority for Komplett Group. Our processes for handling customer data are robust, and we have established a channel for consumers and end-users to voice concerns.

>> Komplett Group at a glance, page 6

>> Whistleblower Policy, page 80-81

Komplett Group collects personal information when customers purchase a product and needs to comply with GDPR regulations. For the cloud-based IT solutions by Ironstone the information may contain business and operational critical information for customers and private information about users. Inadequate data handling may impose a negative impact risk for our customers. Effective and right data management reduces the regulatory and potential reputational risks.

Taking action, approaching to manage it, and effectiveness (ESRS S4-4)

We value our customers and their privacy. To ensure compliance with GDPR, we have appointed a new data protection officer and a deputy in Komplett Services and improved the system to report and handle potential personal data breaches. All potential breaches are assessed, and relevant cases are reported further to the appropriate authority, such as the Norwegian Data Protection Authority (Datatilsynet) and the Swedish Authority for Privacy Protections (IMY). This contributes to detecting deviations faster and to initiating preventive measures that increase the safety of our customers' personal data.

Policies related to consumers and end-users (ESRS S4-1)

It is clearly stated in our Code of Conduct that we strive to provide exceptional service, prioritise customer satisfaction, and maintain the trust and loyalty of our customers. Further it is enhanced that we commit to safeguard confidential and proprietary information in the digital realm, ensuring the privacy and security of online transactions and customer data.

THE WAY FORWARD

At Komplett Group we will continue the journey to further strengthen our work to secure the privacy of our customers and their personal data. Our aim is to further develop our competence throughout the organisation benefiting from a strong intercompany and interdisciplinary cooperation. In 2024, we aim to refine our privacy practices, and thereby elevating customer trust and satisfaction.

Our privacy policies are published on the websites of our subsidiaries. We also have local policies for processing of personal data as well as local data protection officers and GDPR officers.

Processes for engaging with customers (ESRS S4-2)

At Komplett Group, we are transparent about our data collection practices and the handling of consumer informa-



| GAMERS AGAINST CHILDHOOD CANCER

Initiated during Komplett's Black Week in 2020, the "Gamers against Childhood Cancer" charity event was held for the fourth time in 2023. The initiative is dedicated to raising funds for the Childhood Cancer Society in Norway, an organisation that plays a central role in supporting affected families and fighting childhood cancer.

Building on the success of previous years, "Gamers against Childhood Cancer" brought together Norway's top streamers and gaming influencers for a live-stream session at Komplett's studios in Sandefjord during Black Week. The initiative goes beyond fund-

raising to include educational elements as representatives from the Childhood Cancer Society, including secretary general Trine Nicolaysen, provided information on ongoing research and detailed how the funds raised will support the organisation. Suppliers also pitched in, providing products for giveaways.

Komplett's annual Black Week live stream stands out. With nearly 58 000 unique viewers and over 171 000 views during the session, the event successfully raised NOK 1.2 million in support of the Childhood Cancer Society.

| WEBHALLEN FESTIVAL AND STREAMHJÄLPEN

Webhallen arranges several e-sport tournaments each year in collaboration with SPACE. SPACE is a digital cultural center located in the heart of Stockholm, bringing the younger digital generation together for physical meetings through gaming, music, content creation and more.

Webhallen also arranges Streamhjälpen every year, a 144-hour charity livestream focusing on global issues. All proceeds are given to Musikhjälpen, one of the largest charity organisations in Sweden. Streamhjälpen has brought in close to SEK 4.5 million over the past seven years.

| EMPOWERING EQUALITY WITH CARE

In 2023, Komplett, a pioneer in a traditionally male-dominated industry, embarked on a transformative partnership with CARE, a global leader in aid and relief. The joint mission is to empower women within and beyond the tech realm.

Born from a shared commitment to social change, the collaboration between Komplett and CARE unfolded as a response to the pressing need for gender balance. It was not merely a corporate initiative; it was the start of a cultural shift. Beyond ticking boxes, Komplett and CARE envision a workplace where gen-

der balance is not just a policy but a lived reality. A collaboration with CARE and its experience in promoting gender equality marks the beginning of this important transition.

Introducing the "Ambassador Programme," open to all Komplett employees, four individuals will become CARE ambassadors, tasked with actively bridging the gap between awareness and action through collaborative workshops aimed at developing initiatives and merging some of CARE's values with Komplett.



NUMBERS AND STATISTICS

SOCIAL DISCLOSURES

ESRS	DR	Paragraph	Measure	Unit	Komplett Group 2023
EMPLOYEE SATISFACTION					
ESRS S1	S1-5	44	Rating	Rate	7.7
ESRS S1	S1-5	44	Benchmark	Index	7.7
EMPLOYEE GENDER					
ESRS S1	S1-6	50 a	Total employees	Headcount	1561
ESRS S1	S1-6	50 a	Male	Headcount	1061
ESRS S1	S1-6	50 a	Female	Headcount	499
ESRS S1	S1-6	50 a	Other	Headcount	1
EMPLOYEES BY COUNTRY					
ESRS S1	S1-6	50 a	Norway	Headcount	444
ESRS S1	S1-6	50 a	Sweden	Headcount	1094
ESRS S1	S1-6	50 a	China	Headcount	23
EMPLOYEES BY CONTRACT TYPE					
ESRS S1	S1-6	50 b	Number of permanent employees	Headcount	1338
ESRS S1	S1-6	50 b	Of which are full time	Headcount	905
ESRS S1	S1-6	50 b	Of which are part time	Headcount	433
ESRS S1	S1-6	50 b	Number of temporary employees	Headcount	221
ESRS S1	S1-6	50 b	Of which are full time	Headcount	46
ESRS S1	S1-6	50 b	Of which are part time	Headcount	175
ESRS S1	S1-6	50 b	Number of total management positions	Headcount	193
ESRS S1	S1-6	50 b	Number of trainees	Headcount	2
GENDER BALANCE					
ESRS S1	S1-6	50 a	Total female employees	Per cent of total (headcount)	32%
ESRS S1	S1-6	50 a	Total male employees	Per cent of total (headcount)	68%
ESRS S1	S1-9	66 a	Female management positions	Per cent of total (headcount)	32%
EMPLOYEES BY AGE					
ESRS S1	S1-9	66 b	Age <30	Per cent	38%
ESRS S1	S1-9	66 b	Age 30-50	Per cent	54%
ESRS S1	S1-9	66 b	Age >50	Per cent	7%
NEW EMPLOYEES					
ESRS S1	S1-6	50 c	Total new hires	Headcount	181
ESRS S1	S1-6	50 c	Female	Headcount	72
ESRS S1	S1-6	50 c	Male	Headcount	109
ESRS S1	S1-6	50 c	Other	Headcount	0
ESRS S1	S1-6	50 c	Age <30	Headcount	94
ESRS S1	S1-6	50 c	Age 30-50	Headcount	81
ESRS S1	S1-6	50 c	Age >50	Headcount	6



Komplett Group	Komplett Services AS	Komplett ASA	Komplett Services AB	NetOnNet AB	Webhallen AB	Ironstone AS
2022	2023	2023	2023	2023	2023	2023
7.4	7.7	8.1	7.7	7.5	7.7	
7.7	7.7	7.7	7.7	7.8	7.7	
1928	339	15	18	865	301	23
1310	247	11	14	560	207	22
617	91	4	4	305	94	1
1	1					
	339	15		72		18
			18	770	301	5
				23		
1580	331	15	17	714	238	23
1014	317	15	17	383	150	23
566	14			331	88	
328	6		1	151	63	
46	3		1	30	12	
282	3			121	51	
158	65	7	4	71	42	4
4	2					
32%	27%	27%	22%	35%	31%	4%
68%	73%	73%	78%	65%	68%	96%
	28%	29%	0%	39%	33%	0%
	17%	0%	11%	43%	54%	22%
	70%	73%	78%	50%	45%	74%
	13%	27%	11%	7%	1%	4%
205	39	9	1	74	50	8
67	12	2		38	20	
138	27	7	1	36	30	8
0						
119	18			42	32	2
82	21	6	1	30	17	6
4		3		2	1	



SOCIAL DISCLOSURES

ESRS	DR	Paragraph	Measure	Unit	Komplett Group
					2023
EMPLOYEE EXITS					
ESRS S1	S1-6	50 c	Total employee exits	Headcount	283
ESRS S1	S1-6	50 c	Female	Headcount	95
ESRS S1	S1-6	50 c	Male	Headcount	188
ESRS S1	S1-6	50 c	Other	Headcount	
ESRS S1	S1-6	50 c	Age <30	Headcount	141
ESRS S1	S1-6	50 c	Age 30-50	Headcount	130
ESRS S1	S1-6	50 c	Age >50	Headcount	12
TURNOVER BY GENDER					
ESRS S1	S1-6	50 c	Total turnover	Per cent	18%
ESRS S1	S1-6	50 c	Female	Per cent of total (turnover)	19%
ESRS S1	S1-6	50 c	Male	Per cent of total (turnover)	18%
PARENTAL LEAVE					
ESRS S1	S1-15	93 b	Took parental leave	Headcount	206
ESRS S1	S1-15	93 b	Parental leave - female - Sweden	Average weeks	11
ESRS S1	S1-15	93 b	Parental leave - male - Sweden	Average weeks	6
ESRS S1	S1-15	93 b	Parental leave - female - Norway	Average weeks	21
ESRS S1	S1-15	93 b	Parental leave - male - Norway	Average weeks	11
HEALTH AND SAFETY					
ESRS S1	S1-14	88 c	Estimated man hours	Number	2 189 626
ESRS S1	S1-5		Sick leave	Per cent	5.3%
ESRS S1	S1-14	88 c	Near miss incident	Number	44
ESRS S1	S1-14	88 c	Work related injuries	Number	8
ESRS S1	S1-14	88 c	Work related injuries leading to long-time sick leave (>6 months)	Number	1
ESRS S1	S1-14	88 c	Fatalities	Number	0
DISCRIMINATION					
ESRS S1	S1-17	103 a	Number of incidents of discrimination	Number	1
HUMAN RIGHTS					
ESRS S1	S1-17	104 a	Number of incidents of human rights	Number	0
SUPPLIERS					
ESRS S2	S2-5	39	Screening of suppliers against environmental data	Number	10
ESRS S2	S2-5	39	Audited factories failing to meet Komplett's Code of Conduct for Suppliers	Number	7

Komplett Distribusjon is not included in the table. All employees working for Komplett Distribusjon are employed by Komplett Services and accounted for there.



Komplett Group	Komplett Services AS	Komplett ASA	Komplett Services AB	NetOnNet AB	Webhallen AB	Ironstone AS
2022	2023	2023	2023	2023	2023	2023
	33	1		165	61	23
	9			63	18	5
	24	1		102	43	18
	12			85	40	4
	18	1		74	20	19
	5			6	1	
24%	10%	11%	0%	25%	25%	87%
	10%	0%	0%	39%	24%	200%
	10%	15%	0%	35%	25%	90%
230	21		8	147	28	2
17			12	11	11	
6			7	3	8	
14	17			24		
11	9					12
	634 065	21 195	34 843	1 047 253	391 850	60 420
6.0%	4.0%	1.3%	2.4%	5.7%	7.5%	0.2%
	0	0	0	32	12	0
20	1	0	0	5	2	0
1	0	0	0	1	0	0
0	0	0	0	0	0	0
0	0	0	0	0	1	0
	0	0	0	0	0	0
	0	0	0	10	0	0
5	0	0	0	7	0	0

GOVERNANCE INFORMATION

Komplett Group operates in various cultures, labour conditions, and risks. We are committed to responsible business behaviour in our own operations and value chain. This means fostering responsibility by having appropriate policies and practices, not tolerating fraud and corruption, ensuring a culture of respect, honesty, and fairness, and supporting transparency.



BUSINESS CONDUCT

Material ESRS topics	Material ESRS sub-topics	Part of the value chain where impact was material			Impact materiality	Financial materiality
		Upstream	Own operations	Downstream		
G1: Business conduct	G1: Corporate culture	Upstream	Own operations	Downstream	Medium	Low

Corporate culture: Komplett Group can positively promote a strong culture regarding business conduct. It increases the group's ability to impact employees, business partners and workers in the value chain. Strong governance structures include the use of contractual agreements, policies, targeted actions related to topics as whistleblowing, corruption, and bribery.

MATERIALITY MANAGEMENT

The role of the administrative, management and supervisory bodies (ESRS2 GOV-1)

The Code of Conduct and Corporate Governance policy are approved and owned by the board of directors, whereas the group CEO is responsible for implementation and compliance of the policy.

Komplett Group's Corporate Governance policy outlines the corporate governance principles based on the Norwegian Code of Practice for Corporate Governance. The principles are designed to establish a basis for good corporate governance. The way we are governed is vital to our value creation over time and achievement of a sustainable profitability.

We believe that good corporate governance involves transparent and trustful cooperation between all parties involved with the group and our business. This includes our shareholders, the board of directors and the executive management team, as well as our employees, customers, suppliers, and other business partners, public

authorities and society at large.

The board of directors and executive management shall contribute to the achievement of the following core objectives when honouring our corporate governance policy:

- ▶ **Transparency:** Communication with the company's shareholders, stakeholders and other interest groups shall be based on transparency and openness on issues relevant for the evaluation of the development and position of the company.
- ▶ **Independence:** The relationship between the board of directors, executive management and shareholders shall be based on principles of independence, to ensure that all decisions are made on an unbiased and neutral basis.
- ▶ **Equal treatment:** A fundamental objective for good corporate governance is equal treatment and equal rights for all the company's shareholders.
- ▶ **Control and management:** Sound control and corporate governance mechanisms shall contribute to predictability and reduce the level of risk for the company's shareholders, stakeholders, and other interest groups.

The development and improvement of the company's corporate governance principles are ongoing and important focus areas of the board of directors.

>> Code of Conduct, page 80-81

OUR GOVERNANCE APPROACH: JOINING FORCES

During 2022, NetOnNet joined as the latest new member of the Komplett Group. Such merging processes can be challenging and complex, but from a governance perspective, we have approached it as an opportunity.

Mari Myhre Marthinsen is director legal & compliance and explains how the merger contributed to an overall improvement:

"Where one company had developed superior policies, another might have excelled in anti-bribery and corruption measures. The outcome is that collectively, we have significantly elevated the overall standard for the entire undertaking we are now constructing".

In this fashion, the group has benefited from the merger and will improve from already well-established governance practices.

"Incidentally, our strengthened efforts align with the advent of the Norwegian Transparency Act, and from our perspective, this can only be beneficial".

Mari emphasises that the governance work includes a significant emphasis on following up the group's private label suppliers. Firstly, ensuring that the factories meet the required quality standards. Secondly, we are addressing the social aspects related to the factories. And lastly, we ensure that environmental considerations also align with our requirements.

"Last year, we conducted a total of 67 audits on various factories. These audits adhere to a standard procedure where approximately 240 inquiries must be answered within the areas quality, CSR, and environment. The audits revealed that seven of the audited factories did not meet our standards and further collaboration with these factories was terminated".

"The audits are conducted by members of the local NetOnNet team in Guangdong that currently consists of 23 people. The audits are structured around a point system that determines whether a factory receives an A, B, or C grade. Factories that do not meet the expected standards are given the opportunity to improve", explains Mari, highlighting that this process also serves as a learning experience. In addition to these audits, separate quality inspections are conducted.

"These are called FQC-inspections. They are done prior to shipping from China, to secure that the shipped goods work according to stipulated requirements for quality and function. In 2023 we managed to do sample checks on 100 per cent of the shipments. In total 667 inspections were conducted, whereof 69 per cent by our own workforce and the rest by third party inspection teams", Mari explains. She also reveals how an organisational change may improve the governance work even further:

"Centralisation of procurements emerged as an important strategy in the group's governance framework. Efforts are well underway to centralise procurement and negotiations, aiming to streamline operations, enhance control, and ensure consistent supplier code of conduct and policy adherence", Mari says and gives a glimpse of what comes next:

"Looking ahead to the upcoming year, one focus area will be to expand our auditing to also include tier 2 suppliers (our suppliers' suppliers) within private label. We are also reinforcing the environmental aspects through our audit initiatives. Recognising the growing importance of environmental stewardship, we aim to enhance our governance practices. One of several issues we will look into is how we can increase the use of recycled plastics and overall improve the packaging even further".



Identifying and assessing business conduct matters (ESRS2 IR0-1)

We continuously monitor and follow up on business conduct matters. Through our annual materiality assessment, we identify relevant impacts, risks, and opportunities. We also set the tolerance level of such risks and follow up on actions through our risk management process. The whistleblowing channel is also an important, formal tool for identifying business conduct matters.

- >> Komplett's materiality process, page 78
- >> Risk and risk management, page 54-57

Business conduct policies and corporate culture (ESRS G1-1)

We have established new business conduct policies at Komplett Group level this year. Relevant policies are Code of Conduct, Supplier Code of Conduct, Anti-Corruption and -Bribery, and Whistleblower policy.

- >> Embedding sustainability in our policies and processes, page 80-81

Compliance culture

Promoting and upholding an ethical culture across the Komplett Group, where everyone feels comfortable speaking up and raising concerns, is important for our employees and for our business. We focus our efforts on guiding the business in making the right decisions and speaking up when situations fail to meet our standards.

Compliance risk management

All Komplett's operations are assessed for compliance risks through the Enterprise Risk Management process. Key risks related to business conduct and corporate culture identified in 2023 were related to supplier management and regulatory compliance.

Compliance training

Mandatory onboarding sessions in our new Code of Conduct, Anti-Corruption and -Bribery as well as Whistleblower policies shall be provided to all employees across our organisation and all employees must read and sign the policies. In addition, employees can find information and guidance about our standards and procedures for ethical business conduct on our subsidiaries' intranet pages.

