



Årsregnskap for regnskapsåret 2022

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

Brønnøysundregistrene
01.08.2024

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



2023 200073

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VEDLEGG TIL ÅRSREGNSKAP

2022

KOMPLETT ASA Postboks 2094 3202 SANDEFJORD	Organisasjonsnr. 980 213 250	ASA
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Registrerte opplysninger per 24.05.2023		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2022	Avslutningsdato 31.12.2022	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap ☐ Ikke morselskap	

Kun for aksjeselskap som har meldt fravalt 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

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	

bedleg

Bare til bruk for Regnskapsregisteret

G ☒ NYE ☐ Admr ☐ Kregñ Ja ☒ Nei ☐ Aktiv. regñ ☐

M Rets Ant.s 180

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BR-1001-11



Brønnøysundregistrene - Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP

Regnskapsår: 2022

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KOMPLETT ASA	Organisasjonsnr. 980 213 250	

Registrerte opplysninger per 22.03.2023		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2022	31.12.2022		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold ☐ Morselskap ☐ 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
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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
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Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den	Dato 09.05.2023
Sted/dato, Underskrift av representant for enheten Sandefjord/23.05.2023, Johan S. Hovnes	

Bare til bruk for Regnskapsregisteret

G	☐	NYVE	☐	Admr	☐	Kregn	Ja	☐	Nei	☐	Aktiv. regn	☐			
M	☐	Rets	☐									Ant.s			
ov.b	årsb	res	bal	e.bal	gj.bal	rev	i-rev	k-res	k-bal	k-n	k-rev	i-k-rev n			
k-regn	kto	d.k	ik-fv	konsf	ifrs	fr-rev				funk	u.off	brev			



Vår dato
19.02.2021

Din/Deres dato

Saksbehandler
Robin Ingebrigtsen

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
99778267

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 internett salg 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 finansiere 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

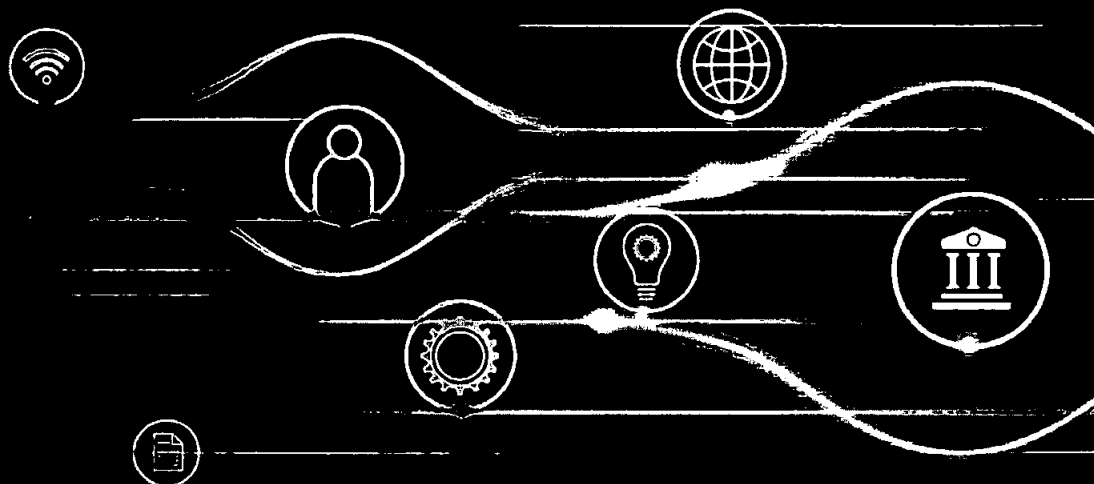
Robin Ingebrigtsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2



ANNUAL REPORT 2022



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KOMPLETT ASA





AN ONLINE-FIRST ELECTRONICS CHAMPION OF THE NORDICS

Komplett Group is the largest online first electronics retailer in the Nordic area and offers its customers one of the market's broadest selections of consumer electronics and business solutions. The group operates an efficient and scalable business model and is widely recognised for having an industry leading cost position.



Through its well-known brands Komplett, NetOnNet, Webhallen and Itegra, the group is serving customers in the B2C, B2B and distribution segments. Building on decades of knowhow, expertise and deep customer commitment, the group enjoys industry leading customer satisfaction and a loyal and growing customer base. Our customers are served from ten webshops, 17 physical stores and 30 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 ser-

vice from its warehouses in Sandefjord, Norway, and Stockholm and Borås, Sweden.

The group employed an average of 1955 employees throughout the year 2022. The average number of full-time equivalents (FTEs) was 1 251. These figures include the employees of Ironstone.

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



OUR VISION

TO BE "THE OBVIOUS CHOICE"
This expresses how Komplett Group would like to be perceived and where we are heading. Our vision provides guidance and energy. Each and every day, we strive to be "the obvious choice" for customers, suppliers and employees, and for the community around us.



OUR MISSION

To develop complete solutions that **MAKE LIFE SIMPLER**.



OUR VALUES

Our values are fundamental to our corporate culture. Our values tell us how to work, how to treat each other, and how we are perceived by the world around us.

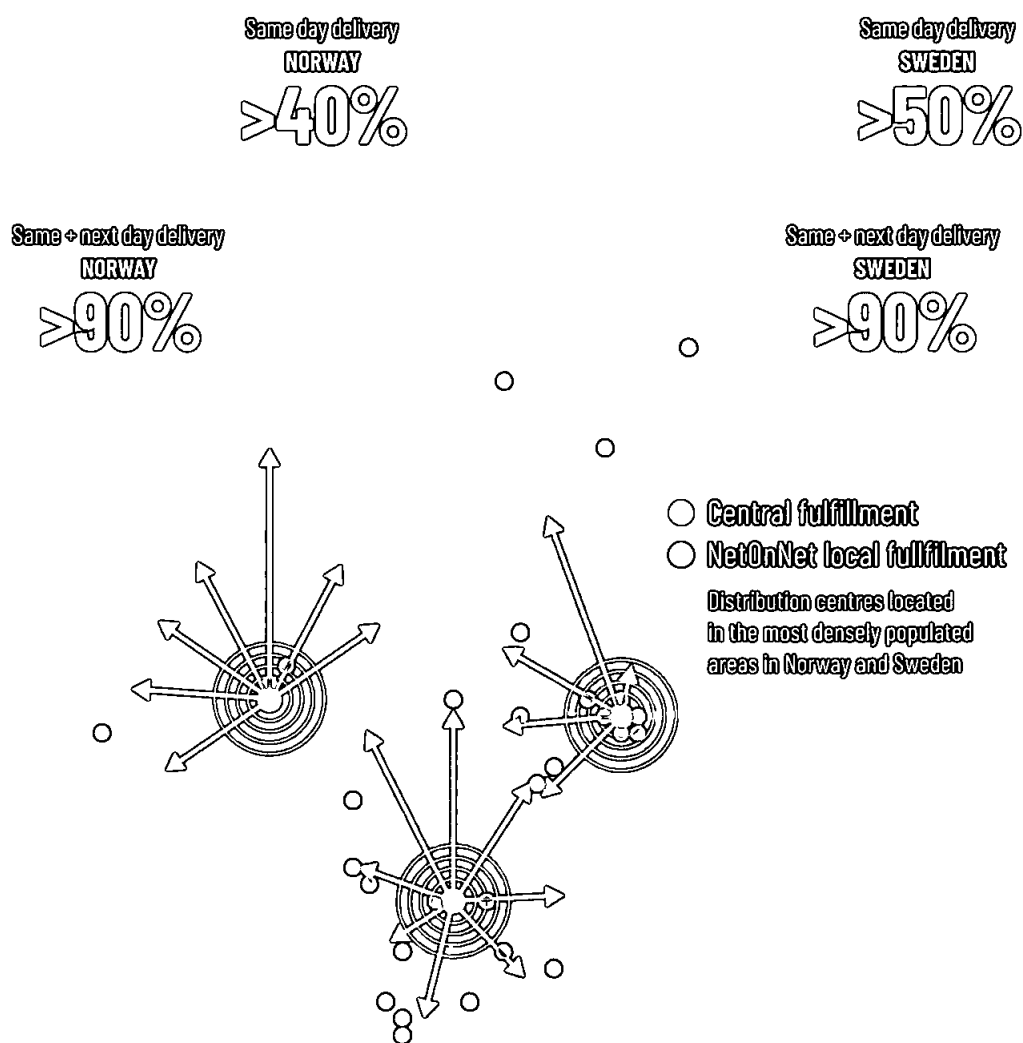
PRECISION Keep our promises, meet deadlines, keep up, be clear and accurate. Have respect for and confidence in each other.