Whistleblowing

We expect employees and business partners to report suspected violations of our Code of Conduct, other policies and procedures, or laws and regulations, both related to our own operations and in our supply chain. Komplett Group has an obligation to investigate all reports made, and all notifications will be treated confidentially.

WHISTLEBLOWER PRINCIPLES

Based on separate whistleblower policies and channels in the subsidiaries, Komplett Group has established a new common policy and system for whistleblowing, where the basic principles for handling reports are as follows:

- ▶ All reports are taken seriously
- ▶ All reports will be sufficiently investigated within reasonable time in a fair, open minded and objective manner
- ▶ Confidentiality and information security
- ▶ Protection of whistleblowers
- ▶ Whistleblowers reporting in good faith will not be subject to reprisals
- ▶ Non-anonymous whistleblowers will get timely feedback and information about the process, at the latest within three months
- ▶ Right to be informed of the nature and cause of the accusation against oneself and to be heard
- ▶ Process to be documented in writing

Reports of misconduct are first received by a third party and then handled by our internal whistleblower-team resources.

A whistleblower report can be submitted via a dedicated web page, from any device and in any language. The reporter can choose whether they want to remain anonymous. By telephone, the reporter can speak with a specialist or leave a secure recorded voice message. Information on how to report in the whistleblower system is to be found on each subsidiaries' intranet, on bulletin boards as well as on posters stuck to the inside of the toilet doors in staff areas. Komplett Group prohibits any retaliation against whistleblowers and is committed to implementing effective measures to safeguard them within the organisation.

In 2023 there have been in total ten whistleblower cases reported within the group: eight whistleblower cases have been reported to NetOnNet, and two cases have been reported to Webhallen. All of them have been addressed in accordance with the procedures established by the group. No whistleblower cases have been reported within Komplett Services.

Employee dialogue

Facilitating communication among coworkers across the organisation is a prerequisite for the business culture we seek to establish at Komplett. We have placed efforts on establishing accessible channels that ensure open and direct communication at all levels of the organisation, enabling employees to engage and participate actively on strategic forward-facing discussions regarding the organisation's present and future. This includes townhall meetings for all employees as well as leadership check-ins, performance and development reviews, employee surveys, intranet, and social media communications.

In addition, these channels are leveraged to share specialised knowledge among coworkers, communicate professional milestones, and voice concerns to management

without fear of reprisal. These channels enable us to identify areas of improvement, process grievances, and remediate negative impacts for employees. These practices generate internal interaction and discussion and directly facilitate organisational improvement.

PRIORITIES 2023

Centralising procurement

A notable organisational change in 2023 involves the ongoing centralisation of procurement, aiming to streamline operations, enhance control, and ensure consistent adherence to Supplier Code of Conduct and policies. This strategic shift reflects a commitment to governance improvement within the group.



Management of relationships with suppliers (ESRS G1-2)

We show our commitment to fair and ethical supplier relations by incorporating the Supplier Code of Conduct. This code defines clearly what we expect from responsible business practices, ensuring that our supply chain behaves ethically and follows legal standards. The Komplett Group's Code of Conduct for Suppliers is based on the UN Global Compact principles and OECD Guidelines, and it establishes standards and requirements for suppliers to comply with. This framework focuses on responsible business practices, covering human rights, safe working conditions, and environmental responsibility. Suppliers are required to follow both local laws and international conventions, and report on their performance to enable Komplett Group's Transparency Act compliance. In the employment section, expectations regarding wages, working hours, child labour, and non-discrimination are in line with ILO conventions. The Komplett Group states its rejection of suppliers involved in illegal practices, highlighting a commitment to workers' freedom of association and workplace health and safety.

Factory audits

In emphasising governance, a significant focus lies in monitoring the group's private label suppliers across quality, social aspects, and environmental consid-

erations. In the past year, a total of 67 audits adhering to standardised procedures were conducted on various factories. These audits, comprising around 240 inquiries in areas such as quality, CSR, and environment, revealed that seven factories did not meet corporate standards, leading to the termination of collaborations.

Audits, conducted by members of the local corporate team comprising of 23 people in Guangdong, involve a grading system (A, B, or C) offering non-compliant factories the opportunity to improve, fostering a learning experience. The audits are to be conducted every second year for the factories that obtain the highest grade (A), or every year for the factories that obtain grade B or C. Alongside these audits, separate quality inspections, FQC inspections, are also carried out.

>> Our governance approach: joining forces, page 117

Prevention and detection of corruption and bribery (ESRS G1-3)

Komplett Group has a zero-tolerance policy on corruption and bribery, and actively encourages employees, suppliers, and business partners to report any unethical or illegal activities through our whistleblower channel or other available channels.



All reports will be treated as confidential information. Where anonymity is elected by the reporter, Komplett Group will safeguard their identity. Komplett Group will not use any retaliatory measures against anyone for raising or helping to address a genuine business integrity concern.

Our Code of Conduct and Anti-Corruption and -Bribery policy provide information on our zero-tolerance policy on bribery and corruption. Through the educational platform Learnifier and other learning platforms, all employees in Komplett will undergo regular courses on corruption risk and business ethics.

PERFORMANCE 2023

Confirmed incidents of corruption and bribery (ESRS G1-4)

The group had no incidents related to corruption, but one incident related to bribery, that ended with termination of employment.

THE WAY FORWARD

We will keep building on our subsidiaries' strengths to enhance our corporate culture and business conduct. In 2024 we will roll out the new and revised group policies on Code of Conduct, Anti-Corruption and -Bribery, Whistleblowing and Supplier Code of Conduct. The new whistleblower channel will be accessible to employees and suppliers, and also to the public via our website. All employees will sign the updated policies. Through Learnifier and other learning platforms, Komplett's employees will take regular courses on corruption risk and business ethics.



NUMBERS AND STATISTICS

GOVERNANCE DATA

ESRS	DR	Paragraph	Measure	Unit	Komplett Group
					2023
ESRS G1	G1-4	24a	Number of convictions for violation of anti-corruption and anti-bribery laws	Number	0
ESRS G1	G1-4	24a	Amount of fines for violation of anti-corruption and anti-bribery laws	Amount	0
ESRS G1	G1-4	25a	Number of confirmed incidents of corruption or bribery	Number	1
ESRS G1	G1-4	25b	Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	Number	1
ESRS G1	G1-4	25b	Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	Number	0



Komplett Group	Komplett Distribusjon AS	NetonNet AB	Webhallen AB	Ironstone AS	Komplett Services	Komplett Services AB	Komplett ASA
2022	2023	2023	2023	2023	2023	2023	2023
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	1	0	0	0	0	0
0	0	1	0	0	0	0	0
0	0	0	0	0	0	0	0



OTHER REPORTING

Komplett Group, which is listed on the Oslo Stock Exchange, must comply with Norwegian legislation, namely the Transparency Act and the Equality and Anti-Discrimination Act. These statements are available on our website, together with Komplett's EU Taxonomy Report 2023. This chapter also includes a comprehensive carbon accounting report.

EU TAXONOMY REPORT 2023

The EU taxonomy is a common classification system for categorising environmentally sustainable activities. The aim is to direct capital towards sustainable activities, in line with the objectives of the European Green Deal.

Norway adopted the EU Taxonomy Regulation into national law as of 1 January 2023. This mandates reporting for the financial year 2023 for companies such as Komplett Group. The taxonomy report covers the same reporting period as for the financial year, from 1 January to 31 December 2023.

Komplett Group has carried out a process in which the economic activities were mapped for eligibility, and then screened for alignment according to the criteria set by the European Commission. For each aligned and/or eligible economic activity, Komplett Group disclosed the relevant financial information in accordance with the KPIs in the taxonomy. A third party supported our taxonomy process.

[>>Read more about Komplett Group's Taxonomy Report 2023](#)

TRANSPARENCY ACT ACCOUNT 2023

The Transparency Act supports the protection of basic human rights and fair working conditions related to the production of goods and the provision of services. The act became effective in Norway on 1 July 2022. Komplett ASA and four of its subsidiaries, Komplett Services AS, Komplett Distribusjon AS, Ironstone AS and NetOnNet AB, are obliged by the act to carry out and report on due diligence in accordance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. Webhallen AB, Komplett Services AB and Komplett Distri-

bution AB are not directly subject to the act. However, all activities within Komplett Group are assessed as part of the group's due diligence. The Transparency Act Account for 2023 gives an overview of the companies' ongoing work to meet their responsibilities within their own operations, with their business partners and throughout their supply chain.

[>>Read more about Transparency Act Account 2023](#)

EQUALITY AND ANTI-DISCRIMINATION STATEMENT 2023

The act demands that Norwegian companies reveal information on gender equality and anti-discrimination. The statement follows the exact requirements of the act. Komplett Services AS has hired a specialised external consultancy for this purpose. To satisfy both the act and

the reporting directive, some information in this statement might be repeated in the report.

[>>Read more about Equality and Anti-Discrimination Statement 2023](#)



CARBON ACCOUNTING REPORT 2023

The carbon accounting report provides a summary of Komplett's greenhouse gas (GHG) emissions. Tracking our emissions is a vital part of our climate change strategy, helping to understand our impacts and identify areas for reducing GHG emissions. It also allows us to compare our performance and monitor progress over time.

The report covers the emissions from Komplett Group including the subsidiaries Komplett Services AS, Komplett Services AB, Komplett Distribusjon AS (Itegra AS), NetOnNet AB, Ironstone AS and Webhallen AB.

[>> Read more about Carbon Accounting Report 2023](#)





FINANCIAL STATEMENTS

KOMPLETT GROUP

Consolidated statement of comprehensive income	126
Consolidated statement of financial position	127
Consolidated statement of financial position	128
Consolidated statement of cash flows	129
Consolidated statement of changes in equity	130
Notes to the consolidated financial statements	131
Note 01 General information	131
Note 02 Critical accounting estimates and judgements	131
Note 03 Accounting policies	132
Note 04 Financial instruments - risk management	137
Note 05 Segment Information	141
Note 06 Revenues from contracts with customers.....	143
Note 07 Employee benefit expenses and audit fees.....	145
Note 08 Finance income and expenses	148
Note 09 Income tax	149
Note 10 Earnings per share	151
Note 11 Intangible assets	152
Note 12 Property, plant, and equipment.....	156
Note 13 Investments in associates.....	156
Note 14 Trade and other receivables	157
Note 15 Inventories.....	159
Note 16 Cash and cash equivalents.....	159
Note 17 Share capital, shareholder information, and dividend	159
Note 18 Share option plan.....	161
Note 19 Leases	163
Note 20 Other current liabilities and long-term debt.....	164
Note 21 Provision for service and guarantee obligations.....	165
Note 22 Notes supporting the cash flows.....	165
Note 23 Pledges and guarantees.....	166
Note 24 Related party transactions.....	167
Note 25 Consolidated companies.....	168
Note 26 Business combinations	168
Note 27 Events after the reporting date.....	169



FINANCIAL STATEMENTS

KOMPLETT ASA

Statement of profit and loss – Komplet ASA	170
Statement of financial position – Komplet ASA	171
Statement of financial position – Komplet ASA	172
Statement of cash flows – Komplet ASA	173
Notes to the financial statements – Komplet ASA	174
Note 01 Accounting principles.....	174
Note 02 Corporate changes.....	175
Note 03 Investments in subsidiaries and associated companies.....	175
Note 04 Cash and cash equivalents	176
Note 05 Group balances (receivables and payables)	176
Note 06 Equity	177
Note 07 Income tax	177
Note 08 Pledges and guarantees	178
Note 09 Employee benefit expenses	179
Note 10 Items that are aggregated in the financial statement	179
Note 11 Financial market risk	180
Alternative performance measures (APM)	181
Independent auditor's report	183



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2023	2022
Operating revenues			
Revenues from sale of goods		15 541	14 299
Other operating revenues		320	319
Total revenues	6	15 861	14 618
Operating expenses			
Cost of goods sold	15	(13 650)	(12 824)
Employee benefit expenses	7	(1 014)	(820)
Depreciation and amortisation expense	11, 12, 19	(335)	(256)
Impairment	11, 12, 19	(983)	-
Other operating expenses	19, 21, 26	(765)	(712)
Total operating expenses		(18 748)	(14 612)
Operating profit		(885)	6
Finance income and expenses			
Share of results of equity-accounted investments	13	3	4
Finance income	8	9	2
Finance expenses	8, 19	(176)	(111)
Net finance income and expenses		(164)	(104)
Profit before tax	5	(1 050)	(98)
Tax expense	9	11	56
PROFIT FROM CONTINUING OPERATIONS		(1 038)	(42)
Profit/(loss) from discontinued operations		-	10
Profit for the year		(1 038)	(32)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		257	14
Total comprehensive income		(781)	(18)
Profit for the year attributable to:			
Owners of the parent		(1 038)	(32)
Total		(1 038)	(32)
Total comprehensive income attributable to:			
Owners of the parent		(781)	(18)
Total		(781)	(18)
Earnings per share			
Continued operation (basic and diluted) - in NOK	10	(5.92)	(0.40)
Discontinued operation (basic and diluted) - in NOK	10	-	0.09



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER (ASSETS)

Amounts in NOK million	Note	31 December 2023	31 December 2022
NON-CURRENT ASSETS			
Intangible assets			
Goodwill	11	1 338	2 131
Software	11	309	218
Customer relationships	11	265	297
Brand names	11	1 207	1 127
Total intangible assets		3 120	3 773
Property, plant, and equipment			
Right-of-use assets	3, 19	600	559
Leasehold improvements	12	16	13
Machinery and fixtures	12	112	121
Total property, plant, and equipment		728	692
Other non-current assets			
Deferred tax asset	9	30	
Investments in equity-accounted associates	13	12	14
Other receivables	4, 14, 19	9	8
Total other non-current assets		50	22
TOTAL NON-CURRENT ASSETS		3 898	4 487
CURRENT ASSETS			
Inventories	15	2 194	1 928
Total inventories		2 194	1 928
Other current assets			
Trade receivables - regular	4, 14	245	309
Trade receivable from deferred payment arrangements	4, 14	79	91
Other current receivables	4, 14, 19	660	568
Total current assets		984	968
Cash and cash equivalents			
Cash and cash equivalents	4, 16	230	149
Total cash and cash equivalents		230	149
TOTAL CURRENT ASSETS		3 408	3 046
TOTAL ASSETS		7 307	7 533



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER (EQUITY AND LIABILITIES)

Amounts in NOK million	Note	31 December 2023	31 December 2022
Equity			
Share capital	17	70	70
Share premium	17	3 741	3 741
Other equity		(1 090)	(314)
Total equity		2 721	3 496
Liabilities			
Non-current liabilities			
Deferred tax liabilities	9	277	245
Provisions and other liabilities		54	49
Interest-bearing loans and borrowings	4, 20	800	400
Non-current lease liabilities	3, 19, 20	428	391
Total non-current liabilities		1 559	1 084
Current liabilities			
Short-term loans	4, 16, 22, 23		625
Trade payables	4	1 563	1 412
Public duties payable	4	409	395
Current income tax	9	12	17
Current lease liabilities	3, 19	180	167
Other current liabilities	4, 6, 20, 21	862	337
Total current liabilities		3 027	2 953
Total liabilities		4 586	4 037
TOTAL EQUITY AND LIABILITIES		7 307	7 533

Sandefjord, 19 March 2024

Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Ingvild Standal Næss
Director

Jan Ole Stangeland
Director

Fabian Bengtsson
Director

Susanne Ehnåge
Director

Anders Odden
Worker director

Anna Fernmo
Worker director

Jaan Ivar Semlitsch
CEO



| CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2023	2022
Cash flows from operating activities			
Profit before income tax		(1 050)	(98)
Profit/(loss) on discontinued operations (before tax)		-	12
Profit for the year		(1 050)	(86)
Income taxes paid		(29)	(19)
Depreciation and amortisation expense	11, 12	335	256
Impairment		983	-
Payment received on finance lease receivable	19	-	12
Interest on finance lease receivable	8, 19	-	-
Share of post-tax profits from equity accounted investments	13	(3)	(4)
Finance items	8	167	109
Changes in inventories, trade payables, and trade receivables		(50)	958
Currency effects		124	(2)
Other changes in accruals		388	(122)
Net cash flows from operating activities		888	1 102
Investing activities			
Investments in property, plant, and equipment	11, 12	(212)	(177)
Acquisition of subsidiary, net of cash acquired	26	-	(1 526)
Dividend from associated company		4	2
Net cash used in investing activities		(208)	(1 701)
Financing activities			
Proceeds from loans and borrowings	20, 22	1 255	1 500
Repayment of loans and borrowings	20, 22	(855)	(1 000)
Changes in bank overdrafts	22	(625)	(524)
Principal paid on lease liabilities	19	(186)	(147)
Interest paid on lease liabilities	8, 19	(19)	(18)
Interest paid on loans and overdrafts	8	(148)	(91)
Issue of share capital		1	987
Net cash (used in)/from financing activities		(578)	706
Net increase in cash and cash equivalents		81	108
Cash and cash equivalents at beginning of year	16	148	41
Cash and cash equivalents at end of year	16	230	149



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	Share capital	Share premium	Other equity	Foreign currency changes	Total equity
At 1 January 2022		29	1075	(287)	(11)	806
Profit for the year		-	-	(32)	-	(32)
Other comprehensive Income		-	-	-	14	14
Total comprehensive income for the year		-	-	(32)	14	(18)
Long-term incentive programme		-	-	2	-	2
Issue of share capital	17	41	2 679	-	-	2 720
Transaction costs	17	-	(13)	-	-	(13)
Contributions by and distributions to owners		41	2 666	2	-	2 708
At 31 December 2022		70	3 741	(317)	3	3 498
At 1 January 2023		70	3 741	(317)	3	3 498
Profit for the year		-	-	(1 038)	-	(1 038)
Other comprehensive Income		-	-	-	257	257
Total comprehensive income for the year		-	-	(1 038)	257	(781)
Long-term incentive programme		-	-	5	-	5
Issue of share capital	17	-	1	-	-	1
Contributions by and distributions to owners		-	1	5	-	8
At 31 December 2023		70	3 741	(1 350)	260	2 721



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 01 GENERAL INFORMATION

Komplett ASA is a public company, registered in Norway, listed on the Oslo Stock Exchange and headquartered at Østre Kullerød 4, 3241 Sandefjord, Norway.

Komplett Group, with its 10 web-shops, three differentiated retail brands and 48 stores, is the largest Nordic online-first electronics retailer. The group offers a broad range of products and services for consumers, the business market, and the public sector, and the product assortment differs between the stores. The risk profile is relatively similar, but the return profile varies depending on the main focus of the individual store. The group has established distribution

networks based on deliveries to the various markets from warehouses and stores in Norway and Sweden.

The following describes the material accounting policies used in the preparation of the consolidated financial statements. These policies are applied in the same way in all periods presented, unless otherwise stated in the description.

These financial statements were approved by the board of directors on 19 March 2024, and it will be submitted for final approval of the general meeting on 8 May 2024.

NOTE 02 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires the management to make some assessments, calculate estimates, and set assumptions that affect the amounts reported in the financial statements and in the corresponding notes. The management bases its estimates and assessments on historical experience, as well as a number of other factors considered relevant in the situation. This in turn forms the basis for the assessments made related to the carrying amount of assets and liabilities where this is not obviously available from other sources. The main areas of assessment and estimation with uncertainty on the balance sheet date, which have a significant risk of creating significant change in the carrying amount of assets and receivables during the next financial year, apply to:

Impairment of intangible assets

If there is any indication, either from internal or external sources of information, group management make a formal estimation of recoverable amount to see if an impairment loss may have occurred. The determination of recoverable amounts of intangible assets is based in part on the management's assessment, including estimates of future performance, the asset's revenue generating capacity, as well as assumptions about future market conditions. Changes in the situation, as well as in the management's assessment and assumptions, can cause losses as a result of impairments during the relevant periods.

As a minimum, the group performs an annual impairment test of goodwill and other intangible assets that are not depreciated. The test is based on calculations of the value

in use of the cash-generating units that have goodwill associated with them. For detailed information about the impairment tests, see note 11.

Software

Cost of acquiring software, including expenses to get the applications operational, are capitalised as an intangible asset according to the accounting principles discussed below. Whether the cost of buying and developing software shall be capitalised as an intangible asset is based on the management's assumptions about future cash flow related to the acquisition, discount rate, and useful life. The group's assessment is that the economic life of the software is from three to seven years, and the carrying amount is depreciated accordingly.

Cloud computing arrangement (CCA/SaaS) is normally accounted for as a service contract and expensed in the same period as the supplier provides access to the application software. Costs for configuration and customisation of such arrangements are expensed as long as these services do not create an intangible asset which the company can control.

In 2023, Komplett Services successfully deployed a new ERP system, SAP 4/Hana, which is hosted in a private cloud, where Komplett Services controls the developed software and has the ownership of the source code, configuration, customisation, and integration. In the future, it is possible to move the software to a different host and it is also possible to move the software to an "on premise" infrastructure, if the



company chose to do so. Based on this, Komplett Group has capitalised the cost for SAP 4/Hana which occurred in the development phase according to IAS 38.

Other intangible assets

Other intangible assets mainly relate to brand names and customer relationships. These assets have been acquired in business combinations. Customer relationships are amortised over the expected economic life. Brand names are considered to have an indefinite economic life and are not amortised, but are instead tested annually for impairment.

Provision for service and warranty obligation

The cost of service and warranty repairs is mainly related to self-produced PCs and sales of private label products. The provision depends on several parameters, such as time spent per repair, the share of returned products, and how the return rate develops through the service and warranty period. These parameters are based on historical experience and are constantly reassessed. There may be estimate uncertainty because the parameters change over time.

Provision for obsolescence

The group makes provision for obsolescence. These provisions are based on a detailed assessment of the age

distribution of inventory items and whether the goods are part of an active or expired product range. Write-down for obsolescence is made when the cost of the goods is higher than the expected net sales value. These provisions are estimate-based and require in-depth knowledge about goods and markets.

Customer loyalty programme

Club members with the NetOnNet card vest bonus points when purchasing products, either in the stores or online. These points can be exchanged into value checks and used as discounts on future purchases. The provision depends on estimates on which discount the points will generate when they are applied and the likelihood of actually being applied. These parameters are based on historical experience. The loyalty programs in the brands Komplett and Webhallen have a different setup, which do not require to recognise any liability.

The right to return purchased products

The group has a policy regarding the right of return when selling to end users. Number of days might vary both from entity to entity and from time of the year. Provision for estimated return is recognised at the same time as the sales transaction. The estimate is based on historical experience.

NOTE 03 ACCOUNTING POLICIES

NOTE 3.1 ACCOUNTING POLICIES

Consolidation policies

The consolidated financial statements are prepared according to uniform principles. Intercompany transactions and balances, including internal profits and unrealised gains and losses, have been eliminated.

The subsidiaries follow the same accounting policies as the parent company. Associates are accounted for according to the equity method in the consolidated financial statements. The group's share of profit or loss is included in the consolidated financial statements from the time of acquisition and is classified as financial income. The share of profit or loss is added to (or subtracted from) the carrying amount of the investments in shares in associated companies.

Business combinations and goodwill

When acquiring a business, the acquisition method is used. The consideration that is provided is measured at the fair value of transferred assets, liabilities incurred and issued equity instruments. Included in the consideration is also the fair value of any contingent consideration agreement. Identified assets, liabilities and contingent liabilities are recognised at fair value at the transaction date. Transaction costs related to acquisitions are expensed when they incur.

If the consideration (including any non-controlling interests and fair value of previous holdings) exceeds the fair value of identifiable assets and liabilities in the acquisition, the excess amount is recognised as goodwill. If the consideration (including any non-controlling interests and fair value of previous holdings) constitutes less than the fair value of net assets in the subsidiary as a result of a purchase on favourable terms, the difference is recognised as a gain in the income statement.

Functional currency and presentation currency

The group's presentation currency is NOK. This is also the parent company's functional currency. Subsidiaries with other functional currencies are converted into the balance sheet date's exchange rate for balance sheet items, and profit and loss items are converted at the exchange rates prevailing at the dates of the transactions. For practical reasons the monthly average rates are used as an approximate for the actual date of the transaction. The exchange rates have not fluctuated significantly and the use of average rates is deemed appropriate. Translation differences are recognised in equity.



Foreign currency

Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are converted into NOK using the balance sheet date's exchange rate. Non-monetary items measured at historical exchange rates expressed in foreign currency are converted into NOK using the exchange rate at the time of the transaction. Gains and losses from exchange rate changes are recognised in the income statement on an ongoing basis during the accounting period.

Currency gains and losses related to purchase of inventory are classified as cost of goods. This consists mainly of accounts payable in foreign currency.

Assets and liabilities in foreign operations are converted into NOK using the balance sheet date's currency rate. Revenues and expenses in foreign operations are converted into NOK by using average monthly currency rates. The translation difference resulting from the conversion of foreign operations is recognised in other comprehensive income. Accumulated translation differences in equity are recircled into profit and loss upon divestment of foreign operations.

Revenues from contracts with customer

Revenue from sale of goods in the B2C segment is recognised in the income statement when the product is delivered to the customer, both with regards to online sales and sales in physical stores. For online sales of goods within the B2B and Distribution segments, revenue is recognised according to applicable incoterms and then normally when goods are handed over the transporter. Revenues are recognised net of discounts and VAT.

The group's policy regarding the "right of return" when selling to end users varies from store to store and from country to country depending on the markets where they operate. Number of days changes periodically throughout the year and the different seasons and varies from 10 to 90 days. Estimated returns are treated as a reduction of revenues. Provisions for estimated returns is based on past experiences and recognised at the time of sale.

In one of the group's customer loyalty programs, the members can vest bonus points when purchasing products. These points can be exchanged to value checks, which can reduce the price on future purchases. Revenues are recognised net of the values of these points.

Payment on sales to private individuals is most often made using credit cards, credit sales handled by third parties, or the application of the group's financing solutions.

Credit card fees are recognised in the income statement as other operating expenses.

Payment on sales to corporate customers may also be made based on ordinary invoice, provided that the customer has a satisfactory credit rating.

Webhallen offers deferred payment to customers. The income from this includes establishment fees, reminder fees, and interest charges. The income is accrued based on effective interest rates, but based on considerations of materiality, the entire income is classified as Other operating revenues. This payment solution has been discontinued in 2023 and replaced by an external consumer finance solution.

In addition, Komplet offers a financing solution via the partners Walley and Resurs Bank. This generates a commission income which is recognised in the income statement as other operating revenues opportunity to buy.

Komplet also offers the opportunity to buy insurance through partners when purchasing specific products. Komplet is considered to be an agent in these transactions and receives a commission based on insurance policies sold.

NetOnNet offers customers to buy mobile phone subscriptions and streaming services from partners when purchasing products. For this a commission is recognised as income when the corresponding products are sold.

Gift certificates and vouchers are recognised as a liability when they are sold, while the income is recognised when the certificates either have been applied to purchase products or when the certificates and vouchers formally expire.

Classification of balance sheet items

Current assets and current liabilities include items due for payment within a year after the balance sheet date, as well as items that relate to the operating cycle. Other items are classified as fixed asset / long-term liabilities. Receivables from deferred payment are considered as being part of the operating cycle, and consequently classified as a current asset.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at 1) amortised cost, 2) fair value through other comprehensive income (OCI) and 3) fair value through profit or loss. The group classifies its financial assets based on the financial asset's contractual cash flow characteristics and the group's business model for managing them. Currently the group only has forward currency contracts classified as fair value through profit or loss, while the most relevant category is final assets at amortised costs. This category includes trade receivables, trade receivables - deferred payment arrangements, other receivables, and cash. Neither regular trade receivables nor trade receivables - deferred payment arrangements contain a significant financing component, hence the group has applied the practical expedient and measured these at the transaction price. In the category fair value through OCI the group has no financial assets.

For purposes of subsequent measurement financial assets are classified in:



1. Financial assets at amortised cost (debt instruments),
2. Financial assets at fair value through profit or loss,
3. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments),
4. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

The group only has financial assets in two first categories, hence only these are described below:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. Only currency forwards are classified in this category.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The group's financial assets measured at amortised cost comprise trade receivables, other receivables as well as cash and cash equivalents. Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within loans and borrowings in current liabilities in the consolidated statement of financial position.

Part of the bank deposits have limitations on disposition rights, see note 16.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at:

1. fair value through profit or loss,
2. loans and borrowings,
3. payables, or as
4. derivatives designated as hedging instruments in an effective hedge.

Currently, the company only has one financial liability which is valued at fair value through profit and loss, and this is the purchase liability for the remaining shares in Ironstone Holding AS (see note 4) and the company has no derivatives designed as hedging instruments. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and the aforementioned purchase liability of shares.

For purposes of subsequent measurement, financial liabilities are classified in two categories: 1) Financial liabilities at amortised cost (loans and borrowings), 2) Financial liabilities at fair value through profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. The company considers that the nominal value of the current loans and borrowings gives a reasonable approximation of their fair value and does not contain a significant financing component.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. As of 31 December 2023, the company do not have any financial liability held for trading. This category includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9, such as the currency forward contracts.

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.



Inventories

Inventory is reported at the lower of cost and net realisable value. The costs comprise all costs of purchase and include expenditures directly linked to getting the goods to the central warehouses. Net realisable value is the estimated sales price (future selling price) less the estimated transaction costs.

The portion of the group's inventory that is valued at net realisable value is mainly related to products that have been returned from customers. The estimated sales price of these products is assessed and calculated on the basis of historical experience, as well as the condition (quality state) of the products and the discount that needs to be given to be able to re-sell the relevant products. The discount is set based on the past experience with similar products and quality following the return. In addition, estimated transaction costs, as explained below, are deducted.

When assessing realisable the value of inventory, the group considers its estimated expenses to sale of goods, which primarily comprise, but are not limited to, estimated transaction costs, such as payment fees (for debit and credit card payment processing, etc.), marketing costs and distribution costs.

Other (unsold) products are valued at costs after deduction of provisions for obsolescence. Foreseeable obsolescence is assessed continuously. See note 2, section "Provision for obsolescence".

The group's inventories consist solely of goods purchased for resale.

Externally acquired intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives. Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. The significant intangibles recognised by the group, along with their useful economic lives, are:

- ▶ Brand names (indefinite)
- ▶ Customer relationships (five to seven years)

Goodwill

Goodwill represents the excess of the cost of a business combination over the group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Cost comprises the fair value of assets given, liabilities assumed, and equity instruments issued, plus the amount of any non-controlling interests in the acquiree, plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquire. Contingent consideration is included in cost at its acquisition date fair value and, in the case of

contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. For business combinations completed on or after 1 January 2010, direct costs of acquisition are recognised immediately as an expense. Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

Impairment of non-financial assets (excluding inventories and deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units (CGU). (Goodwill is allocated on initial recognition to each of the group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill). Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Provision for service and warranty obligation

Provision for service and warranty obligations covers future warranty obligations and other statutory obligations in connection with goods sold. The provision represents the best estimate, based on historical data and future expectations.

Equity

Share capital

Share capital means Komplet ASA's fully paid share capital at face value.

Share premium

Amount subscribed for share capital in excess of nominal value. Less transaction cost related to share issues.

Other equity

Includes other paid-in equity, retained earnings, and accumulated translation reserves.

Cost of equity transactions

Transaction costs related to equity transactions are recognised directly in equity, reducing the share premium paid.



Dividends and group contributions

Dividends and group contributions are first classified as liabilities when adopted by the general meeting.

Taxes

The tax expense in the income statement includes both current tax payable and changes in deferred tax / deferred tax assets.

Current tax constitutes the expected tax payable on the year's taxable result at the applicable tax rates on the balance sheet date and any corrections of tax payable for previous years.

Tax payable and deferred tax/deferred tax assets are calculated at the tax rate in the countries that Komplett Group is liable to pay tax.

Deferred tax/deferred tax assets are calculated on the basis of the temporary differences that exist between accounting and tax bases of assets and liabilities, as well as tax losses carried forward at year-end. Net deferred tax assets are recognised to the extent that there is convincing evidence that there will be taxable income available to utilise the deferred tax asset.

Cash flow statement

The cash flow statement has been prepared according to the indirect method.

Segment reporting

The group's segments are based on the group's internal management reporting. The company's top decision-maker, responsible for allocating resources to and assessing earnings in the operating segments, is defined as the group management.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- ▶ Leases of low value assets; and
- ▶ Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- ▶ amounts expected to be payable under any residual value guarantee
- ▶ the exercise price of any purchase option granted in favour of the group if it is reasonably certain to assess that option
- ▶ any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- ▶ lease payments made at or before commencement of the lease
- ▶ initial direct costs incurred
- ▶ the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations – see note 19).

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except if the discount rate remains unchanged. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

Events after the balance sheet date

New information about the company's position on the balance sheet date is included in the financial statements. Events that occur after the balance sheet date that do not affect the company's position on the balance sheet date, but which affect the company's future position are reported if it is of significance.

NOTE 3.2 CHANGES IN ACCOUNTING POLICIES

The following standards and amendments was mandatory application for the first time for the reporting period commencing 1 January 2023:



- ▶ IFRS 17 Insurance contracts
- ▶ Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- ▶ Definition of Accounting Estimates - Amendments to IAS 8
- ▶ Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
- ▶ International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

None of the standards or amendments listed above have had any material impact on the financial statements.

Standards and amendments issued but not yet effective: The following standards and amendments are issued but not yet effective, but will have mandatory application for the first time for the reporting period commencing after 1 January 2024:

- ▶ Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
- ▶ Non-Current Liabilities with Covenants - Amendments to IAS 1
- ▶ Classification of Liabilities as Current or Non-Current - amendments to IAS 1
- ▶ Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

None of the amendments listed above is expected to have any material impact on future financial statements.

NOTE 3.3 COMPLIANCE WITH IFRS

The consolidated financial statements have been prepared in accordance with applicable international standards for financial reporting (IFRS) and interpretations from the IFRS Interpretation Committee (IFRIC), as approved by the EU and the company confirms full compliance with IFRS.

NOTE 04 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

General objectives, policies, and processes

The group is exposed to financial risk in various areas such as currency risk, interest rate risk, credit risk and liquidity risk. Financing, liquidity, and interest rate risk are generally managed centrally by group finance and treasury, while currency and credit risk are managed by strong local finance teams, based on group and local policies. For detailed information about the respective risk see below.

Capital management and financing

The group assesses its capital based on the desired equity ratio following risk assessments in the respective subsidiaries. The objective of capital management is that the group shall have an adequate capital base for the ongoing operations and potential new projects. The capital base is mainly governed in dialogue with the owners in relation to what portion of current results are distributed in dividends.

The group maintained a controlled financial position and sufficient liquidity in 2023. The cash flow for the year was net positive and net cash flow from operating activities exceeded net cash used in investing activities.

Funding and liquidity

Funding is primarily handled centrally. The parent company, Komplett ASA, has a NOK 1.3 billion syndicated revolving credit facility with its two core banks. The 3+1+1-year agreement was signed in December 2022 and matures in December 2026, with one 1-year extension option remaining. In addition, the group has NOK 400 million overdraft limit linked to the group cash pool, which can be increased to NOK 500 million in Q4. Finally, Komplett Services has a factoring agreement with a limit on sold receivables of NOK 641

million split on four different legal entities. The utilisation in ordinary months is around NOK 400 million.

Komplett ASA extends loans or equity to its subsidiaries to fund capital requirements. All the subsidiaries, except for Ironstone AS, are included in the cash pool and have access to an overdraft limit. Ironstone AS has received an internal loan from Komplett ASA, executed on an arm's length basis. The subsidiaries are not allowed to enter into individual loan agreements. There are also restrictions imposed on Komplett ASA in the aforementioned RCF agreement.