SIMPLICITY Think smart, find simple solutions. Make life easier for our customers and ourselves.

ENTHUSIASM Get involved and wish each other well. Create enthusiasm and gain pleasure from our work.



I LEADING SAME-DAY AND LAST-MILE SERVICE



KOMPLETT ASA



HIGHLIGHTS & KEY FIGURES

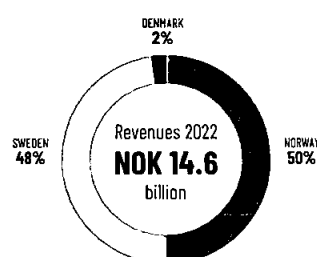


NetOnNet
Synergies
on track



Cash flow
from operations of
NOK 1.1 billion

REVENUES BY COUNTRY

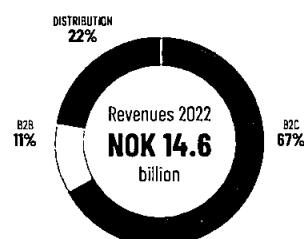


Material
inventory
improvement



Industry-
leading
cost position

REVENUES BY SEGMENT



KEY FIGURES KOMPLETT GROUP*

Amounts in NOK million	2022	2021
Operating revenue	14 618	11 043
Growth (%)	32.4%	11.9%
Gross profit	1 794	1 462
Gross margin (%)	12.3%	13.2%
Operating expenses (ex dep)(adj.)	(1 451)	(945)
Depreciation and amortisation	(256)	(129)
Total operating expenses (adj.)	(1 707)	(1 074)
Operating cost percentage (adj.)	(11.7%)	(9.7%)
EBIT (adj.)	87	388
EBIT margin (adj.) (%)	0.6%	3.5%
One-off cost	(80)	(19)
EBIT	6	369
Net financials	(104)	(22)
Profit before tax, continued operations	(98)	347
Profit for the period	(32)	300

* Definitions of alternative performance measures (APM) can be found on page 168 of this report.
NetOnNet has been consolidated into the Komplett Group's financial statements as of 1 April 2022.



Komplett was established in Sandefjord, Norway in 1991. In 1996 we introduced e-commerce to the Norwegian market by establishing the online platform and webshop "Komplett.no". We are a pioneer within online retail and have a particular heritage for consumer electronics and gaming products.

Key milestones from our establishment in 1991:

2022:

Market position doubled following combination with NetOnNet

2021:

Komplett ASA listed on Oslo Stock Exchange

2013:

Webhallen becomes a part of the Komplett Group

2011:

Canica acquires 100 per cent of Komplett ASA and the Company is delisted from Oslo Stock Exchange.

NetOnNet delisted by SIBA Invest

2000:

Komplett ASA listed at Oslo Stock Exchange
NetOnNet AB listed at Stockholm Stock Exchange

1999:

Itagra, NetOnNet and Webhallen established

1998:

Norek and Komplett merged

1996:

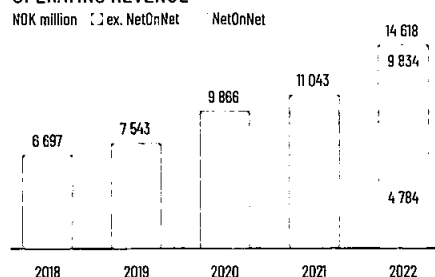
Launch of online retail with Komplett.no

1991:

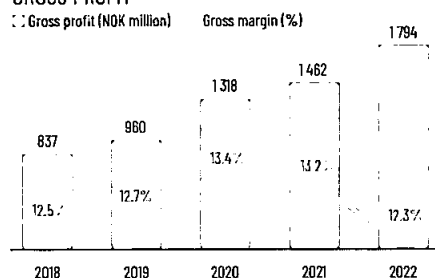
Establishment of Norek AS

KOMPLETT ASA

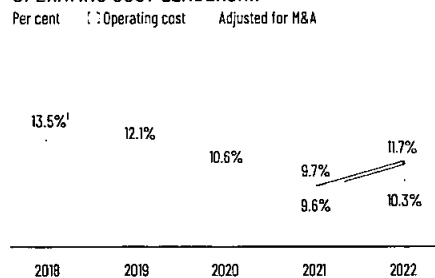
OPERATING REVENUE



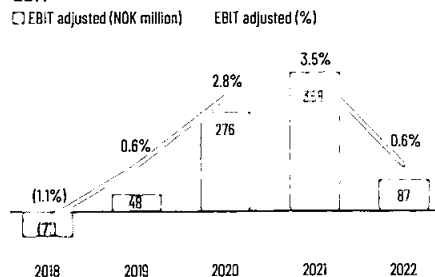
GROSS PROFIT



OPERATING COST LEADERSHIP



EBIT



1) Figures for 2018 have been restated.

KOMPLETT IN BRIEF

7



CHIEF EXECUTIVE OFFICER:

I A MUCH STRONGER POSITION

Marking my first official letter as the CEO of Komplett Group, I would like to start by acknowledging the tremendous effort and amount of work that has gone into strengthening the group's position in 2022.

The past year was no easy period for the retail industry, and I am impressed by the many different workstreams that have come together. Despite lower consumer confidence throughout 2022, the group made bold decisions and acquired NetOnNet in February 2022. The combination of two strong brands has cemented Komplett's position in the market as a leading online-first electronics platform in the Nordics and doubled our market share. Moving forward, we remain committed to realising the transaction's significant cost synergies of at least NOK 200 million on an annual basis.