Capital management measures

The financial covenants include NIBD/Adj. EBITDA and the equity ratio. These ratios are also used by the management to measure the financial solidity and development of the company. The requirement at the end of 2023 and going forward is a ratio of 3.0x for ordinary quarters and 3.5x for Q3.

Shareholder return

Komplett ASA aims to have a clear and predictable dividend policy. Komplett targets stable growing dividends year-on-year, and a pay-out ratio of 60-80 per cent of net profit adjusted for one-off costs and special items. The execution of the dividend policy remains subject to the financial requirements of the group. No dividend payment is currently foreseen for 2023.

Currency risk

The group is exposed to currency exchange risk arising from importing goods into Norway and Sweden and subsequently sell these in local currency in the Nordic market. The purchases are mainly settled in USD and EUR, while the group has limited income in these currencies. Another



currency risk is related to the translation of subsidiaries with functional currency (SEK) which differs from the reporting currency (NOK) in the consolidated financial statement. To mitigate the transactional currency risk the group has several measures. One is to continuously matching the selling price of the products against developments in the purchase of goods measured in NOK or SEK. Many of the group's products are purchased and sold in a market where prices can change up to several times per day. Another is to buy currency at the same time as goods purchased in foreign currency are placed in the warehouse and then use this to pay the supplier. This approach is executed in Norway. The third measure is that the company enters into forward contracts for the business in Sweden to reduce the company's foreign exchange risk and thereby reduce the operating market risk. The best hedging of currency fluctuations has historically been close follow-up and change of selling price, combined with high turnover rate of goods exposed to currency risk.

The net exposure in the balance sheet at 31 December 2023 for each currency is as stated in the table below. The exposure is split on the functional currency of each subsidiary in the group.

If SEK/NOK changes by five per cent, the effect on profit before tax from the net exposure below will be approx. NOK 6.0 million. Included in the figures below are outstanding currency forwards, but as the group does not apply hedge accounting, there will not be any direct effect against equity for the aforementioned change in SEK/NOK.

The table below shall be read so that the entities with functional currency of SEK has a net exposure against NOK in the magnitude of NOK 131 million in their balance sheet at 31 December 2023.

31.12.2023

(All figures in local currencies in million)

	Functional currency	
	NOK	SEK
Exposed currency		
NOK	N/A	131.0
SEK	(10.3)	N/A
EUR	(1.6)	3.6
USD	(2.9)	(7.5)
DKK	(1.0)	6.2
GBP	0.2	(0.1)
PLN	0.2	-

Interest rate risk

The overdraft facility linked to the multi-currency cash pool was not utilised at the end of 2023, while NOK 800 million of the revolving credit facility was drawn. There are floating interest rates for both bank deposits, overdraft and the revolving credit facility.

If interest rates change by one percentage point, net interest expenses change by approx. NOK 17.9 million per year.

The group has income from credit via partial payment and deferred payment in Webhallen, and changes in interest rates will affect these. A change in interest rates by one percentage point will result in a change in revenues of NOK 1.1 million per year.

Credit risk

The risk of selling to private end customers is limited by the average order size, and by the fact that in most cases, the customer pays the goods with a payment type where settlement is guaranteed. Private individuals are normally not granted credit by the company, but can get credit via

external partners.

New customers in the segment B2B and Distribution are credit-rated by a dedicated credit department following local credit policies. Careful credit limits are set, and customers are manually assessed as soon as the credit limit is reached, or they have overdue payments. New customers are always manually assessed before being granted credit. Most receivables issued to customer in these segments are sold to Resurs Bank via a factoring agreement. The factoring agreement covers approximately 80 per cent of the receivables from the B2B and Distribution segments in Norway, while the factoring agreement does not apply to the Swedish operations. Only one debt collection notice is issued prior to submission to an external debt collector.

All major customers are assessed manually at each quarter-end closing. Upon review, specific provisions are made based on assessments made by the head of the credit department. This review assesses the customer's payment history. A new credit rating of the customer is prepared applying updated credit information from our partner Dun & Bradstreet. Provisions in Komplet Service are made for all



ongoing debt collection cases based on expected collection, derived from the experience of the debt collector. Currently, this amounts to 50 per cent. All cases that are added to surveillance are continuously lost.

Retail to business customers, i.e. minor business customer with consumer-like behaviour, included in the B2C segment, is granted credit after a careful credit assessment based on local credit policy. For these receivables, the simplified approach within IFRS 9, using a provision matrix in the determination of the lifetime expected credit losses, is applied. The model is based on the customer's payment history, the actual credit loss history, and the actual number of days overdue.

At the end of the year, the net receivables from deferred payment amounted to NOK 79 million. All customers applying for deferred payment go through the group's automatic credit rating scorecard system. The scorecard systems are built together with a debt collection partner and credit reference agencies. Provisions are made based on the share for debt collection, and the debt collection company's expectations for the rate of collection.

Liquidity risk

At the end of 2023, the group had net unused overdraft rights of NOK 1 000 million. Net working capital was positive with NOK 253 million.

The group has large seasonal fluctuations in relation to turnover.

The table below shows the maturity structure of the group's financial liabilities

Amounts in NOK million	Total	0-6 months	6-12 months	1-3 years	3-5 years	After 5 years
31 December 2023						
Long-term loans	922	31	31	922	-	-
Short-term loans	-	-	-	-	-	-
Trade payables	1563	1563	-	-	-	-
Public duties payable	409	409	-	-	-	-
Other short-term liabilities	862	556	306	-	-	-
Total	3757	2559	337	922	-	-

Amounts in NOK million	Total	0-6 months	6-12 months	1-3 years	3-5 years	After 5 years
31 December 2022						
Long-term loans	486	13	13	50	410	-
Short-term loans	634	634	-	-	-	-
Trade payables	1412	1412	-	-	-	-
Public duties payable	395	395	-	-	-	-
Other short-term liabilities	339	339	-	-	-	-
Total	3265	2792	13	50	410	-



Financial instruments based on category

31 December 2023

<i>Amounts in NOK million</i>	Financial assets at fair value	Financial assets at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost
Assets				
Non-current receivables	-	9	-	-
Trade receivables	-	245	-	-
Trade receivables - deferred payment arrangements	-	79	-	-
Other current receivables	-	660	-	-
Cash and cash equivalents	-	230	-	-
Liabilities				
Long-term loan	-	-	-	800
Provisions and other liabilities	-	-	37	11
Trade payable, public duties payable, and other current liabilities	-	-	-	2 819
Forward currency contracts ¹⁾	16	-	-	-

31 December 2022

<i>Amounts in NOK million</i>	Financial assets at fair value	Financial assets at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost
Assets				
Non-current receivables	-	8	-	-
Trade receivables - regular	-	309	-	-
Trade receivables - deferred payment arrangements	-	91	-	-
Other current financial asset	-	568	-	-
Forward currency contracts ¹⁾	2	-	-	-
Cash	-	149	-	-
Liabilities				
Long-term loans	-	-	-	400
Provisions and other liabilities	-	-	37	9
Short-term loans	-	-	-	625
Trade payable, public duties payable, and other current liabilities	-	-	-	2 148

1) Unrealised gain and losses on forward currency contracts are classified as Other current liabilities



NOTE 05 SEGMENT INFORMATION

Through its well-known brands Komplett, NetOnNet, Webhallen, Itegra, and Ironstone, the group is serving customers in the B2C, B2B, and distribution segments. Building on decades of know-how, expertise, and deep customer commitment, the group enjoys industry leading customer satisfaction and a loyal and growing customer base. Our customers are served from 10 webshops, 17 physical shops, and 31 complementary self-service, logistics and warehouse shops. With its flexible logistics and delivery platform, the group is at the forefront when it comes to same-day delivery and last-mile service from its warehouses in Sandefjord, Norway, and Stockholm and Borås, Sweden.

For management purposes, the segments are divided relative to whether the customer is a consumer (B2C) or a company. Further, the sale to companies is divided into sale to resellers (Distribution) and sale to companies as the end user (B2B). The segmentation is independent of the legal structure of Komplett Group and does not necessarily reflect the legal company in a different country. The main reason for the segmentation is the characterisation of the consumer, how to drive sales, different gross margins, and different cost structure. Komplett Services has a significant infrastructure serving all three segments. The cost related to the infrastructure is allocated to the different segments in a proportion of the usage. Webhallen and NetOnNet have a separate infrastructure and does not receive this allocation to the same extent.

B2C

Komplett Group's operations in the B2C segment cover sales to private consumers across Norway, Sweden, and Denmark through the brands Komplett, NetOnNet, and Webhallen.

The group serves the private consumer market for electronics, technology products, and consumer goods through six online shops, selling products sourced from third-party brands and its own private labels. Komplett serves its B2C customers on the platforms Komplett.no, Komplett.se and Komplett.dk. Komplett also operates two pick-up points, one in Oslo and one at the warehouse in Sandefjord. Webhallen is an omnichannel provider within consumer electronics, with the online platform Webhallen.com and 16 retail stores and pick-up points in Sweden, located strategically around Stockholm and other bigger cities. NetOnNet has two online shops in Sweden and Norway, NetOnNet.se and NetOnNet.no, and a total of 31 complementary self-service, logistics and warehouse shops located in Sweden and Norway.

B2B

Komplett B2B is an online market player for corporate customers in the Nordics focusing on the small and medium sized enterprises and small office / home office segments.

Komplett B2B offers its customers a fully digital customer journey through its web shops Komplettbedrift.no and Komplettforetag.se serving the Norwegian and Swedish market, respectively.

Ironstone is a pure cloud technology company offering IT services to corporate customers that complement traditional hardware purchases. The services Ironstone provides are Your Employees and Your IT-system and they are serving both the Norwegian and Swedish market. The operations in Ironstone are reflected in the B2B segment.

Distribution

The group's activities in the distribution segment consist of large-scale distribution contracts for sale to resellers and other big entities not covered by B2B, which are operated under the Itegra brand and its own platform. Itegra is present in Norway and Sweden and serves its customers through the websites Itegra.no and Itegra.se, respectively.

Other

The "Other" segment represents group costs not allocated to the business segments. Typical cost elements under this segment include management costs and group strategic initiatives.

IFRS

The different effects of "IFRS 16" (International Financial Reporting Standards) are not part of the operational measures and the effects of IFRS 16 are captured in this segment.

The segmentation above is according to the internal reporting with the segments having separate management and employees to run their business.

Transactions between the segments and the legal companies in the group are on arms-length terms. In all internal and external reporting, these transactions are eliminated.



Information about the group's segments is presented below.

Profit or loss - 2023

<i>Amounts in NOK million</i>	B2C	B2B	Distribution	Other	IFRS 16	Total
Operating income						
Revenues from contract with customers	11 008	1 472	3 061	-	-	15 541
Other operating revenues	188	110	17	5	0	320
Total operating income	11 195	1 583	3 078	5	0	15 861
Operating expenses						
Cost of goods sold	(9 438)	(1 302)	(2 909)	0	-	(13 650)
Employee benefit expenses	(770)	(83)	(61)	(101)	-	(1 014)
Depreciation and amortisation	(78)	(9)	(7)	(43)	(198)	(335)
Impairment	-	-	-	(983)	-	(983)
Other operating expenses	(759)	(89)	(50)	(80)	214	(765)
Total operating expenses	(11 045)	(1 482)	(3 029)	(1 206)	16	(16 748)
OPERATING RESULT	150	100	50	(1 201)	16	(885)
Financial income and financial expenses						
Share of profit or loss from associates	-	-	-	3	-	3
Financial income	-	-	-	124	-	124
Financial expenses	-	-	-	(271)	(19)	(291)
Net financial items	-	-	-	(145)	(19)	(164)
PROFIT OR LOSS BEFORE TAXES	150	100	50	(1 347)	(3)	(1 050)

Profit or loss - 2022

<i>Amounts in NOK million</i>	B2C	B2B	Distribution	Other	IFRS 16	Total
Operating income						
Revenues from contract with customers	9 606	1 501	3 191	0	-	14 299
Other operating revenues	178	114	16	23	(12)	319
Total operating income	9 785	1 615	3 207	23	(12)	14 618
Operating expenses						
Cost of goods sold	(8 450)	(1 339)	(3 035)	(0)	-	(12 824)
Employee benefit expenses	(627)	(80)	(60)	(53)	-	(820)
Depreciation and amortisation	(84)	(8)	(6)	(37)	(141)	(256)
Other operating expenses	(632)	(72)	(44)	(130)	165	(712)
Total operating expenses	(9 773)	(1 499)	(3 144)	(220)	24	(14 612)
OPERATING RESULT	12	116	63	(197)	12	6
Financial income and financial expenses						
Share of profit or loss from associates	-	-	-	4	-	4
Financial income	-	-	-	2	0	2
Financial expenses	-	-	-	(93)	(18)	(111)
Net financial items	-	-	-	(87)	(18)	(104)
PROFIT OR LOSS BEFORE TAXES	12	116	63	(284)	(6)	(98)



Non-current operating assets based on geographic location

Amounts in NOK million	2023	2022
Norway	968	931
Sweden	2 881	3 535
Total	3 849	4 466

Non-current assets for this purpose consist of intangible assets, leasehold improvements, machinery and fixtures and right-of-use assets. These are broken down by geographical markets based on the companies' location.

NOTE 06 REVENUES FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

The group has disaggregated revenue into various categories in the following table which is intended to depict how the nature, amount, timing and uncertainty of

revenue and cash flows are affected by economic date, and to enable users to understand the relationship with revenue segment information provided in note 5.

Disaggregation based on type of customers - 2023

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Sale to consumers (B2C)	11 195	-	-	-	11 195
Sale to corporates (B2B)	-	1 583	-	-	1 583
Sale to resellers (Distribution)	-	-	3 078	-	3 078
Other	-	-	-	5	5
Total operating income	11 195	1 583	3 078	5	15 861

Disaggregation based on type of customers - 2022

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Sale to consumers (B2C)	9 785	-	-	-	9 785
Sale to corporates (B2B)	-	1 615	-	-	1 615
Sale to resellers (Distribution)	-	-	3 207	-	3 207
Other	-	-	-	11	11
Total operating income	9 785	1 615	3 207	11	14 618

Revenues based on geographic location of customers - 2023

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Norway	3 150	1 411	2 883	5	7 449
Sweden	7 750	172	195	-	8 117
Denmark	295	-	-	-	295
Total operating income	11 195	1 583	3 078	5	15 861

Revenues based on geographic location of customers - 2022

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Norway	2 900	1 450	2 991	11	7 351
Sweden	6 643	166	216	-	7 025
Denmark	243	-	-	-	243
Total operating income	9 785	1 615	3 207	11	14 618



Revenues by product or service - 2023

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Sale of goods	11 008	1 472	3 061	-	15 541
Consumer finance	112	1	-	-	113
Commission from insurance	67	1	15	-	83
Services	8	109	2	-	119
Other	-	-	-	5	5
Total operating income	11 195	1 583	3 078	5	15 861

Revenues by product or service - 2022

Amounts in NOK million	B2C	B2B	Distribution	Other	Total
Sale of goods	9 606	1 501	3 191	-	14 299
Consumer finance	97	2	-	-	100
Commission from insurance	70	3	14	-	87
Services	11	109	2	-	122
Other	-	-	-	11	11
Total operating income	9 785	1 615	3 207	11	14 618

Critical judgements

The group used the following assessments which have a significant impact on the amount and time of recognition of income from contracts with customers:

Sale of goods

Liabilities and assets related to sales to the consumer with open purchase: In the event of ordinary sales to customers, the group allows the customer to return the item for a full refund. The terms vary from store to store and from country to country depending on the markets but are within the range of 10- 90 days (open purchase). Based on this, a refund liability is recognised (included in the line "Sales revenue of goods") and a right to returned goods (included in the line "cost of goods sold"). Historical data is used to estimate the extent of returns at the time of sale. Since the proportion of returns has been stable over time it is very unlikely that a significant reversal of income will occur because of changes in the return grade. The estimates of returns are reassessed on each balance sheet day.

The group's liabilities for repair and/or exchange of defective products under ordinary guarantees are recognised as a liability included in the line "Other current liabilities" in the financial statements.

Customer loyalty programmes

Komplett has a customer loyalty programme related to sales to consumers where the customer accumulates points based on completed purchases. Total vested points will put the customer at different levels, which give different benefits.

Club members in Klubbhyllan, with the NetOnNet card, vest bonus points when purchasing products either in the stores or online. These points can be exchanged to value checks and used as discounts on future purchases. The provision depends on estimates on which discount the points will be generated when they are applied and the likelihood of actually being applied. These parameters are based on historical experience.

Commissions

The group receives commissions for the distribution of financing via partners Walley and Resurs Bank. The consideration consists of a fixed part based on volume and a variable part based on the funding period. Since the finances are not timed, the income recognition of the variable part is postponed until the group is entitled to the consideration.

All the three brands offer insurance when purchasing specific products, and Komplett acts as an agent in these transactions and receive a commission from the insurance companies.

Gift certificates & vouchers

Gift certificates can be purchased in all webshops and physical stores. The value and the expiration time of the gift certificates may vary. Until the gift certificate has been used to purchase products, or expired, the value is recognised as a liability in the balance sheet.

Vouchers are issued to customers when they return a product to the physical stores and, as for gift certificates, these are recognised as a liability in the balance sheet until they have been used to purchase a new product or expired.



Contract balances for contracts with customers

Amounts in NOK million	2023	2022
Net refund liabilities	8	7
Customer loyalty programme	9	8
Gift certificates & vouchers	28	38
Total	45	53

NOTE 07 EMPLOYEE BENEFIT EXPENSES AND AUDIT FEES

Amounts in NOK million	2023	2022
Salaries	649	530
Social security expenses	183	138
Contribution to pension schemes	47	39
Fees for external staff	84	89
Share option plan (see note 18)	5	2
Bonuses	28	9
Other expenses	17	13
Total	1014	820

The number of man-years that has been employed during the financial year: **1203** (2022: 1251)

Key management compensation in 2023:

Amounts in NOK million	Salary	Bonuses earned	Extra Ord.	Pension	Other benefits	Value of options granted	Total
Jaan Ivar Semlitsch, Group CEO (Feb-Dec)	5.78	2.00	-	1.10	0.18	2.52	11.59
Thomas William Scobie Røkke, Group CFO (Mar-Dec)	3.04	0.97	-	0.50	0.40	1.64	6.56
Andreas Westgaard, Chief Commercial Officer (Aug-Dec)	1.90	0.61	-	0.26	0.09	1.52	4.39
Markus Solvik, Chief Strategy Officer (Apr - Dec)	1.71	0.86	-	0.19	-	0.88	3.64
Kristin H Torgersen, Group CHRO	2.24	0.85	-	0.27	0.16	2.74	6.26
Erlend Stefansson, Managing Director Komplette Services	2.73	1.01	-	0.39	0.23	1.16	5.52
Josefin Dalum, Managing Director NetOnNet (Dec)	0.20	-	-	0.13	0.01	-	0.33
Anders Torell, Managing Director Webhallen	3.04	0.66	-	0.53	0.08	1.88	6.20
Roger Sandberg, Group Procurement Officer (Jan-Aug)	1.17	-	2.07	0.37	0.07	2.66	6.34
Susanne Holmstrøm, Managing Director NetOnNet (Jan-Oct)	3.49	-	3.34	0.96	0.11	-	7.90
Martin Klafstad - Managing Director Komplette (Jan-Mar)	0.33	-	-	-	-	-	0.33
Trine L. Jensen, COO/CIO (Jan-Mar)	0.58	-	-	0.02	0.06	1.88	2.53
Lars Olav Olaussen, Group CEO (Jan-Feb)	3.00	-	2.40	0.53	0.19	-	5.75
Krister Pedersen, Group CFO (Jan-Feb)	0.40	-	1.20	0.01	0.01	-	1.62
Total	29.60	6.96	9.01	5.26	1.61	16.89	68.96



- ▶ The bonus scheme for group management consists of the following elements: 1) budgeted EBIT, 2) budgeted sale, 3) discretionary evaluation.
- ▶ Group management is included in the group's ordinary defined contribution pension schemes. In addition, Norwegian employees have a supplementary scheme for salary above 12 G.

- ▶ The company provides severance pay that is regulated by the employment contract and which is considered to be fair and reasonable for the position in question and the scope of responsibility the position holds. In special situations, the final consideration can be increased if the reason for the termination of the employment implies it.

Key management compensation in 2022:

Amounts in NOK million	Salary	Bonuses earned	Pension	Other benefits	Value of options granted	Total
Lars Olav Olaussen, Group CEO	4.48	-	0.02	0.26	-	4.76
Krister Pedersen, Group CFO	2.43	-	0.02	0.08	-	2.53
Trine L. Jensen, Head of Group Supply Chain/IT program	2.31	-	0.02	0.21	-	2.54
Kristin H. Torgersen, CHRO	2.10	-	0.02	0.31	-	2.43
Kjetil Wisløff, Category and Buying Director (Mar-Dec)	1.18	-	0.02	0.04	-	1.24
Henri Blomqvist, Managing Director Webhallen	2.26	-	0.42	0.09	-	2.77
Per Skøien, Head of Category and Procurement	1.70	-	0.02	0.21	-	1.93
Jan Erik Svendsen, Director B2B & Itegra (interim)(Sep-Dec)	1.53	-	0.01	0.01	-	1.55
Susanne Holmström, Deputy CEO and Managing director of NetOnNet	3.45	1.65	1.46	0.10	-	6.67
Anders Torell, Managing director of Webhallen	2.16	-	0.55	0.05	-	2.75
Roger Sandberg, Chief Procurement Officer	2.06	1.00	0.71	0.26	-	4.03
Jon Martin Klafstad, Managing director of Komplett	3.90	-	-	-	-	3.90
Total	28.57	2.65	3.27	1.62	-	37.11

- ▶ The bonus scheme for group management consists of the following elements: 1) budgeted EBIT, 2) budgeted sale, 3) discretionary evaluation.
- ▶ Group management is included in the group's ordinary defined contribution pension schemes.

- ▶ The company provides severance pay that is regulated by the employment contract and which is considered to be fair and reasonable for the position in question and the scope of responsibility the position holds. In special situations, the final consideration can be increased if the reason for the termination of the employment implies it.

Compensation to the board of directors:

Amounts in NOK million	Role	Committee	2023	2022
Jo Lunder (22-24)	Chair	Remuneration	0.63	0.48
Nils Selte (21-Jun 22)	Chair	Remuneration	-	0.18
Lars B. Thoresen (19-23)	Director	Audit	0.20	0.41
Sarah Willand (21-23)	Director	Remuneration	0.19	0.38
Jennifer Geun Koss (20-23)	Director	Audit	0.17	0.36
Susanne Ehnåge (23-25)	Director	Remuneration	0.24	-
Jan Ole Stangeland (23-25)	Director	Audit and remuneration	0.33	-
Ingvild Næss (23-25)	Director	Audit	0.26	-
Fabian Bengtsson (Jun 22-24)	Director	Audit and remuneration	0.72	-
Anders Odden (19-25)	Worker director		0.14	0.15
Nora Eldås (21-23)	Worker director		0.05	0.15
Anna Fernmo (21-23)	Worker director		0.10	-
Sverre Kjær (21-23)		Nomination	0.08	0.08
Karin B. Orkland (21-23)		Nomination	0.04	0.04
Nina C. H. Sørli (21-23)		Nomination	0.04	0.04
Total			3.18	2.27



Effective since June 2021, a long-term incentive programme (the "LTI program") has been established for the executive management team, key employees and certain identified young talents. At 31 December 2023, 25 employees were

included in the option programme. The share option plan is further presented in note 18. Below is an overview of management share options:

Key management - share option

	Opening balance	Granted	Forfeited	Exercised	Average exercise price(A)	Ending balance	Average exercise price(B)	Average maturity
Jaan Ivar Semlitsch, Group CEO	-	500 000	-	-	-	500 000	16.75	4.11
Thomas William Scobie Røkke, Group CFO	-	361 049	-	-	-	361 049	15.01	4.42
Andreas Westgaard, Chief Commercial Officer	-	415 781	-	-	-	415 781	13.27	4.59
Markus Solvik, Chief Strategy Officer	-	193 864	-	-	-	193 864	15.01	4.42
Kristin H Torgersen, Group CHRO	-	502 810	-	-	-	502 810	17.26	4.34
Erlend Stefansson, Managing Director Komplett Services	-	254 192	-	-	-	254 192	15.01	4.42
Anders Torell, Managing Director Webhallen	-	313 352	-	-	-	313 352	18.62	4.30
Roger Sandberg, Group Procurement Officer	-	484 301	-	-	-	484 301	17.35	4.34
Trine L Jensen, COO/CIO	32 668	313 352	-	-	-	346 020	22.94	4.13
Lars Olav Olaussen, Group CEO	58 127	-	(34 877)	-	-	23 250	62.73	2.48
Krister Pedersen, Group CFO	36 711	-	(29 369)	-	-	7 342	61.80	2.48
Total	127 506	3 338 701	(64 246)	-	-	3 401 961		

(A) - average exercise price for options exercised during the year

(B) - Average exercise price for options at the end of the year

The options will vest gradually over three years after grant, of which 20 per cent of the options will vest after one year, 20 per cent will vest after two years, and the remaining 60 per cent will vest after three years. All options will expire five

years after the date of grant. The maximum benefit from the 2023-option programme is four times the base salary at the year of grant.

Shares held by group management and board members at 31 december 2023:

	Number of shares
Jaan Ivar Semlitsch, Group CEO	180 000
Andreas Westgaard, Chief Commercial Officer	58 147
Kristin H Torgersen, Group CHRO	11 835
Erlend Stefansson, Managing Director Komplett Services	50 847
Jo Olav Lunder, Chair (Cigalep AS)	391 777
Jan Ole Stangeland, Director (Stangeland Invest AS)	76 296
Fabian Bengtson, Director (SIBA Invest AB)	55 581 404
Anders Odden, Worker director	8 333
Total	56 358 639

Pension plans

For the Norwegian entities the main pension plan is a defined contribution plan, but the conditions differ between different legal entities. For the main scheme, the contribution to each individual pension plan is 3 per cent

of annual salary up to 7.1 G and 8 per cent of annual salary between 7.1 - 12 G. 1G refers to the Norwegian national insurance scheme's basic amount, which is NOK 118 620 as of 1 May 2023. In addition, Komplett Services AS and



NetOnNet NUF participates in the early retirement scheme AFP. This is a multi-employer plan accounted for as a defined contribution plan in accordance with the Ministry of Finance's conclusion, hence there is no provision for this in the balance sheet. This year's recognised expenses for defined contribution plans (including multi employer plans) amount to NOK 15.2 million and the yearly pension premium to AFP is NOK 3.7 million or 2.6 per cent in 2023 and will be 2.7 per cent for 2024. The cost for the unfunded pension scheme above 12G is NOK 3.5 million. The company's retirement schemes meet the minimum requirement of the Norwegian Act of Mandatory Occupational Pension

In Sweden, there are two pension schemes: ITP1 and ITP2. Employees born in 1978 or before are members of ITP2, while the remaining employees are part of ITP1. ITP2 is a mixed scheme with one part based on final salary and one part based on defined contribution. ITP2 is a multi-employer plan and fully recognised as a defined contribution plan. This is in accordance with UFR10 "Uttalande från rådet för finansiell rapportering". ITP1 is a regular defined contribution plan and this year's recognised expenses for the two plans amount to NOK 28.2 million.

Audit fees

Komplett Group has changed auditor during 2023 and the table below shows EY (current auditor) and BDO and Deloitte (former auditors) total charges for auditing and other services. All amounts are exclusive of VAT.

Audit fees to the auditors in the group entities is as follows (excluding VAT)

Amounts in NOK million	2023	2022
Statutory audit	5.3	4.4
Other assurance services	0.2	0.2
Other non-assurance services	0.3	0.2
Total	5.8	4.9

NOTE 08 FINANCE INCOME AND EXPENSES

Finance income

Amounts in NOK million	2023	2022
Interest income	8.6	1.7
Interest from leases	-	0.3
Other finance income	0.1	0.2
Total financial income	8.7	2.1

Finance expenses

Amounts in NOK million	2023	2022
Interest on debts and borrowings	116.0	82.7
Interest on leases	19.3	17.9
Foreign exchange losses	2.0	(0.1)
Other finance expenses	38.5	10.5
Total finance expenses	175.9	110.9



NOTE 09 INCOME TAX

Taxable income		
<i>Amounts in NOK million</i>	2023	2022
Result from continued operations	(1050)	(98)
Result from discontinued operations	-	12
Non taxable items ¹⁾	974	51
Use of tax loss carried forward	(54)	(218)
Changes in temporary differences	131	45
Taxable income	1	(208)
Income tax expense:		
Current income tax	3	(29)
Correction of previous years current income taxes	0	(0)
Changes in deferred tax	(15)	(24)
Total income tax expense	(11)	(54)
Income tax expenses from discontinued operation	-	3
Income tax expense from continued operation	(11)	(56)
Total income tax expense from continued - and discontinued operation	(11)	(54)
Income tax expense Norwegian operations	(10)	(39)
Income tax expense foreign operations	(2)	(15)
Total income tax expense	(11)	(54)



Temporary differences and tax positions

Amounts in NOK million	2023	2022
Intangible assets	1480	1437
Property, plant, and equipment	(44)	(26)
Inventories	(27)	(34)
Receivables	(8)	(6)
Provisions	(45)	(28)
Tax losses carried forward ²⁾	(370)	(352)
Total temporary differences and tax positions	986	992
Temporary differences and tax positions not included in the basis for deferred tax ²⁾	228	202
Basis for deferred tax	1212	1194
Net deferred tax	248	245

Specification in the statement of financial position:

Deferred tax asset	30	-
Deferred tax	277	245
Net deferred tax	248	245

Tax payable in the statement of financial position:

Current income tax payable	3	(29)
Used not capitalised deferred tax asset	-	47
Prepaid tax/prior income tax payable	9	(1)
Net tax payable	12	17

1) Includes non-deductible costs such as transaction costs, representation, gifts and non-taxable income such as capital gains and dividends from associated companies.

2) The tax loss carried forward has occurred in the period 2002 - 2023. When calculating the group's deferred tax assets, tax loss carried forward is only included to the extent that there is convincing evidences that tax losses can be utilised. It is the company's assessment that the activated tax benefit can be exploited. Under current tax rules, there is no expiration date related to the tax-reducing temporary differences.

Reconciliation of effective tax rate

Amounts in NOK million	2023	2022
Profit before tax	(1 050)	(86)
Income tax based on applicable tax rate (22%)	(231)	(19)
Effect from foreign currency and different tax rates	1	1
Changes in not recognised tax loss carried forward	3	0
Effect of income from associated company after tax	0	(1)
Correction of previous years current income taxes	1	(0)
Not deductible expenses	214	12
Effect of used not capitalised deferred tax asset	-	(47)
Income tax expense	(11)	(54)
Effective tax rate	1.1%	62.6%



NOTE 10 EARNINGS PER SHARE

The basic earnings per share are calculated as the ratio of the profit for the period that is due to the shareholders of the parent divided by the weighted average number of ordinary shares outstanding.

Earnings per share

Amounts in NOK million	2023	2022
Result allocated to the holders of ordinary shares		
Profit from continuing operations	(1 038)	(42)
Profit from discontinued operations	-	10
Result allocated to the holders of ordinary shares	(1 038)	(32)
Profit from discontinued operations	-	10
Profit from continued operations	(1 038)	(42)
Average number of shares		
Shares at the beginning of the period	175 297 579	72 255 155
Effect of new shares	39 642	32 459 501
Average number of shares	175 337 221	104 714 656
Earnings per share (basic and diluted) - in NOK	(5.92)	(0.31)
Earnings per share (basic and diluted) in NOK from continuing operations	(5.92)	(0.40)

Diluted earnings per share

The group has an option programme (see note 18), but since earnings per share are negative, this has no dilutive effect. There are also no other instruments that will have a dilutive effect on earnings per share at 31 December 2023.



NOTE 11 INTANGIBLE ASSETS

Amounts in NOK million	Goodwill	Software	Customer relationships	Brand names	Total
Cost at 31 December 2021	553	545	183	60	1341
Additions from acquisition of companies	1688	63	319	1062	3132
Additions	-	89	-	-	89
Disposals	-	(2)	-	-	(2)
Foreign currency effects	10	(0)	2	5	16
Cost at 31 December 2022	2 251	694	503	1127	4 576
Cost at 31 December 2022	2 251	694	503	1127	4 576
Additions	-	176	-	-	176
Disposals	-	1	-	-	1
Foreign currency effects	139	6	24	80	249
Cost at 31 December 2023	2 389	878	527	1207	5 002
Acc. amortisation and impairments at 31 December 2021	(119)	(432)	(170)	-	(721)
Amortisation charge	-	(47)	(37)	-	(84)
Disposals	-	2	-	-	2
Foreign currency effects	-	0	1	-	1
Acc. amortisation and impairments at 31 December 2022	(119)	(476)	(206)	-	(802)
Acc. amortisation and impairments at 31 December 2022	(119)	(476)	(206)	-	(802)
Amortisation charge	-	(53)	(51)	-	(104)
Disposals	-	(0)	-	-	(0)
Impairments	(932)	(37)	-	-	(969)
Foreign currency effects	-	(2)	(4)	-	(6)
Acc. amortisation and impairments at 31 December 2023	(1 051)	(569)	(262)	-	(1 882)
Carrying amount at 31 December 2021	433	113	13	60	620
Carrying amount at 31 December 2022	2 131	218	297	1127	3 773
Carrying amount at 31 December 2023	1 338	309	265	1207	3 120
Carrying amount of assets with indefinite life	1 338	-	-	1207	2 546
Amortisation rate		15 - 25%	14 - 20%		

The group amortises all intangible asset based on the linear method.

Useful economic life

	2023	2022
Customer relationships	5 - 7 years	5 - 7 years
Software	3 - 7 years	3 - 7 years



Brand names are considered to have an indefinite lifetime and are therefore not depreciated but are subject to annual impairment testing. The depreciation period for customer relationships is based on the best estimate for economic life for the assets.

Goodwill acquired through acquisitions is allocated to six individual cash-generating unit (CGU).

Intangible assets by CGUs at 31 December 2023

Amounts in NOK million	Goodwill	Software	Customer relationships	Brand names	Total
CGUs					
Komplett B2C	166	89	-	-	255
Komplett B2B	214	36	-	-	250
Itegra	68	75	-	5	148
Webhallen	85	28	-	52	165
Ironstone	78	17	7	5	109
NetOnNet	727	62	258	1145	2 193
Total at 31 December 2023	1 338	309	265	1 207	3 120

Intangible assets by CGUs at 31 December 2022

Amounts in NOK million	Goodwill	Software	Customer relationships	Brand names	Total
CGUs					
Komplett B2C	148	58	-	-	206
Komplett B2B	223	31	-	-	253
Itegra	68	61	-	5	133
Webhallen	290	12	-	48	351
Ironstone	78	10	10	5	104
NetOnNet	1 324	47	287	1 069	2 726
Total at 31 December 2022	2 131	218	297	1 127	3 773

Impairment test of goodwill and intangible assets

Goodwill is allocated to the group's cash flow-generating units as shown above. The recoverable amount of the cash-generating units is calculated based on an estimated future value of the asset for the business (value in use).