In 2022, the retail industry experienced the effects of overfilled warehouses and corresponding price pressure across the industry. Komplett acted swiftly in response to the inventory build-up and successfully reduced its inventory by NOK 600 million during the year. As we neared the end of the year, our inventory position was healthy, and the gross margins have started to recover.

Ahead of the holiday season, we entered a period associated with increased spending. At Komplett, we ramped up campaign activities with the aim of providing our customers with a trusted platform where they gain access to the products they want and need. We are also nearing a replacement cycle where consumers will seek to replace their current technology. Undoubtedly, technology and electronics continue to play a major role in society, and we will always aim to meet our customers' expectations.

The final quarter of the year also represents a time for Komplett where we get to opportunity to give back. In November, we supported Barnekreftforeningen (the Children's Cancer Association) through a concept named "Gamers against childhood cancer". Through a three-day live-streaming event, we raised NOK 1.9 million to support Barnekreftforeningen's efforts to help children and young people affected by cancer. Similar initiatives were made in NetOnNet and Webhallen.

Operating in the electronics industry, we are also aware of the need to recycle and reuse electronic components. This is why the group offers programs such as Komplett

"FLEX", Webhallen's "Revive" and NetOnNet's "Byt in" service as part of our initiatives to promote circularity. The aim of these programs is to facilitate the resale of products in the second-hand market.

The group also demonstrated its commitment to running a sustainable and responsible business in 2022 with the launch of its new packaging line. With an internal task force of logisticians and tech enthusiasts, Komplett launched a packaging line reducing the annual usage of plastic by 16-19 tons. This project has also significantly reduced the amount of air being shipped to customers and decreased the number of containers transporting our packages by 390 per year.

We remain committed to our ESG goals and will increase our efforts to reduce our climate footprint. Part of that work includes mapping our emissions and monitoring our progress. Even with our new packaging line, we will continue identifying solutions that will make the transportation of our packages even more efficient. There is no doubt that operating sustainably is high on our agenda, and moving forward, we will work hard to ensure that we continue to run a healthy business that takes care of its people, surrounding community and the environment.

In summary, the group is well-placed to continue building on its strong market position and is entering 2023 in a much stronger position than when it entered 2022.

We have a healthy stock composition with sought-after products and have significantly improved working capital. Between improved inventory and market prices normalising, we are confident that the pressure on our gross margin will begin to alleviate. Though the tepid consumer sentiment is expected to carry on into 2023, we anticipate that the market is nearing a replacement cycle which will initiate higher consumer demand. Going forward, we will continue to build on the strong market position that Komplett has in Norway and Sweden, and to deliver continued good results as well as realising the potential that lies in the acquisition of NetOnNet.



Personally, I am excited to embark on this new chapter and explore the opportunities that lie ahead. Komplett Group is the largest e-commerce player in the Nordics, regardless of industry, with huge opportunities ahead. On this journey, we will have the best customer experiences, innovative and sustainable solutions, the lowest cost position, competitive sourcing terms, enabling us to be a very profitable and cash generating company with good returns to our shareholders.

Yours sincerely
Jaan Ivar Semlitsch
CEO Komplett ASA

| THE GROUP IS WELL-PLACED
TO CONTINUE BUILDING ON ITS
STRONG MARKET POSITION

KOMPLETT ASA ANNUAL REPORT 2022



KOMPLETT ASA:

|| SHARE INFORMATION

The Komplett Group aims to be an attractive investment. Supported by strong commercial execution and a competitive, scalable, and cost-efficient business model, the Komplett Group is well-positioned to create value both for our customers and shareholders.

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 2022 were 175 297 579. The nominal value per share is NOK 0.40.

SHARE CAPITAL CHANGES

The combination of Komplett ASA and NetOnNet AB was completed 4 April 2022. As part of the settlement, 35 242 424 new shares were issued to SIBA Invest, making SIBA Invest the second largest shareholder of Komplett ASA.

At the end of 2022, a private placement of 67 800 000 new shares was completed at a subscription price of NOK 14.75 per share, raising gross proceeds of NOK 1 000 050 000. The net proceeds from the private placement and new long-term credit facilities were used to repay the NOK 1 500 million bridge loan, which was obtained in connection with the combination with NetOnNet AB. At year-end 2022, there was a remaining balance of NOK 500 million on the bridge loan, which was repaid in 2023.

In January 2023, the company launched a subsequent offering of up to 3 390 000 new shares, each with a nominal value of NOK 0.40, at a subscription price of NOK 14.75. The company received subscriptions for a total of 43 582 shares. 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 2022 was 0.13 million, equivalent to 0.07 per cent of the total number of Komplett shares issued that year.

The share closed at NOK 14.44 on 31 December 2022. The highest closing price was NOK 71.72 and the lowest closing price was NOK 13.42.

Komplett's market capitalisation was NOK 2.53 billion at 31 December 2022.

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 2022.

SHARE BUYBACKS

At the annual general meeting in 2022, 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 2023, but no longer than 30 June 2023.

The authorisation was not used in 2022, and the company owns no treasury shares at year-end 2022.

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. The shares must be registered in the Norwegian Central Securities Depository (VPS) at the date of the general meeting.



SHAREHOLDERS

At 31 December 2022, Komplett had 3 288 shareholders.
The top 20 shareholders own 93 per cent of the shares.

Top 20 shareholders at 31 December 2022:

Name	Holding	Stake	Type of account
1 Canica Invest AS	74 376 317	42.43%	Ordinary
2 SIBA Invest AB	55 581 404	31.71%	Ordinary
3 Verdipapirfondet Alfred Berg Gambak	5 532 206	3.16%	Ordinary
4 The Bank of New York Mellon	4 398 418	2.51%	Nominee
5 The Bank of New York Mellon	3 331 182	1.90%	Nominee
6 The Northern Trust Comp, London	3 300 000	1.88%	Nominee
7 Verdipapirfondet Holberg Norge	2 100 000	1.20%	Ordinary
7 Verdipapirfondet Holberg Norden	2 100 000	1.20%	Ordinary
9 Morgan Stanley & Co. Int. Plc.	1 887 234	1.08%	Nominee
10 Sole Active AS	1 883 646	1.07%	Ordinary
11 Wenaasgruppen AS	1 273 370	0.73%	Ordinary
12 Verdipapirfondet Storebrand Norge	1 174 943	0.67%	Ordinary
13 BNP Paribas	1 162 340	0.66%	Nominee
14 Verdipapirfondet Pareto Investment	1 145 000	0.65%	Ordinary
15 Citibank, N.A.	910 735	0.52%	Nominee
16 UBS Europe SE	898 359	0.51%	Nominee
17 Strømstangen AS	713 539	0.41%	Ordinary
18 Vineberg Invest AS	713 538	0.41%	Ordinary
19 Nian AS	685 625	0.39%	Ordinary
20 UBS AG	618 057	0.35%	Nominee
Total top 20	163 785 913		
Total number of shares	175 297 579		

FINANCIAL CALENDAR:

Date	Event
27 April 2023	Q1 2023 reporting
9 May 2023	Annual general meeting
20 July 2023	Q2 2023 reporting
26 October 2023	Q3 2023 reporting

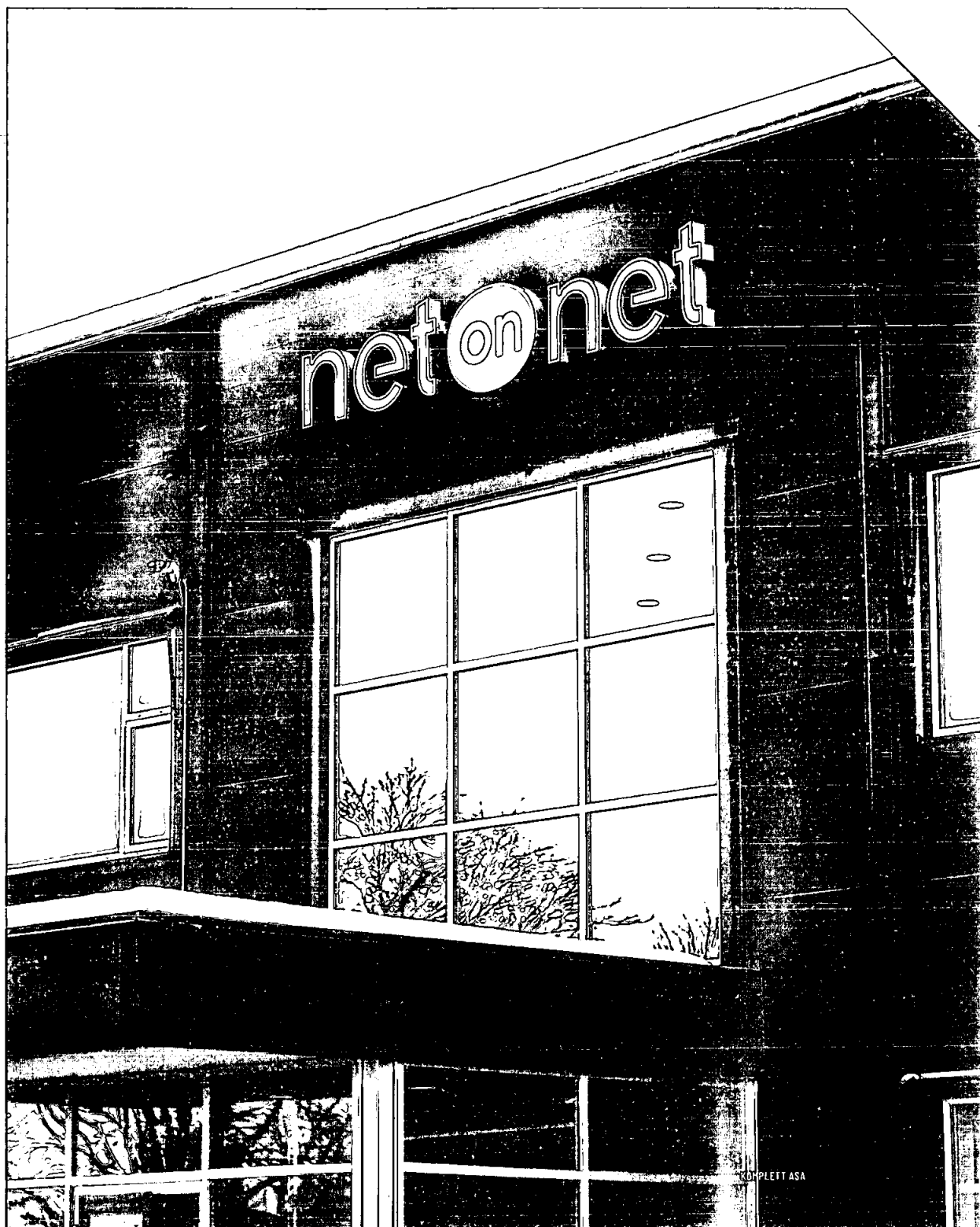
SHARE PRICE DEVELOPMENT:

Scan the QR-code for access to the share price development.



ANALYST COVERAGE:

Firm	Contact	Phone	Email
ABG Sundal Collier	Petter Nystrøm	+47 22 01 61 35	petter.nystrom@abgsc.no
DNB	Ole Martin Westgaard	+47 24 16 92 98	ole.martin.westgaard@dnb.no
Pareto	Joachim Huse	+47 24 13 21 07	joachim.huse@paretosec.com
SEB	Håkon Fuglu	+47 21 00 85 49	hakon.fuglu@seb.no





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 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.

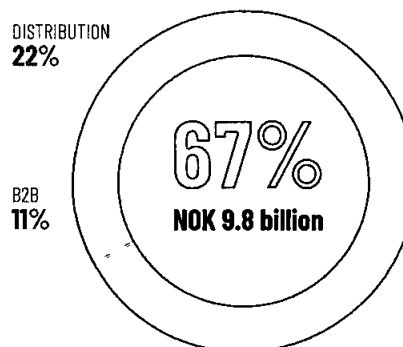
Webhallen is an omnichannel provider within consumer electronics, with the online platform Webhallen.com and 17 retail stores and pick-up points in Sweden, located strategically around Stockholm and bigger cities in Sweden.

NetOnNet has two online shops in Sweden and Norway, NetOnNet.se and NetOnNet.no, and a total of 30 complementary self-service, logistics and warehouse shops located in Sweden and Norway.

The combination of the Komplett Group and NetOnNet was successfully completed on 4 April 2022. For accounting purposes, NetOnNet has been consolidated into the company's financial statements with effect from 1 April 2022 and is reported as part of the B2C segment from this date.

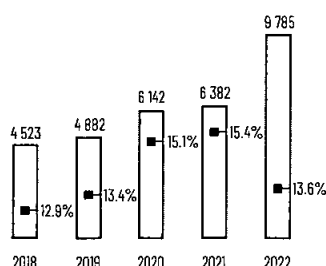
The Komplett Group began its operations in the B2C segment in Norway in 1996.

B2C - SHARE OF TOTAL GROUP REVENUES



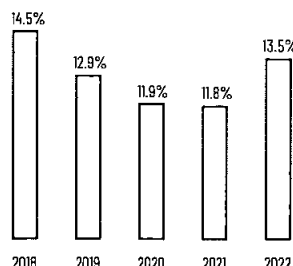
REVENUES

Revenues (NOK million) Gross margin (%)



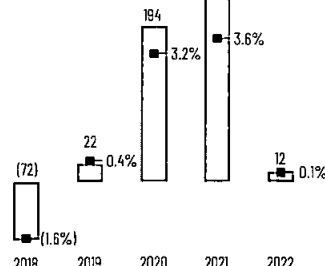
OPERATING COST

Per cent of revenue



EBIT

EBIT (NOK million) EBIT margin (%)







BUSINESS SEGMENTS:

BUSINESS TO BUSINESS (B2B)

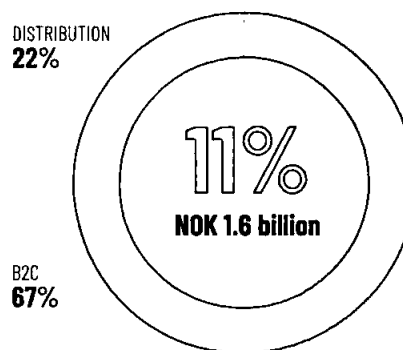
Komplett B2B is an online player market for corporate customers in the Nordics focusing on the small and medium sized enterprises and small office/home office segments.