The impairment tests are based on budgets for next year with a projection based on long-term strategic plans. The management has set budgeted figures for 2024 based on previous performance and expectations for market development. Growth rates for the period 2024 - 2028, are in accordance with the management's long-term plan and are used as projections of budgeted figures for 2024. After 2028, 2 per cent perpetual growth is based on cash flows in the year 2028. The discount rate used is after tax and reflects specific risks to the relevant operating segment/CGU. Interest rates are built on 10-year governmental bonds in the same country as the relevant CGU and other relevant assumptions have been benchmarked against external sources. Both growth rates and margin rates have been reviewed in light of industry peers as well as the entity's own historical performance.

The Group has considered whether climate-related matters have an impact on the impairment testing of goodwill, including future cash flows, as well as the useful life of other assets. No such impacts have been identified affecting the impairment test in 2023.

Overall assessment of impairment charges

In light of the challenging market situation with low discretionary spendings, high interest rates and an inflationary environment, which are affecting both the underlying industry performance and valuation levels, an impairment charge has been recognised. The impairment charge is for the CGUs Webhallen, NOK 232 million, and NetOnNet NOK 700 million reducing the carried amount of goodwill. The impairment charges do not alter the management's view of the attractiveness of the businesses themselves, nor do they change the expectations regarding scale benefits and attractiveness of the NetOnNet acquisition from 2022. For details on the impairment charges, reference is made to description of the separate CGUs below.

Impairment test of the cash-generating units

Komplett B2C

The impairment test showed that the calculated value in use was higher than the carrying amount. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flow estimate includes estimated annual growth rates of 2.9 - 10.0 per cent in revenues in the first five-year period, or a compound annual growth rate of 6.2 per cent, which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range of 3.8 - 4.5 per cent in the first five-year period, and 4.0 per cent in the calculation of the terminal value. A weighted average cost of capital (WACC) of 11.0 per cent after tax is used for the value in use calculation.

Sensitivity

The following reasonable possible changes in key assumption would result in the value in use being equal to the carrying amount. Changes in cash flow assumptions below are related to changes in the terminal value.

In per cent

Change in revenues growth - TV	No change possible
Changes in EBIT margin - TV	Decrease from 4.0% to -0.5%
Change in discount rate	No reasonably possible change

The carrying amount is higher than value in use even before taking into account any positive contribution from the terminal value. Calculated headroom 31 December 2023 is NOK 1 128 million

Any changes in key assumptions that would result in the value in use being equal to the carrying amount is considered to exceed reasonable changes.

Impairment test of the cash-generating unit Komplett B2B

The impairment test shows that the calculated value in use is higher than the carrying amount. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flow estimate includes estimated annual growth of 2.9- 19.4 per cent in revenues in the first five-year period, or a compound annual growth rate of 7.9 per cent, which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range 7.7 - 9.2 per cent in the first five-year period, and 7.9 per cent in the calculation of the terminal value. A WACC of 11.0 per cent after tax is used for the value in use calculation.

Sensitivity

The following reasonable possible changes in key assumption would result in the value in use being equal to the carrying amount. Changes in cash flow assumptions below are related to changes in the terminal value. Calculated headroom 31 December 2023 is NOK 1 059 million.

In per cent

Change in revenues growth - TV	No change possible
Changes in EBIT margin - TV	Decrease from 7.9% to -1.3%
Change in discount rate	No reasonably possible change

Carrying amount is higher than value in use even before taking into account any positive contribution from the terminal value.

Any changes in key assumption that would result in the value in use being equal to the carrying amount is considered to exceed reasonable changes.

Impairment test of the cash-generating unit Itegra

The impairment test shows that the calculated value in use is higher than the carrying amount. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flows estimate includes estimated annual growth of 2.9 - 14.1 per cent in revenues in the first five-year period, or a compound annual growth rate of 5.1 per cent, which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range of 1.3 - 1.9 per cent in the first five-year period, and 2.4 per cent in the calculation of the terminal value. A WACC of 11.0 per cent after tax is used for the value in use calculation.

Sensitivity

The following reasonable possible changes in key assumptions would result in the value in use being equal to the carrying amount. Changes in cash flow assumptions below are related to changes in the terminal value.

In per cent

Change in revenues growth - TV	No change possible
Changes in EBIT margin - TV	Decrease from 2.4% to 1.4%
Change in discount rate	Increase from 11% to 15.9%

Calculated headroom 31 December 2023 is NOK 221 million. Any changes in key assumptions that would result in the value in use being equal to the carrying amount is considered to exceed reasonable changes.

Impairment test of the cash-generating unit Webhallen Sweden AB

The impairment test shows that the calculated value in use was lower than the carrying amount, hence an impairment charge of NOK 232 million has been recognised in 2023. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flow estimate includes estimated annual growth in the range of negative growth of 7.8 per cent to positive growth of 7.0 per cent in revenues in the first five-year period, or a compound annual growth rate of 2.2 per cent, which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range



of -1.0 per cent to + 2.2 per cent in the first five-year period, and 2.2 per cent in the calculation of the terminal value. A WACC of 10.0 per cent after tax is used for the value in use calculation.

Sensitivity

As an impairment charge has been recognised in 2023, technically any negative changes in key assumptions, decreasing the value in use further, would result in additional impairment charges.

Assumption	Change	Additional cost
Revenues growth - TV	- 0.5 pp	NOK 12 million
EBIT margin - TV	- 0.5 pp	NOK 67 million
Discount rate	- 1.0 pp	NOK 41 million

Impairment test of the cash-generating unit Ironstone

The impairment test shows that the calculated value in use is higher than the carrying amount. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flows estimate includes estimated annual growth of 3.4 - 33.3 per cent in revenues in the first five-year period, an compound annual growth rate of 17 per cent, which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range of 7.1 - 12.2 per cent in the first five-year period, and 12.5 per cent in the calculation of the terminal value. A WACC of 12.0 per cent after tax is used for the value in use calculation.

Sensitivity

The following reasonable possible changes in key assumptions would result in the value in use being equal to the carrying amount. Changes in cash flow assumptions below are related to changes in the terminal value.

In per cent

Change in revenues growth	Decrease from 2.0% to -13.6%
Changes in EBIT margin	Decrease from 12.5% to 3.7%
Change in discount rate	Increase from 12.0% to 20.7%

Calculated headroom 31 December 2023 is NOK 38 million. The CGU is related to a business which is still considered a start-up business, where the business model still needs to show proof of concept, hence sensitivity is not linked to one single assumption, but rather if the business succeed or not.

Impairment test of the cash-generating unit NetOnNet

The impairment test shows that the calculated value in use was lower than the carrying amount, hence an impairment charge of NOK 700 million has been recognised in 2023. The calculation is based on a model with budgeted/projected cash flows for a period of five years with a subsequent residual value. The cash flows estimate includes estimated annual growth of 3.0 - 14.6 per cent in revenues in the first

five-year period, or a compound annual growth rate of 6.0 per cent which is reduced to a 2.0 per cent perpetual growth from year six. The EBIT margin is assumed to be in the range 2.5 - 4.0 per cent in the first five-year period, and 4.0 per cent in the calculation of the terminal value. A WACC of 10.0 per cent after tax is used for the value in use calculation.

Sensitivity

As an impairment charge has been recognised in 2023 technically any negative changes in key assumptions, decreasing the value in use further, would result in additional impairment charges.

Assumption	Change	Additional cost
Revenues growth - TV	- 0.5 pp	NOK 111 million
EBIT margin - TV	- 0.5 pp	NOK 267 million
Discount rate	- 1.0 pp	NOK 316 million



NOTE 12 PROPERTY, PLANT, AND EQUIPMENT

Amounts in NOK million	Leasehold improvements	Machinery and equipment	Total
Cost at 31 December 2021	30	320	351
Additions from acquisition of companies	12	64	76
Additions	2	58	60
Disposals	(1)	(39)	(39)
Foreign currency effects	0	(1)	(1)
Cost at 31 December 2022	44	402	446
Cost at 31 December 2022	44	402	446
Additions	7	28	35
Disposals	-	(2)	(2)
Impairment	-	(6)	(6)
Foreign currency effects	1	8	9
Cost at 31 December 2023	52	431	483
Acc. depreciation and impairments at 31 December 2021	(28)	(295)	(323)
Depreciation	(4)	(27)	(31)
Disposals	0	39	39
Foreign currency effects	(0)	2	1
Acc. depreciation and impairments at 31 December 2022	(31)	(282)	(313)
Acc. depreciation and impairments at 31 December 2022	(31)	(282)	(313)
Depreciation	(4)	(36)	(41)
Disposals	-	2	2
Foreign currency effects	0	(2)	(2)
Acc. depreciation and impairments at 31 December 2023	(35)	(319)	(354)
Carrying amount at 31 December 2021	3	25	28
Carrying amount at 31 December 2022	13	121	134
Carrying amount at 31 December 2023	16	112	128
Economic life	3 - 5 years	3 - 7 years	
Depreciation rate	20%	15 - 25%	
Depreciation method	Linear	Linear	

NOTE 13 INVESTMENTS IN ASSOCIATES

The following entities have been included in the consolidated financial statements using the equity method:

Name	Country	Industry	Proportion of ownership
Fabres Sp. Z.o.o.	Poland	Consulting	40.0%

Based on an overall assessment where size and complexity are taken into account, Fabres Sp. Z.o.o. is considered to be

significant associates. Further information regarding this company is disclosed below.



Fabres Sp. Z.o.o.

Book value

Amounts in NOK million	2023	2022
At 1 January	13.8	10.8
Share of profit after tax	2.8	4.4
Dividend	(4.1)	(1.6)
At 31 December	12.2	13.6

Fabres Sp. Z.o.o. is domiciled in Poland with office in Poznan.
The company is a consulting firm providing IT and finance services.

Fabres Sp. Z.o.o.

Summarised financial information

Amounts in NOK million	2023	2022
Assets	14.8	17.4
Liabilities	2.0	1.8
Equity	12.8	15.5
Revenues	21.3	24.5
Total operating expenses	(17.8)	(17.9)
Net financial items	(1.1)	(0.2)
Profit of the year	2.4	6.3

NOTE 14 TRADE AND OTHER RECEIVABLES

Trade receivables

Amounts in NOK million	2023	2022
Trade receivables at face value at 31 December	254	315
Less: Provision for expected credit loss	(9)	(6)
Net trade receivables	245	309
Receivables written off during the years	10	15
Collected on receivables written of in prior periods	(6)	(3)
Changes in provision during the year	3	(2)
Impairment loss during the year	6	10



Aging of trade receivables at face value and provision for expected credit loss are as follows:

At 31 December 2023	Total	Current	0-30d	30-60d	60-90d	>90d
Trade receivables at face value	254.0	116.2	81.7	9.8	12.3	33.9
Provision for expected credit loss	8.9	0.4	-	0.4	0.5	7.6
Net trade receivables	245.1	115.8	81.7	9.5	11.8	26.3
At 31 December 2022	Total	Current	0-30d	30-60d	60-90d	>90d
Trade receivables at face value	315.2	224.5	58.1	12.1	8.7	11.8
Provision for expected credit loss	6.0	-	--	-	-	6.0
Net trade receivables	309.2	224.5	58.1	12.1	8.7	5.8

Receivables from deferred payment arrangements

Amounts in NOK million	2023	2022
Gross amount receivable at 1 January	100	135
Less provision at 1 January	(9)	(5)
Carrying amount 1 January	91	130
Additions during the year	267	101
Down payments	(283)	(155)
Interest income	17	21
Net losses during the year	6	(2)
Change in loss provision	(19)	(3)
Carrying amount¹⁾ at 31 December	79	91
Receivables due during next twelve months	67	78
Receivables due after twelve months	40	21
Less provision for losses	(28)	(9)
Total	79	91

1) Carrying amount = gross receivables - loss provision

Other current receivables

Amounts in NOK million	2023	2022
Public duties receivable (VAT)/Tax	52	3
Receivables from suppliers	506	332
Prepaid payroll element on option	6	11
Other receivables and prepaid expenses	96	221
Sum	660	568

Non-current receivables

Amounts in NOK million	2023	2022
Rent deposits	1	4
Warranty - The Swedish Customs	4	1
Pension premium fund	3	3
Other non-current receivables	-	-
Sum	8	8



NOTE 15 INVENTORIES

Amounts in NOK million	2023	2022
Inventories carried at cost	2 233	1 979
Provision not allocated to specific goods	(39)	(50)
Booked value	2 194	1 928

Amounts in NOK million	2023	2022
Changes in provision for impairment included in cost of goods sold	(11)	9

There is only one class of goods at stock and this is finished good for resale.

NOTE 16 CASH AND CASH EQUIVALENTS

Amounts in NOK million	2023	2022
Cash at hand and on demand bank deposits	230	149
Restricted funds		
Amounts in NOK million	2023	2022
Bank deposits bound for payment of tax due	3.5	2.2
Rent deposits	-	1.2

NOTE 17 SHARE CAPITAL, SHAREHOLDER INFORMATION, AND DIVIDEND

Number of shares	2023	2022
Ordinary shares	175 341 161	175 297 579

Date/year	Number of shares	Nominal value NOK	Type of change	Share capital NOK million	Share premium reserve NOK million
31 December 2019	14 451 031	2.00		29	1 075
31 December 2020	14 451 031	2.00		29	1 075
May 2021	72 255 155	0.40	Split ¹⁾	29	1 075
31 December 2021	72 255 155	0.40		29	1 075
04 April 2022	107 497 579	0.40		43	2 780
16 November 2022	134 997 579	0.40		54	3 175
08 December 2022	175 297 579	0.40		70	3 741
03 February 2023	175 341 161	0.40		70	3 741

¹⁾ In May 2021, the shareholders at the shareholders meeting resolved a 1 to 5 split of the shares in the company.

All issued shares have equal voting rights and the right to receive dividend.
For computation of earning per share and diluted earning per share, see note 10.



The 20 largest shareholders at 31 December 2023

Name	Holding	Stake	Type of account
1 Canica Invest AS	74 376 317	42.42%	Ordinary
2 SIBA Invest AB	55 581 404	31.70%	Ordinary
3 Verdipapirfondet Alfred Berg Gambak	5 832 206	3.33%	Ordinary
4 The Bank of New York Mellon	4 139 247	2.36%	Nominee
5 The Bank of New York Mellon	3 330 739	1.90%	Nominee
6 Sole Active AS	3 183 646	1.82%	Ordinary
7 Verdipapirfondet Holberg Norge	2 400 000	1.37%	Ordinary
8 Verdipapirfondet Holberg Norden	2 200 000	1.25%	Ordinary
8 Morgan Stanley & Co. Int. Plc.	2 029 233	1.18%	Nominee
10 The Northern Trust Comp. London Br	1 650 000	0.94%	Nominee
11 Skandinaviska Enskilda Banken AB	1 365 500	0.78%	Nominee
12 Wenaasgruppen AS	1 273 370	0.73%	Ordinary
13 Citibank, N.A.	1 259 197	0.72%	Nominee
14 Verdipapirfondet Storebrand Norge	1 183 243	0.67%	Ordinary
15 UBS Europe SE	839 072	0.48%	Nominee
16 Manara AS	620 100	0.35%	Ordinary
17 UBS AG	618 057	0.35%	Nominee
18 Norda ASA	603 549	0.34%	Ordinary
19 Gulbrand Gråstein AS	469 350	0.27%	Ordinary
20 Northern Trust Global Services SE	408 532	0.23%	Nominee
Total top 20	163 362 762	93.17%	
Other	11 978 399	6.83%	
Total number of shares	175 341 161	100.00%	

Shares held by board directors and CEO

	Title	Number of shares
Jo Lunder (Cigalep AS)	Chair	391 777
Fabian Bengtsson (SIBA Invest AB)	Director	55 581 404
Jan Ole Stangeland (Stangeland Invest AS)	Director	76 296
Anders Odden	Worker director	8 333
Jaan Ivar G. Semlitsch	CEO	180 000

Dividends/group contributions

The company has not paid any dividends (group contributions) in either 2023 or 2022.



NOTE 18 SHARE OPTION PLAN

The company has a long-term incentive programme, implemented as a share option programme, for members of the management, key employees and certain identified young talents. The programme has been adopted by the board of directors of Komplett ASA ("the company") to reward employees by enabling them to acquire shares of the company.

At 31 December 2023, 25 employees were included in the option programme.

The strike price for the options granted are based on the final offer price including a premium of 3 per cent annually from grant date until the options are vested.

The programme is measured at fair value at the date of the grant and the value of the issued options is expensed over the vesting period, which in this case is gradually over three years after grant. The Black-Scholes option-pricing model has been used to calculate the fair value.

The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the company's own shares) is recognised as salary and personnel cost in profit and loss and in other equity. Social security tax on options is recorded as a liability and is recognised over the estimated vesting period.