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

The Komplett Group further expanded its operations in the B2B segment during 2021 through the acquisition of Ironstone, which is a pure cloud technology company offering IT services to corporate customers that complement traditional hardware purchases. Ironstone was consolidated into the group's operations from 1 September 2021, and its operations are reflected in the B2B segment reporting from this date.

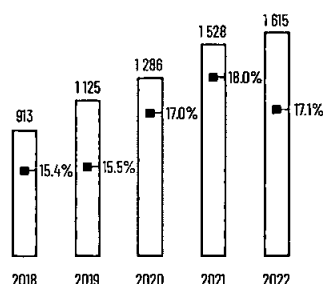
The Komplett Group began its operations in the B2B market in Norway in 2002.

B2B – SHARE OF TOTAL GROUP REVENUES



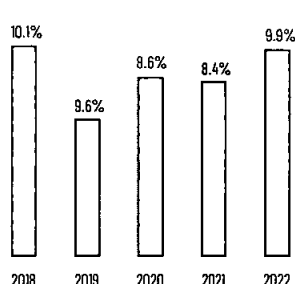
REVENUES

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



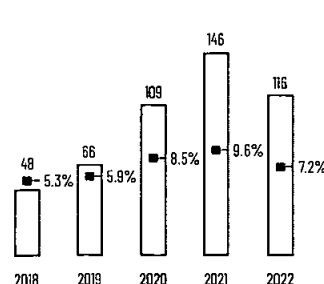
OPERATING COST

Per cent of revenue



EBIT

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







BUSINESS SEGMENTS:

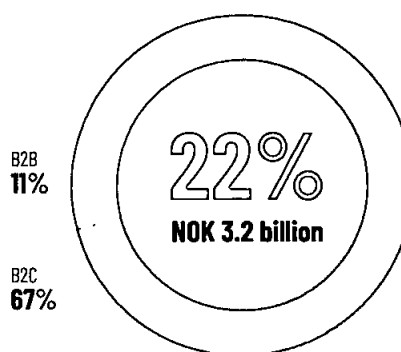
DISTRIBUTION

The Komplett Group began its operations in the distribution segment in 1999.

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.

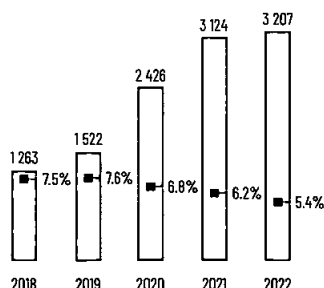
The Komplett Group began its operations in the Distribution segment in Norway in 1999.

DISTRIBUTION - SHARE OF TOTAL GROUP REVENUES



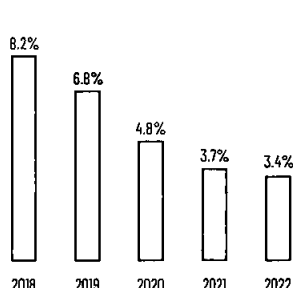
REVENUES

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



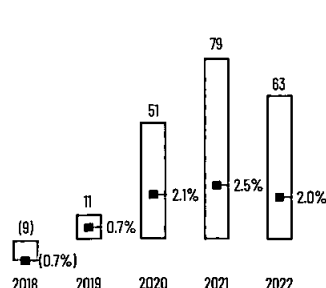
OPERATING COST

Per cent of revenue



EBIT

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



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. Lunder currently holds board positions in various companies, including as chair of Elopak ASA, Axxelerator Capital AS, Element Logic Holding AS, Swoosh group AB, Oleter group AB, DeepOcean group Holding AS, BUS AS, and Cigalep AS and director of Canica AS and Stenshaugen Invest AS. He also served as a board director of Komplett ASA from 2018 until 4 April 2022. Lunder has an MBA from Henley Business School, and a bachelor's degree from Oslo Business School. He is a Norwegian citizen, currently residing in Norway.

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 01.03.2023.

Lunder attended 10 of 11 board meetings in 2022.



JENNIFER GEUN KOSS
Director since 2020, independent

Jennifer Geun Koss (born 1977) is a founding partner of Springbank Collective, a venture fund investing in companies building tools, products and services that disproportionately benefit women across the themes of Career, Care and Household Consumer. She is also the founder of the retail agency BRIKA, which was acquired by the experiential commerce agency Salt XC. Prior to her current roles, she has had shorter engagements with the investment banks JP Morgan and Goldman Sachs, and has worked as a management consultant at The Parthenon group and The Bridgespan group, as well as a private equity investor at Ontario Teachers' Private Capital as both a general partner, and a limited partner. Koss holds various board positions, including Dream Unlimited (publicly listed on the Toronto Stock Exchange), Active Brands AS and Møller Eiendom Holding AS. Koss has an MBA from Harvard Business School, an MPhil from the University of Oxford and an A.B. from Harvard University. She is a US and a Canadian citizen, currently residing in Norway.

Koss and related parties held 4 166 shares and no options in Komplett ASA at 01.03.2023.

Koss attended 13 of 15 board meetings in 2022.



LARS BJØRN THORESEN
Director since 2019, independent

Lars Bjørn Thoresen (born 1970) has several years of directorial experience from service as chair and director of various private and public companies. He currently serves in boards for companies such as Kristian Gerhard Jebsens Rederi, LER Invest, Ragde Partner Invest, LT Invest AS and numerous Verdane related portfolio companies both in Norway and internationally. Thoresen is also board advisor to Nordic Investment Opportunities AS and CEO of the investment company LT Invest. Thoresen has, for a period of over 20 years, held various managerial positions since he was part of the founding team of the private equity firm Verdane Capital, where he also served as managing partner from 2008 until 2016. Prior to joining Verdane, Thoresen worked at Braxton Associates in London, UK, and Deloitte Consulting. Thoresen has a bachelor of science from St. John's University, and an MBA from INSEAD. He also serves on the board of directors of INSEAD Alumni Norway. He is a Norwegian citizen, currently residing in Norway. Thoresen serves the role as chair of the audit committee in Komplett.

Thoresen and related parties held 378 646 shares in Komplett ASA at 01.03.2023.

Thoresen attended 14 of 15 board meetings in 2022.



SARAH C. J. WILLAND
Director since 2021, independent

Sarah C. J. Willand (born 1977) took up the position as CEO of Cappelen Damm in February 2023. Prior to that, she was director for marketing, communication, and organisation at TV 2, and has previously held management positions at Egmont Publishing and Geodata AS, and worked as a consultant at Centre for Corporate Diversity. Willand also holds various board positions at companies such as Cappelen Damm AS, Mediebedriftenes Landsforening, and the Norwegian Opera & Ballet. Willand has a master of science in business and an executive master of management from the Norwegian Business School (BI). She is a Norwegian citizen, currently residing in Norway. Willand serves the role as chair of the remuneration committee in Komplett.

Willand and related parties held no shares in Komplett ASA at 01.03.2023.

Willand attended 13 of 15 board meetings in 2022.



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 combination with Komplett. He holds a bachelor of science in business and economics from Lund University, Sweden. Bengtsson is a Swedish citizen, currently residing in Sweden.

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 01.03.2023, through his ownership of approximately one third of the votes and shares in SIBA Invest.

Bengtsson attended 12 of 12 board meetings in 2022.



NORA ELIN ELDÅS
Worker director since 2021, independent

Nora Elin Eldås (born 1995) joined the group in 2016 as a salesperson at Webhallen AB in Täby, Sweden. Eldås currently holds the position as product manager at Webhallen. She is also a part of Webhallen Loyalty Strategy Force Club, where she works in a team with the development of Webhallen's website loyalty program. Prior to this, Eldås has held various positions within the service industry. She has experience as a waitress in the restaurant industry, and experience with health care for elderly people. She is a Swedish citizen, currently residing in Sweden.

Eldås and related parties held no shares in Komplett ASA at 01.03.2023.

Eldås attended 12 of 15 board meetings in 2022.

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ANDERS ODDEN
Worker director since 2019,
independent

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 the group, and he has also worked as a sales manager in the group. 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). He is a Norwegian citizen, currently residing in Norway.

Odden and related parties held 8 333 shares and 11 411 options in Komplett ASA at 01.03.2023.

Odden attended 14 of 15 board meetings in 2022.



CARL ERIK HAGEN
Board observer since 2022, not
independent

Carl Erik Hagen (born 1988) currently works in the financial investment arm of Canica AS, which is part of Canica International. He holds board positions in Canica AS and Brandbassador AS. He has studied Business and Entrepreneurship at the International University of Switzerland, Business Studies at Marymount Manhattan College, and impact investing at Harvard Business School. He is a Norwegian citizen, currently residing in Switzerland. Hagen has held the position as observer at the board since 2022, but has held the positions as deputy board director and board director since 2013, thus having a longer connection to the group's operations than what his position as board observer is associated with.

Carl Erik Hagen is not independent of the company's main shareholder, Canica Invest AS.

Hagen and related parties held no shares and no options in Komplett ASA at 01.03.2023.

Hagen attended 10 of 12 board meetings in 2022.



ROLAND VEJDEMO
Board 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, and through his board directorship in Avensia AB. Vejdemo holds a master's degree in business and economics from Stockholm University. He is a Swedish citizen, currently residing in Sweden.

Roland Vejdemo is not independent of the company's large shareholder SIBA Invest AB.

Vejdemo and related parties held no shares in Komplett ASA at 01.03.2023.

Vejdemo attended seven of nine board meetings in 2022.



GROUP MANAGEMENT



JAAN IVAR SEMLITSCH
Chief executive officer (CEO)

Jaan Ivar Semlitsch joined the group as CEO in February 2023. Jaan Ivar was previously the CEO of Orkla ASA from 2019 to 2022. After that, he ran his own consulting business, Scilla AS. Prior to joining Orkla, Semlitsch was the CEO of Elkjøp Nordic, where he joined in 2013. During this period, he was also the managing director of Dixons Carphone International, managing all operations outside the UK. Semlitsch also has extensive experience in grocery and consumer goods as CEO of REMA Industrier and from various companies in Scandinavia and the UK during his six years as a consultant at McKinsey & Company. Semlitsch holds a Master of Business Economics (Siviløkonom) from the Norwegian School of Economics (NHH). He is a Norwegian citizen, residing in Norway.

Semlitsch and related parties held 125 000 shares and 500 000 options in Komplett ASA at 01.03.2023.



SUSANNE HOLMSTRÖM
Deputy CEO and managing director of NetOnNet

Susanne Holmström joined the group as deputy CEO and managing director of NetOnNet in 2022. Holmström has served as the CEO of NetOnNet from 2018. Prior to joining NetOnNet, Holmström was the head of B2C at Trygg-Hansa and director in the board of directors of Bubbleroom and Skandia. She also held several leadership positions in Tele2. Holmström holds a master of science in international business from the University of Gothenburg, Sweden. She is a Swedish citizen, currently residing in Sweden.

Holmström and related parties held 48 shares in Komplett ASA at 01.03.2023.



THOMAS RØKKE
Chief financial officer (CFO)

Thomas Røkke joined the group as CFO 1 March 2023. Since December 2018, Thomas Røkke has held the position of group CFO of Saferoad based in Oslo, Norway. He has previously held similar senior positions at FristadsKansas group (formerly Kwin-tet), headquartered in Sweden, and the Danish diversified food business Løgismose Meyers. Further, 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. He is a Norwegian citizen, currently residing in Denmark and Norway.

Røkke and related parties held no shares in Komplett ASA at 01.03.2023.



ROGER SANDBERG
Chief procurement officer

Roger Sandberg joined the group as chief procurement officer in 2022, following the completion of the combination of NetOnNet and Komplett. He is one of the founders of NetOnNet and was the CEO of NetOnNet in 1999. Further, Sandberg has held the position as chief operating officer of NetOnNet from 2016 until April 2022, the position as interim CEO from May 2018 until November 2018 and the position as chief purchasing officer from 2011 until 2016. Sandberg also has experience from SIBA AB and has held the position as purchase manager from 2005 until 2012. He is a Swedish citizen, residing in Sweden.

Sandberg and related parties held no shares in Komplett ASA at 01.03.2023.



TRINE-LISE JENSEN
Head of group supply chain/IT program

Trine-Lise Jensen joined the group in 2019, as chief technical officer (CTO). She served as chief information officer (CIO) and chief operating officer (COO) since February 2020, before taking up the position as head of group supply chain/IT program in April 2022. Prior to joining the group, Jensen has held various CIO and COO positions in the retail and e-commerce industry, including CIO for Boots Norge and CIO/COO for Helly Hansen. She also has 13 years of experience from working with IT at Orkla. Jensen has a bachelor's degree in management from the Norwegian Business School (BI). She is a Norwegian citizen, currently residing in Norway.

Jensen and related parties held 102 590 shares and 32 668 options in Komplett ASA at 01.03.2023.



KRISTIN HØDAL TORGENSEN
Chief HR officer

Kristin Hødal Torgersen joined the group in 2021 as interim HR director, and has held the position as chief HR officer since March 2022. Prior to this, Torgersen has held various management positions with Danske Bank and the position as CEO at Huseby Kjøkken and CEO at Neas ASA. She also has experience from Vital Eiendom, 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). She is a Norwegian citizen, currently residing in Norway.