Total costs and social security provisions

Amounts in NOK million	2023	2022
Total IFRS cost	5.51	1.72
Total social security provisions	-	-

Granted instruments 2023

Instrument	Option
Quantity 31.12.2023 (instruments)	3 338 701
Quantity 31.12.2023 (shares)	3 338 701
Contractual life*	5.00
Strike price*	16.41
Share price*	15.48
Expected lifetime*	3.41
Volatility*	43.80%
Interest rate*	3.351%
Dividend*	0.00
FV per instrument*	5.06
Vesting conditions	

*) Weighted average parameters at grant of instrument

Quantity and weighted average prices

Activity	2023		2022	
	Number of instruments	Weighted average Strike price	Number of instruments	Weighted average Strike price
Outstanding options 1.1	401 025	64.32	618 025	64.43
Granted	3 338 701	16.41	-	-
Terminated	(120 138)	64.60	(217 000)	64.62
Outstanding options 31.12	3 619 588	20.12	401 025	64.32
Vested CB	130 700	62.67	92 973	61.80



Outstanding instruments overview at 31 December 2023

Expiry/ vesting date	Strike price	Outstanding instruments			Vested instruments	
		Number of instruments	Weighted average remaining contractual life	Weighted average strike price	Vested instruments 31.12.2023	Weighted average strike price
2024	12.73	83 156	4.59	12.73	-	-
2025	13.11	83 156	4.59	13.11	-	-
2026	13.51	249 469	4.59	13.51	-	-
2024	14.40	233 899	4.42	14.40	-	-
2025	14.83	233 903	4.42	14.83	-	-
2026	15.28	701 710	4.42	15.28	-	-
2024	16.07	100 000	4.11	16.07	-	-
2025	16.55	100 000	4.11	16.55	-	-
2026	17.05	300 000	4.11	17.05	-	-
2024	17.86	250 680	4.30	17.86	-	-
2025	18.40	250 680	4.30	18.40	-	-
2026	18.95	752 048	4.30	18.95	-	-
2022	61.80	69 021	2.48	61.80	69 021	61.80
2023	63.65	61 679	2.48	63.65	61 679	63.65
2024	65.56	150 187	2.48	65.56	-	-
Total		3 619 588			130 700	

Outstanding instruments overview at 31 December 2022

Expiry/ vesting date	Strike price	Outstanding Instruments			Vested Instruments	
		Number of instruments	Weighted average remaining contractual life	Weighted average strike price	Vested instruments 31.12.2022	Weighted average strike price
2022	61.80	123 594	4.48	61.80	92 973	61.80
2023	63.65	123 594	4.48	63.65	-	-
2024	65.56	370 837	4.48	65.56	-	-
Total		401 025			92 973	



NOTE 19 LEASES

Right-of-use assets

The group's leased assets include offices and other real estate.

The group's right of use assets are categorised and presented in the table below:

Summary of the right-of-use assets

Amounts in NOK million	Land and buildings	Vehicles	Total
At 1 January 2022	253	-	253
Additions from acquisition of companies	336	2	339
Additions incl. adjustments to existing contracts	105	-	108
Amortisation	(140)	(1)	(141)
Foreign currency effects	3	-	3
At 31 December 2022	557	2	559
At 1 January 2023	557	2	559
Additions incl. adjustments to existing contracts	206	2	207
Amortisation	(189)	(1)	(190)
Impairment	(8)	-	(8)
Foreign currency effects	32	-	32
At 31 December 2023	597	3	600

Economic life/lease term	1-9 years
Amortisation method	Straight line

Lease liabilities

Amounts in NOK million	31.12.2023	31.12.2022
Undiscounted lease payments and year of payment		
Less than 1 year	222	172
1-2 years	196	150
2-3 years	138	114
3-4 years	90	70
4-5 years	36	42
More than 5 years	21	51
Total undiscounted lease payments	703	599



Summary of the lease liabilities

<i>Amounts in NOK million</i>	2023	2022
At 1 January 2023	558	310
Additions	228	379
Interest expenses	19	18
Lease payments	(205)	(165)
Foreign currency effects	8	16
Total lease liabilities at 31 December	608	558

Whereof:

Current lease liabilities	180	167
Non-current lease liabilities	428	391
Total cash outflows for leases	205	165

The lease contracts do not include any restrictions with regards to the group's dividend policy or financing opportunities.

Summary of other lease expenses recognised in profit or loss

<i>Amounts in NOK million</i>	2023	2022
Expensed lease payment for short-term leases and low value leases	18.3	17.6
Variable lease payments	22.6	22.4

NOTE 20 OTHER CURRENT LIABILITIES AND LONG-TERM DEBT

Other current liabilities

<i>Amounts in NOK million</i>	2023	2022
Provision for service and guarantee obligations	30	30
Accrued employee benefit expenses	127	89
Provision from contract with customer	62	86
Tax deferred payment - Sweden	443	-
Other short term liabilities	200	132
Total other current liabilities	862	337

Long term debt

<i>Amounts in NOK million</i>	2023	2022
Long-term loans	800	400
Lease liabilities	428	391
Total long term debt	1228	791



NOTE 21 PROVISION FOR SERVICE AND GUARANTEE OBLIGATIONS

Amounts in NOK million	2023	2022
At 1 January	30	17
Additions from acquisition of companies	-	15
Utilised during the year	(28)	(29)
Additions services and guarantee obligations for the year	27	27
At 31 December	30	30

Provisions for service and warranty obligations are made on an ongoing basis, based on obligations from sales. The provision is based on estimated costs for service and

warranty repairs and an expectation of returns of products sold based on historical data.

NOTE 22 NOTES SUPPORTING THE CASH FLOWS

Transactions without cash flow effects from financing activities are presented in the reconciliation of the movement in financial liabilities in the subsequent tables.

2023

Amounts in NOK million	Non-current loans and borrowings	Current loans and borrowings	Other non-current financial liabilities	Total
At 1 January 2023	(400)	(625)	(46)	(1071)
Cash flows	(400)	625	-	225
Non-cash flows:				
- Additions from acquisition of companies	-	-	-	-
- Miscellaneous provisions	-	-	8	8
- Fair value adjustments of issued put liability	-	-	-	-
At 31 December 2023	(800)	-	(37)	(837)

2022

Amounts in NOK million	Non-current loans and borrowings	Current loans and borrowings	Other non-current financial liabilities	Total
At 1 January 2022	(400)	(207)	(49)	(656)
Cash flows	-	24	-	24
Non-cash flows:				
- Additions from acquisition of companies	-	(442)	-	(442)
- Miscellaneous provisions	-	-	(8)	(8)
- Fair value adjustments of issued put liability	-	-	12	12
At 31 December 2022	(400)	(625)	(46)	(1071)



NOTE 23 PLEDGES AND GUARANTEES

Amounts in NOK million	Classification	Total facility	Covenants(C)/Pledge(P)	Utilised 31.12.2023	Utilised 31.12.2022
Type					
Active credit facilities					
Revolving credit facility	Long-term	NOK 1 300 million	C - leverage ratio < 3.00 and equity ratio > 30% P - receivables, inventory and tangible fixed assets	800	-
Overdraft facility	Short term	NOK 500 million	C - leverage ratio < 3.00 and equity ratio > 30% P - receivables, inventory and tangible fixed assets	-	-
Ceased credit facilities					
Credit facility	Short term	SEK 100 million	P - sales agreements eligible of financing > 0	-	49
Revolving credit facility	Long term	NOK 500 million	C - leverage ratio < 3.00	-	400
Overdraft facility	Short term	NOK 500 million	C - acc. receivabl/ inventory > 500	-	-
Revolving credit facility	Short-term	SEK 650 million	C - equity ratio < 0.25 leverage ratio < 3.25 P - business mortgage SEK 450 million and inventories NOK 100 million	-	76
Bridge loan	Short-term loans	NOK 500 million		-	500
Total				800	1025

Komplett ASA has a NOK 1 300 million revolving credit facility agreement with Skandinaviska Enskilda Banken AB (publ), with a three years' duration and 1+ 1 year renewal option. During 2023 the first option of 1-year extension has been executed, hence current maturity is December 2026. In addition, there is a multi-currency cash pool with an overdraft facility with a limit of NOK 400 million for ordinary quarters and with an option to increase the limit to NOK 500 million in Q4 to handle seasonality. Per 31 December 2023 the overdraft has not been utilised.

The beforementioned agreements with SEB include covenants for a minimum equity ratio of 30 per cent and a ratio of net debt to EBITDA. The leverage ratio requirement is maximum 3.0x for ordinary quarters, and 3.5x for Q3.

The credit facility has pledges in property, plant and equipment, receivables, and inventory. The pledge in Komplett ASA, Komplett Services AS, Komplett Distribusjon AS, and NetOnNet NUF is NOK 2 160 million in respective companies.

In Sweden, SEB has pledge over registered business mortgages (Sw: företagsinteckningar) of SEK 650 million in NetOnNet AB, SEK 45 million in Webhallen Sweden AB and SEK 5 million in Komplett Services Sweden AB.

The remaining credit facilities stated in the table above are no longer active as of 31 December 2023 and the group was in compliance with financial covenants in 2023.

In addition to the beforementioned credit facilities a factoring agreement exist with Resurs Bank Aktiebolag (publ). There is a pledge in trade receivables in Komplett Services AS and Komplett Distribusjon AS of respectively NOK 20 million and NOK 55 million.

Handelsbanken has pledge over a registered business mortgages (Sw: företagsinteckningar) of SEK 100 000 linked to Swish payments.



Financial guarantees

Amounts in NOK million	2023	2022
Guarantees related to leases	26	24
Guarantees to the tax collector	12	12
Total	38	36
Total mortgage-backed liabilities and financial guarantees	636	161

NOTE 24 RELATED PARTY TRANSACTIONS

In addition to subsidiaries and associated companies, the group's related parties include its majority shareholders, all members of the board of directors, and key management, as well as companies in which any of these parties have either controlling interests, board appointments or are senior staff. All transactions have been entered into in

accordance with the arms' length principle, meaning that prices and other main terms and conditions are deemed to be commercial.

All significant transactions with related parties that are not eliminated in the group accounts are presented below:

Parties

Amounts in NOK million		2023	2022
Kullerød Eiendom AS ¹	Lease of office and warehouse	28	26
F&H Asia Limited ¹	Purchase of products	24	66
Resurs Bank & Solid ²	Sales of products	9	7
Resurs Bank & Solid ²	Sale of services and profit sharing	146	103
Resurs bank	Purchase of factoring services	39	8
SIBA Fastigheter AB ²	Lease of office and warehouse	19	19
Total		265	223

1) Related entities owned by the company's ultimate parent company in the greater Canica group of companies. Canica Invest AS owns 42.42% of Komplett ASA.

2) Related entities owned by the company's ultimate parent company in the greater Siba group of companies. Siba Invest AB owns 31.70% of Komplett ASA.

Komplett Services leases both offices and warehouse from Kullerød Eiendom AS at the premises in Sandefjord and source private label products from the company F&H Asia Limited.

NetOnNet sells products from its normal assortment to both Resurs Bank and SOLID Försäkringar.

In addition, group companies act as agents for Resurs Bank related to consumer finance in Sweden and Komplett Services has a factoring agreement with Resurs Bank for customers in the B2B and Distribution segments.

NetOnNet also acts as an agent for SOLID Försäkringar and rents premises for some of its physical stores from SIBA Fastigheter.



NOTE 25 CONSOLIDATED COMPANIES

The following companies are included in the consolidated financial statement for 2023:

Parent company

Komplett ASA

Subsidiaries	Country of incorporation	Proportion of ownership
Komplett Services AS	Norway	100.0%
Komplett Services Sweden AB	Sweden	100.0%
Komplett Distribusjon AS	Norway	100.0%
Komplett Distribution Sweden AB	Sweden	100.0%
NetOnNet AB	Sweden	100.0%
Webhallen Sverige AB	Sweden	100.0%
Ironstone Holding AS	Norway	72.81%
Ironstone AS ¹⁾	Norway	
Ironstone AB ¹⁾	Sweden	

Subsidiaries without activity

Marked Gruppen AS	Norway	100.0%
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1) 100 per cent owned by Ironstone Holding AS.

NOTE 26 BUSINESS COMBINATIONS

Business combinations in prior periods

On 9 February 2022, the group announced that it had entered into an agreement with SIBA Invest for the combination of Komplett Group and NetOnNet Group through an acquisition of all issued and outstanding shares in NetOnNet by the company. The transaction was structured as an acquisition, where SIBA Invest received a consideration that comprised the combination of (i) 35 242 424 new shares and (ii) NOK 1 500 million in cash, with an addition of 4 per cent interest calculated from 30 September 2021 to 4 April 2022. The combination of NetOnNet and Komplett was completed 4 April 2022, at which date SIBA Invest subscribed for the listing shares. NetOnNet has been consolidated into Komplett's financial statements as of 1 April 2022. The transaction supports Komplett's strategic ambitions and is expected to allow for significant economies of scale and enable cost synergies, mainly related to sourcing, of at least NOK 200 million on an annual basis with expected full effect within 24 months of the completion of the transaction. The share price is for pro forma purposes set at NOK 48.80, which was the share price on the Oslo Stock Exchange on 4 April 2022.

Based on the purchase price allocation the fair value of identifiable assets acquired and liabilities assumed at the acquisition date was as follows:

Identifiable assets acquired and liabilities assumed

Amounts in NOK million	Fair value
Brand name	1 062
Customer relations	319
Fixed assets	112
Other assets	1 536
Total assets	3 030
Deferred tax liabilities	285
Long-term debt	13
Short-term debt	1 172
Total liabilities	1 470
Net identifiable assets	1 560
Goodwill	1 688
Acquisition cost	3 248
Hereby by cash settlement	1 529
Hereby by future obligations	1 720



Total goodwill recognised from the acquisition amount to NOK 1 688 million. Goodwill includes the value of expected synergies from the acquisition and the competence and intellectual property from employees. Of the identified goodwill of NOK 1 688 million, NOK 1 313 million has been allocated to CGU NetOnNet, NOK 258 million to CGU Webhallen Sverige, NOK 46 million to CGU Komplet B2C and NOK 70 million to CGU Komplet B2B. Total acquisition costs amounted to NOK 39 million and are classified under other operating expenses. NetOnNet operates primarily in the B2C market where buyers emphasise brand name considerably more than customers in the B2B market, and the company has built its brand name over a long period of time. It has been considered that useful life of the brand name is indefinite as there are no foreseeable limit to the period over which the assets is expected increase the company's ability to generate revenue and increase the company's gross margin.

Impairment charges in 2023

In light of a challenging market situation with low discretionary spendings, high interest rates and an inflationary environment, which are affecting both the underlying industry performance and valuation levels, an impairment charge has been recognised. The impairment charge of goodwill is for the CGUs Webhallen, NOK 232 million, and NetOnNet NOK 700 million. The impairment in CGU is within the amount that was allocated to this CGU in the NetOnNet transaction. For more details on the impairment charges and carrying values of goodwill 31 December 2023 see note 11.

Changes in business combinations prior periods

During 2023, the purchase obligation identified in the acquisition of Ironstone has been revalued. On 31 December 2023, the obligation is NOK 37 million and the revaluation effect of NOK 0.4 million has been recognised as Other operating expenses in the statement of comprehensive income.

NOTE 27 EVENTS AFTER THE REPORTING DATE

During January five stores in Webhallen have been closed a provision for restructuring has been recognised as of 31.12.2023. After the close down of the store the number of stores in Webhallen has been reduced from 17 to 12.

On 17. January 2024 there was a change of managing director in Webhallen Sverige AB, where Trygve Hillesland replace Anders Torell. Hillesland comes from the position as managing director for NetOnNet Norge and is replaced by Peter Andersson, former Head of operations in NetOnNet.



STATEMENT OF PROFIT AND LOSS - KOMPLETT ASA

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2023	2022
Operating revenues			
Revenues from sale of goods		-	-
Total operating income		-	-
Operating expenses			
Employee benefit expenses	9	(55)	(5)
Other operating expenses	9	(43)	(23)
Total operating expenses		(98)	(28)
OPERATING PROFIT		(98)	(28)
Finance income and expenses			
Income from investments in subsidiaries		4	2
Finance income	10	133	111
Finance expenses	10	(797)	(65)
Net finance		(659)	48
PROFIT BEFORE TAX		(757)	19
Tax expense	7	9	47
PROFIT FOR THE YEAR		(748)	67
Attributable to:			
Ordinary dividends		-	-
Other equity	6	(748)	67
TOTAL		(748)	67



STATEMENT OF FINANCIAL POSITION – KOMPLETT ASA

AT 31 DECEMBER (ASSETS)

Amounts in NOK million	Note	31 December 2023	31 December 2022
NON-CURRENT ASSETS			
Intangible assets			
Deferred tax asset	7	11	2
Total intangible assets		11	2
Non-current financial assets			
Investments in subsidiaries	2, 3	3 734	4 412
Investments in associates	3	5	5
Total other non-current assets		3 739	4 417
TOTAL NON-CURRENT ASSETS		3 750	4 418
CURRENT ASSETS			
Current receivables			
Current receivables from group companies	5	245	106
Other current receivables		2	1
Total current receivables		247	107
Cash and cash equivalents			
Cash and cash equivalents	4	118	-
Total cash and cash equivalents		118	-
TOTAL CURRENT ASSETS		365	107
TOTAL ASSETS		4 115	4 525



STATEMENT OF FINANCIAL POSITION - KOMPLETT ASA

AT 31 DECEMBER (EQUITY AND LIABILITIES)

Amounts in NOK million	Note	31 December 2023	31 December 2022
EQUITY			
Paid in equity			
Share capital		70	70
Share premium		3 741	3 741
Other paid in equity		37	32
Total paid in equity	6	3 849	3 843
Retained earnings			
Other equity		(1 049)	(301)
Total retained earnings	6	(1 049)	(301)
TOTAL EQUITY	6	2 800	3 542
LIABILITIES			
Non-current provisions			
Pensions		3	-
Provisions	2	37	37
Total non-current provision		40	37
Non-current liabilities			
Long-term loans	8	800	400
Total non-current liabilities		800	400
Current liabilities			
Short-term loans	8	-	500
Current payables to group companies	5	444	24
Trade payables		1	5
Other current liabilities	5	30	17
Total current liabilities		475	546
TOTAL LIABILITIES		1 315	983
TOTAL EQUITY AND LIABILITIES		4 115	4 525

Sandefjord, 19 March 2024
Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Ingvild Standal Næss
Director

Jan Ole Stangeland
Director

Fabian Bengtsson
Director

Susanne Ehnåge
Director

Anders Odden
Worker director

Anna Cristina Fernmo
Worker director

Jaan Ivar Semliitsch
CEO



STATEMENT OF CASH FLOWS – KOMPLETT ASA

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2023	2022
Cash flows from operating activities			
Profit before tax		(757)	19
Change in fair value of financial liabilities		(0)	(12)
Group contribution received		(131)	(84)
Impairment		721	-
Long-term incentive program		3	-
Changes in trade payables		(4)	5
Other changes in accruals		13	11
Net cash flows from operating activities		(155)	(61)
Investing activities			
Investments in subsidiaries	2, 3	(49)	(1587)
Loans to group companies		(6)	-
Net cash used in investing activities		(55)	(1587)
Financing activities			
Proceeds from loans and borrowings	8	(100)	500
Changes in bank overdrafts		344	(80)
Group contributions received		84	241
Issue of share capital		1	987
Net cash (used in)/from financing activities		329	1649
Net increase in cash and cash equivalents		118	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		118	-



NOTES TO THE FINANCIAL STATEMENTS – KOMPLETT ASA

NOTE 01 ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The following describes the main accounting policies used in the preparation of the financial statements of the parent company. These policies are applied in the same way in all periods presented, unless otherwise stated in the description.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Distributions

The proposed dividend/group contribution for the financial year are recognised as current liabilities.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long-term liabilities.