Torgersen and related parties held 11 835 shares in Komplett ASA at 01.03.2023.

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ANDERS TORELL
Managing director Webhallen

Anders Torell joined the group in April 2022, and holds the position of managing director of Webhallen Sverige AB, a Swedish subsidiary of the group. Previous experience includes the position as managing director in Kronans Apotek as well as serving as chair or board director in his family-owned business mainly within mechanical equipment and services, with Smålandsstenars mekaniska Verkstad SMV Industrier AB as the parent company. He holds a master's degree in mechanical engineering from Chalmers University of Technology in Gothenburg, Sweden. Torell is a Swedish citizen, currently residing in Sweden.

Torell and related parties held 16 949 shares in Komplett ASA at 01.03.2023.



ERLEND STEFANSSON
Managing director B2B

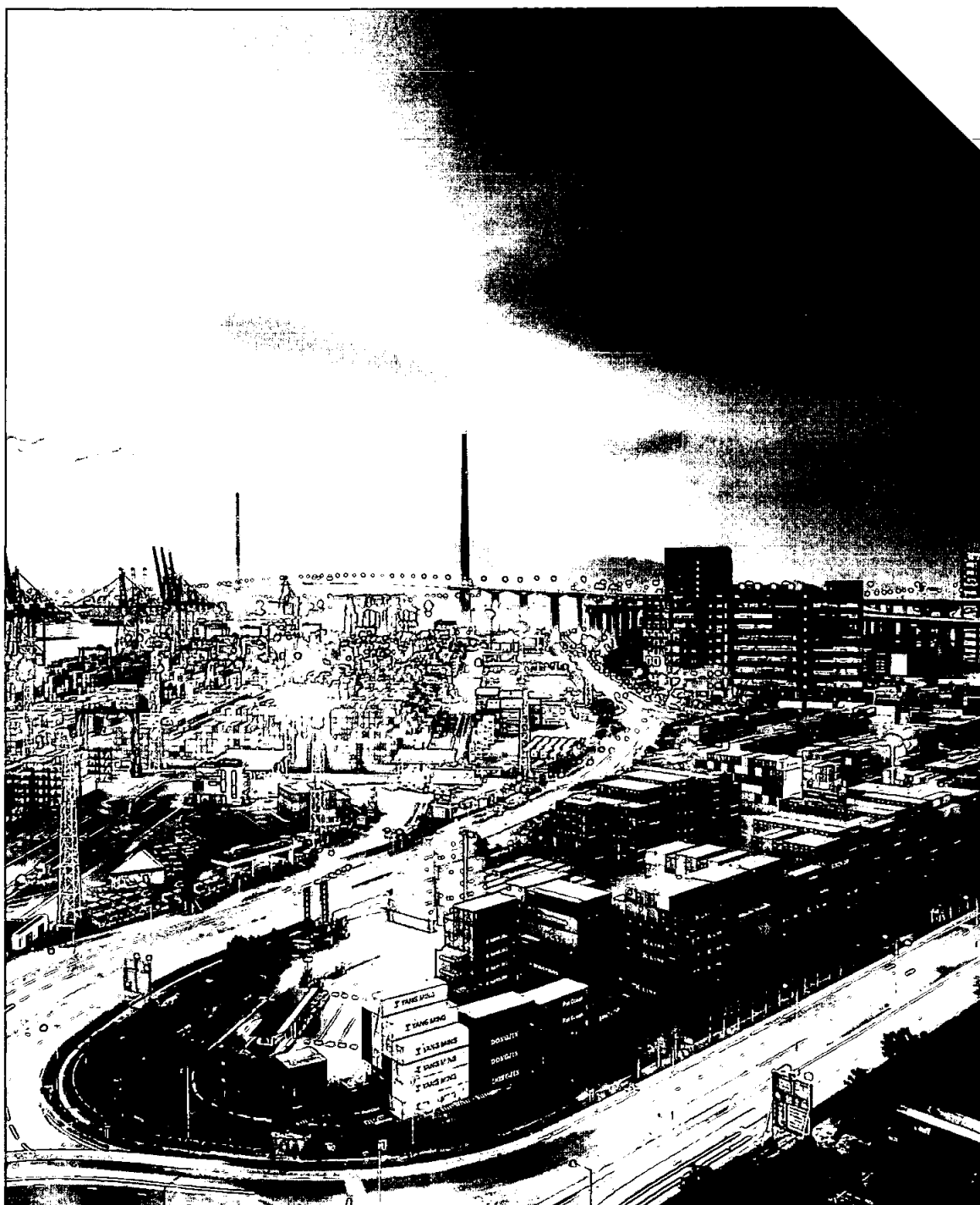
Erlend Stefansson joined the group in June 2022 as CEO for Ironstone and was appointed managing director B2B in February 2023.

Prior to Komplett, he has held the position as Managing Director of Arcus' Spirits Division for 9 years responsible for product development, marketing and sales of the group's spirits brands globally. He was also responsible for Production in two years at Arcus' facilities at Gjelleråsen Norway. Erlend held the position as group Director Sales in Ringnes AS (part of Carlsberg group) for four years. He was CEO of Spits ASA from 2006 to 2008, and has held several management positions in sales, retail development, marketing and communication. He has also three years' experience as a management consultant in McKinsey & Co.

Erlend holds a Master of Business Economics (Siviløkonom) with specialisation in finance from BI Norwegian Business School.

Stefansson and related parties held 50 847 shares in Komplett ASA at 01.03.2023.







BOARD OF DIRECTORS' REPORT 2022:

|| ATTRACTIVELY POSITIONED FOR THE LONG-TERM: PERFORMANCE IN 2022 HAMPERED BY CHALLENGING MARKETS

In 2022, the group succeeded in strengthening its market position through the combination with NetOnNet, where synergy realisation is progressing as planned. Financial performance for the year was impacted by challenging market conditions for online retail across the Nordics. Revenue for the year came in at NOK 14.6 billion, corresponding to a 32.4 per cent growth from the year before, driven by the acquisition of NetOnNet. Adjusted EBIT came in at NOK 87 million, compared with NOK 388 million one year earlier. Even in a challenging market environment, the group maintained its industry-leading cost position, secured new financing facilities and successfully reduced excess inventory. Going into 2023, the top line continues to be impacted by a challenging market while a more positive trend is expected on the gross margin.

In 2022, the market experienced a significant decline in demand following historically strong sales in 2020 and 2021. This led to a situation where many industries were left with excess inventories due to high level of incoming goods and lags in the supply chain. One of the key reasons for this decline was the shift in consumer behaviour, with many customers opting to return to physical stores and shopping malls, rather than continuing to shop online as they had been doing during the Covid-19 pandemic. This shift in consumer behaviour also led to an increase in spending on services such as travel, restaurants, and other social activities. The consumer electronics industry was particularly hard hit by this trend, seeing a steeper decline in sales compared to other retail sectors.