Current assets are valued at the lower of cost and fair value. Short-term liabilities are recognised at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long-term liabilities are recognised at nominal value.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less

provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Liabilities

Short-term and long-term liabilities are recognised in the balance sheet at the nominal amount at the time of establishment.

The purchase liability for the remaining shares in Ironstone Holding AS, classified as a non-current provision, is recognised at fair value where change in value is recognised as a financial income or financial expense.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Income tax

The tax expense consists of the tax payable and changes to deferred tax.

Period tax constitutes the expected tax payable on this year's taxable result at the current tax rates on the balance sheet date and any corrections of tax payable for previous years.

Deferred tax / tax assets are calculated on all differences between the book value and tax value of assets and liabilities.

Deferred tax is calculated as 22 per cent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.



Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank

deposits and other short-term, highly liquid investments with maturities of three months or less. At year-end, cash and cash equivalents consist of cash and bank deposits.

NOTE 02 CORPORATE CHANGES

Jaan Ivar Semlitsch was appointed chief executive officer (CEO) of Komplett ASA effective from 10 February 2023. Mr. Semlitsch took over the role from Lars Olav Olaussen, who had been the CEO of Komplett since 2018.

There has not been any material change in the group's legal structure and only a minor increase in ownership in the subsidiary Ironstone Holding AS.

Thomas Røkke was appointed group chief financial officer (CFO) of Komplett ASA, effective from 1 March 2023.

NOTE 03 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Amounts in NOK	Share capital	Currency	Number of shares	Face value	Ownership= voting rights	Carrying amount
Subsidiary						(in NOK million)
Komplett Services AS	900 000	NOK	900	1 000	100.0%	506
Komplett Services Sweden AB	100 000	SEK	1 000	100	100.0%	137
Komplett Distribusjon AS	10 000 000	NOK	100	100 000	100.0%	110
Komplett Distribution Sweden AB	300 000	SEK	3 000	100	100.0%	23
NetOnNet AB	604 068	SEK	6 040 680	0.10	100.0%	2 566
Webhallen Sverige AB	210 000	SEK	210	1 000	100.0%	241
Ironstone Holding AS	410 400	NOK	4 104	100	72.81%	152
Marked Gruppen AS	1 000 000	NOK	1 000 000	1	100.0%	-
Total						3 734

Amounts in NOK	Share capital	Currency	Number of shares	Face value	Ownership= Voting rights	Carrying amount
Associated company						(in NOK million)
Fabres Sp. z o.o.	950 000	PLN	19 000	50	40.0%	5
Total						5

The impairment test showed that the calculated value in use was lower than the carrying amount for the subsidiary NetOnNet AB, hence an impairment charge of NOK 721 million has been recognised in 2023.

For further details on this impairment charges, see note 11 in the consolidated financial statements.



Information about the subsidiaries' equity and profit and loss in accordance with the latest financial statements:

Amounts in NOK million	Business office	Equity	Profit or loss before tax
Company			
Komplett Services AS	Sandefjord	329	116
Komplett Distribusjon AS	Sandefjord	194	15
Komplett Services Sweden AB	Solna in Sweden	44	5
Komplett Distribution Sweden AB	Göteborg in Sweden	13	(1)
NetOnNet AB	Borås in Sweden	477	65
Webhallen Sverige AB	Solna in Sweden	101	(77)
Ironstone Holding AS	Oslo	10	(11)
Marked Gruppen AS	Sandefjord	(225)	(1)

NOTE 04 CASH AND CASH EQUIVALENTS

Komplett ASA is the principal in the group's multi-currency cash pool, where the top account is classified as bank and this was NOK 115 million at 31 December 2023. Balances with subsidiaries are classified as current receivables, or current payables, from group companies.

The company has a restricted bank deposits of NOK 2.4 million bound for payment of tax due at 31 December 2023. At 31 December 2022, there were no restricted bank deposits.

NOTE 05 GROUP BALANCES (RECEIVABLES AND PAYABLES)

Receivables

Amounts in NOK million	2023	2022
Group contribution	131	84
Cash pool balance with subsidiaries	107	22
Current loans	6	-
Total	244	106

Liabilities

Amounts in NOK million	2023	2022
Cash pool balance with subsidiaries	428	-
Other current liabilities	15	24
Total	444	24

**NOTE 06 EQUITY****Receivables**

<i>Amounts in NOK million</i>	Share capital	Share premium	Other equity	Total
Equity at 31 December 2022	70	3741	(269)	3 542
Profit for the year	-	-	(748)	(748)
Long-term incentive programme	-	-	5	5
Issue of share capital	0	1	-	1
Transaction costs	-	0	-	0
Equity at 31 December 2023	70	3741	(1011)	2 800

NOTE 07 INCOME TAX**Basis for current income tax**

<i>Amounts in NOK million</i>	2023	2022
Profit before tax	(757)	19
Non-deductible income and expenses	715	(15)
Changes in temporary differences	-	(5)
Use of tax loss carried forward	-	(215)
Basis for current income tax	(42)	(215)
Income tax expense		
Current income tax (22%)	-	(47)
Changes in deferred tax	(9)	-
Income tax expense	(9)	(47)

Temporary differences and tax positions

<i>Amounts in NOK million</i>	2023	2022
Tax loss carried forward	(42)	-
Interest deductions carried forward	(8)	(8)
Total	(50)	(8)
Deferred tax asset	(11)	(2)

Reconciliation of effective tax rate

<i>Amounts in NOK million</i>	2023	2022
Profit before tax	(335)	19
Income tax based on applicable tax rate (22%)	(74)	4
Income tax expense	(9)	(47)
Deviation	(64)	51

Reconciliation

Non-deductible expenses	(64)	3
Tax loss not included in deferred tax asset	-	1
No use of tax loss carried forward	-	47
Total	(64)	51



NOTE 08 PLEDGES AND GUARANTEES

Amounts in NOK million	Classification	Total facility	Covenants(C)/pledge (P)	Utilised 31.12.2023	Utilised 31.12.2022
Type					
Revolving credit facility	Long-term loans	NOK 1300 million	C - leverage ratio < 3.00 and equity ratio > 30% P - receivables, inventory and tangible fixed assets	800	-
Overdraft facility	Short-term loans	NOK 500 million	C - leverage ratio < 3.00 and equity ratio > 30% P - receivables, inventory and tangible fixed assets	-	-
Revolving credit facility*	Long-term loans	NOK 500 million	C - leverage Ratio < 3.00	-	400
Bridge loan*	Short-term loans	NOK 500 million		-	500
Total				800	900

* These facilities are not active per 31.12.2023

Komplett ASA has a NOK 1300 million revolving credit facility agreement with Skandinaviska Enskilda Banken AB (publ), with a three years' duration and 1 + 1 year renewal option. During 2023 the first option of 1-year extension has been executed, hence current maturity is December 2026. In addition, Komplett ASA is the principal in a multi-currency cash pool with an overdraft facility with a limit of NOK 400 million for ordinary quarters and with an option to increase the limit to NOK 500 million in Q4 to handle seasonality. Per 31 December 2023 the overdraft has not been utilised.

The aforementioned agreements with SEB include covenants for a minimum equity ratio of 30 per cent and a ratio of net debt to EBITDA. The leverage ratio requirement is maximum 3.0x for ordinary quarters, but 3.5x for Q3 due to seasonality in the business. Covenants are measured at consolidated financial figures.

The credit facilities have pledges in property, plant and equipment, receivables, and inventory. The pledge in Komplett ASA is NOK 2 160 million.

The remaining credit facilities stated in the table above are no longer active as of 31 December 2023 and the group was in compliance with financial covenants in 2023.

Financial guarantees

Amounts in NOK million	2023	2022
The tax collector	12	12
Guarantees related to leases	2	-
Warranty for account payables (parent company guarantees)	525	396
Total	539	408

Komplett ASA guarantees for an additional amount of NOK 1342 million related to potential loans in subsidiaries.



NOTE 09 EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses

<i>Amounts in NOK million</i>	2023	2022
Salaries	28.7	-
Social security expenses	7.0	0.4
Contribution to pension schemes	4.1	-
Share option plan	2.1	-
Bonuses	8.2	-
Compensations to board members	2.4	2.7
Other expenses	2.4	2.2
Total	55.0	5.3

The average number of man-years employed during the financial year

	10	0
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Management remuneration

For information concerning remuneration to management, see "Remuneration report for financial year 2023" and note 7 Employee benefits in the consolidated financial statement.

Audit fees

Audit fees to the auditors in the group entities is as follows (excluding VAT)

<i>Amounts in NOK million</i>	2023	2022
Statutory audit	1.70	1.87
Other assurance services	-	0.03
Other non-assurance services	0.23	0.22
Total	1.93	2.13

NOTE 10 ITEMS THAT ARE AGGREGATED IN THE FINANCIAL STATEMENT

Finance income

<i>Amounts in NOK million</i>	2023	2022
Other interest income	1.3	-
Interest received from group companies	0.3	1.6
Group contribution received	130.9	84.3
Changes in financial liabilities	-	12.0
Income related to guarantees	-	12.4
Other financial income	0.9	0.7
Total	133.3	111.0

Finance expenses

<i>Amounts in NOK million</i>	2023	2022
Other interest expenses	74.7	64.9
Impairment of Shares in Subsidiary	721.0	-
Changes in financial liabilities	0.5	-
Other financial expenses	0.4	-
Total	796.7	64.9



NOTE 11 FINANCIAL MARKET RISK

Overview

Komplett ASA is a holding company that has investments in subsidiaries. The company expects that future revenues will be dividends from investments in subsidiaries and associated companies.

Currency risk

The company is exposed to currency risk from investments and loans to subsidiaries. For additional information, see note 4 to the consolidated financial statement.

Interest rate risk

Interest rate risk occurs in the short and medium term because of the company's debt having floating interest rates. The loan portfolio is linked to SEB base rate and fluctuates in relation to fluctuations in this.

Credit risk

The company has no external sales and no external receivables, hence low exposure to credit risk. As of 31 December 2023 the company has a short term loan to Ironstone Holding AS of NOK 6 million classified as Current receivables from group companies, see note 5.



ALTERNATIVE PERFORMANCE MEASURES (APM)

The APMs used by Komplett Group are set out below:

Gross profit: Total operating revenue less cost of goods sold. The group has presented this item because it considers it to be a useful measure to show the management's view on the overall picture of profit generation before operating costs in the group's operations.

Gross margin: Gross profit as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency of gross profit generation of the group's operations as a percentage of total operating revenue.

Reconciliation

	FY 2023	FY 2022
Total operating revenue	15 861	14 618
- Cost of goods sold	(13 650)	(12 824)
= Gross profit	2 211	1 794
Gross margin	13.9%	12.3%

Total operating expenses (adj.): Total operating expenses less cost of goods sold and one-off cost. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

Operating cost percentage (adjusted): Total operating expenses less cost of goods sold and one-off cost as a percentage of total operating revenue. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

Reconciliation

	FY 2023	FY 2022
Total operating revenue	15 861	14 618
Total operating expenses	16 746	14 612
- Cost of goods sold	(13 650)	(12 824)
- One-off cost	(41)	(80)
- Impairment	(983)	-
= Total operating expenses (adj.)	2 073	1 707
Operating costs percentage (adj.)	13.1%	11.7%

EBITDA excl. impact of IFRS 16: Derived from financial statements as the sum of operating result (EBIT) plus the sum of depreciation and amortisation for the segments B2C, B2B, Distribution and Other. The group has presented this item because it considers it to be a useful measure to show

the management's view on the overall picture of operational profit and cash flow generation before depreciation and amortisation in the group's operations, excluding any impact of IFRS 16.

Reconciliation

	FY 2023	FY 2022
EBIT	(885)	6
- EBIT - IFRS 16	(16)	(12)
+ Dep B2C, B2B, Distribution, Other	1 120	115
= EBITDA excl IFRS 16	218	109

EBIT adjusted: Derived from financial statements as operating result (EBIT) excluding one-off costs. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items.

Reconciliation

	FY 2023	FY 2022
Total operating revenue	15 861	14 618
EBIT	(885)	6
+ One-off cost	41	80
+ Impairment	983	-
= EBIT adjusted	139	87
EBIT margin adjusted	0.9%	0.6%

EBIT margin adjusted: EBIT adjusted as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items as a percentage of total operating revenue.

EBIT margin: Operating result (EBIT) as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations as a percentage of total operating revenue.

Reconciliation

	FY 2023	FY 2022
Total operating revenue	15 861	14 618
EBIT	(885)	6
EBIT margin	(5.6%)	0.0%



Net working capital: Working capital assets, comprising inventories, trade receivables, trade payables and other current assets and liabilities. The deferred Swedish tax liability is classified as other current liability in accordance with local accounting principles. The management considers it to be a useful indicator of the group's capital efficiency in its day-to-day operational activities.

Reconciliation

	FY 2023	FY 2022
Inventory	2 194	1 928
+ Trade receivables - regular	245	309
+ Trade payables	(1 563)	(1 412)
+/- Other assets and liabilities	(623)	(181)
= Net working capital	253	644

Net interest-bearing debt: Interest-bearing liabilities less cash and cash equivalents. The group has presented this item because the management considers it to be a useful indicator of the group's indebtedness, financial flexibility and capital structure. As mentioned above interest-bearing debt does not include the deferred Swedish tax liability. The net interest-bearing debt incl. IFRS 16 is a useful measure as indebtedness, including the lease liabilities from IFRS 16, is relevant for the covenants of the group's credit facilities.

Reconciliation

	FY 2023	FY 2022
Long-term loans	800	400
+ Short-term loans	-	625
- Cash/cash equivalents	(230)	(149)
= Net interest bearing debt	570	876
+ IFRS 16 liabilities	608	558
= Net interest bearing debt including IFRS 16	1 178	1 434

Operating free cash flow: EBITDA excl. impact of IFRS 16 less investment in property, plant and equipment, less change in net working capital less change in trade receivable from deferred payment arrangements. The group has presented this item because the management considers it to be a useful measure of the group's operating activities' cash generation.

Reconciliation

	FY 2023	FY 2022
EBITDA excl IFRS 16	218	109
- Investments	(212)	(177)
+/- Change in net working capital	392	750
+/- Change in deferred payment	12	39
= Operating free cash flow	410	721



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Komplett ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Komplett ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the statement of financial position as at 31 December 2023 and statement of profit and loss and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the statement of financial position as at 31 December 2023, the statement of profit and loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We were elected by the general meeting of the shareholders on 9 May 2023 for the accounting year 2023.

Other matters

The financial statements for the year ended 31 December 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 22 March 2023.

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Penneo Dokumentnøkkel: 01B1F-W543J-C00LE-3N08E-VL0K5-0G94P



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2

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Impairment assessment of goodwill and other intangible assets

Basis for the key audit matter

The carrying amount of goodwill and other intangible assets as of 31 December 2023 was NOK 1 338 million and NOK 1 781 million respectively and make up of 43 % of total assets. The carrying amounts, which are allocated to six cash generating units (CGU), relates to acquisitions primarily in 2022 and prior years. Management has assessed the recoverable amounts of each cash generating unit based on value-in-use (VIU) calculations, which require significant judgement related to estimated future cash flows and discount rates. Due to the challenging market situation the impairment test resulted in an impairment charge to goodwill as of 31 December 2023 of NOK 700 million related to CGU NetOnNet and NOK 232 million related to CGU Webhallen. The impairment assessment of goodwill and other intangible assets is a key audit matter because of the significant carrying amounts, the impairment indicators identified, and the considerable estimation uncertainty, complexity and subjectivity related to determination of VIU.

Our audit response

We obtained an understanding of and evaluated the design over the Group's impairment assessment process, including the cash generating units. We assessed the reasonableness of key assumptions applied in estimated future cash flows such as revenue growth rates, gross margins and EBIT margins, discount rates and the growth rate for the terminal period. We evaluated the historical accuracy of management's estimates by comparing actual cash flows to previously estimated cash flows in 2022 and 2023 to assess the reasonableness of management forecasts for future cash flows. We agreed the input data used by management to supporting evidence such as actual results, future budgets and long-term plans approved by the Board of Directors. Further we performed sensitivity analyses and benchmarked relevant key assumptions to comparable companies in the same industry, as well as market statistics. We involved our internal valuation specialists to assess the VIU calculation and the reasonableness of the discount rates applied by management. We refer to note 11 Intangible assets and note 2 Critical accounting estimates and judgements in the consolidated financial statements.

Permeo Dokumentnummer: DYNBLF-W45431-COMLE-3N08E-VLOGS-CGRAP

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

Independent auditor's report - Komplet ASA 2023

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In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

Independent auditor's report - Komplet ASA 2023

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Komplett ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name komplettasa-2023-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Independent auditor's report - Komplett ASA 2023

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5

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 19 March 2024
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The auditor's report is signed electronically

Petter Frode Larsen
State Authorised Public Accountant (Norway)

Permeto Dokumentnr: OYBLF-W54J-C08LE-3N02E-V1-065-00P4P

Independent auditor's report - Komplett ASA 2023
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