Despite these challenges, the company was able to maintain good cost control, and reduce its operating expenses thanks to its scalable business model. This helped to mitigate the negative impact on the company's bottom line. Additionally, the company was able to reduce its inventory back to healthy levels, although this did come at the cost of a negative impact on gross margin.

In 2022, the Komplett Group doubled its market size following the strategic acquisition of NetOnNet. Komplett and NetOnNet are both recognised for their scalable business models and cost leadership positions and share a strong track record of profitable growth and market share gain. The transaction is expected to enable realisation of cost synergies, mainly related to sourcing, of at

least NOK 200 million on an annual basis with expected full effect within the first quarter of 2024.

Komplett has also strengthened its financial position in 2022 with a private placement of new shares in the amount of NOK 1 billion and new credit facilities. The company used the proceeds to partly repay a bridge loan obtained for the acquisition of NetOnNet and replaced its existing loan facilities. At the end of the year, the company had a strong liquidity reserve and good liquidity.

In terms of financial figures, the company saw an increase in sales in 2022 compared to 2021, driven by the inclusion of NetOnNet from 1 April 2022. Excluding the contribution from NetOnNet, sales for 2022 decreased by 10.9 per cent from the previous year due to the decline in the market and the shift in consumer behaviour.

The company's gross margin also saw a decline in 2022, down to 12.3 per cent, compared to 13.2 per cent in 2021. This decrease was a result of inventory reductions in combination with weaker markets which led to tougher competition and price pressure across the industry.

Despite the underlying decrease in sales and gross margin, the company was able to maintain a positive EBIT of NOK 6 million in 2022, compared to NOK 369 million in 2021. This was a result of the efforts to control costs and reduce operating expenses. Profit for the year was negative NOK 32 million, a decrease from NOK 300 million in 2021. The decrease was due to the volume decline and



reduced gross margin.

The company expects market demand to remain challenging into 2023, which will impact top line growth. A positive trend in gross margin was reported towards the end of the year 2022 and, supported by synergy extraction from the NetOnNet acquisition and continued strong cost control, the company believes it will be well positioned for further gross margin improvements. In the longer term, the company will continue to benefit from the long-term growth in online sales and its scalable, multi-segment business model.

OVERVIEW OF THE BUSINESS

The board of directors' report for Komplet Group ("Komplett" or "the group") encompasses Komplett ASA ("the parent company" or "the company") with subsidiaries in Norway and Sweden.

Business concept and location

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 with the stock ticker KOMPL.

Komplett is the leading online-first player in the e-commerce segment for electronics and IT-products in the Nordic region. The group is headquartered in Sandefjord, Norway. The group has offices at Lysaker, Norway and in Borås (NetOnNet), Stockholm and Gothenburg to serve the Swedish and Danish markets.

The group has an efficient and central fulfilment set-up based on its warehouses in Sandefjord, Stockholm, and Borås. The group has also a purchase office in located in Dongguan, China, which also functions as a developer of NetOnNet's private label products.

Komplett offers a broad range of products and services within categories such as components, gaming, brown goods, peripherals, white goods & home, handheld & accessories and PC for consumers, the business market and the public sector.

The online-first concept implies that products are sold mainly through online channels supplemented with physical retail stores. Ten different web shops constitute the main sales channel together with 17 physical retail stores in Sweden under the Webhallen brand. The group also has local presence throughout Sweden and Norway with 30 NetOnNet warehouse shops, of which 27 are located in Sweden, and three are located in Norway. Komplett.no also operates two pick-up points in Norway, one in Oslo and one at the warehouse in Sandefjord. The business model is efficient and scalable,

supporting cost leadership and enabling a competitive product offering.

The vision of Komplett is to be the «the obvious choice» for its customers, suppliers, employees and investors through competitive prices, great customer service, efficient supply chain and being the sole link between the producers and the end customers.

The group has industry-leading customer satisfaction, a loyal and growing customer base, strong brands with a long heritage and high awareness, and a strong company culture driven by tech enthusiasts.

Business segments

The business is organised in three business segments:

- ▶ The "B2C" (consumer market) segment comprises the brands Komplett, NetOnNet and Webhallen and represented 67 per cent of group revenues in 2022
- ▶ The "B2B" (business to business) segment operates under the brands Komplett Bedrift, Komplett Företag and Ironstone, and accounted for 11 per cent of group revenues in 2022
- ▶ The "Distribution" segment includes the Itegra brand and accounted for 22 per cent of group revenues in 2022

The group has B2C operations in Norway, Sweden and Denmark, while the B2B and Distribution operations are mainly in Norway, although with small-scale operations in Sweden.

In addition to the business segments mentioned above, the company operates with two segments on group level. 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. The different effects of "IFRS 16" (International Financial Reporting Standards) are not part of the operational measures and are excluded from the business segments.

Market presence and position

The competitive landscape for e-commerce implies global competition for all players. Komplett focuses on local customers in Norway, Sweden and Denmark. Business in Norway accounts for 50 per cent of group revenues, Sweden 48 per cent and Denmark 2 per cent.

On 9 February 2022 the company announced that an agreement for the acquisition of Net-On-Net had been entered into, and the completion of the transaction was announced on 4 April 2022. The combined company cre-



ates an even stronger player as the leading online-first electronics platform in the Nordic area. Komplet and NetOnNet are both attractively positioned in the large and structurally growing Nordic electronics and IT-products market and they benefit further from the growth impact of accelerating online migration. The aggregated market share in the Nordic area is estimated to be in the level of 10 per cent, approximately double that of the respective companies' estimated market shares prior to the combination. Komplet and NetOnNet combined is the largest online-first electronics platform in the Nordic area. Komplet and NetOnNet are both recognised for their scalable business models and cost leadership positions and share a strong track record of profitable growth and market share gain. NetOnNet also contributes with an extensive portfolio of own brands enabled by a local purchasing presence in China since 2005. Building on their complementary market positions and strengths, Komplet and NetOnNet will be even better positioned together to deliver a market leading online shopping experience to their customers.

The group's market share varies between the different segments and markets, with a particularly strong position in the B2C segment (Komplet, NetOnNet and

I KOMPLETT AND NETONNET COMBINED IS THE LARGEST ONLINE-FIRST ELECTRONICS PLATFORM IN THE NORDIC AREA.

Webhallen). Komplet is also well positioned in the B2B segment (Komplet Bedrift, Komplet Foretag, and Ironstone) and in long term and large-scale distribution contracts through the Itegra brand. The group has a significant competitive edge through superior customer satisfaction, a very efficient logistics operation shared between all three segments and lower costs than most business peers.

Komplet is well-positioned to continue benefitting from a large structurally growing electronics and IT-products market driven among other by continued technology development and product innovation. As an online-first



retailer the group benefits from an increasing preference among consumers for online shopping and introduction of flexible and convenient delivery solutions.

Strategy

In 2018, Komplet launched its back to core strategy and went back to the roots as an online-first retailer of electronic goods and services. As an online-first player, the group has been able to optimise its e-commerce platform without balancing resources and compromising against a physical retail offering and strategy. As a result, Komplet is attractively positioned in the large and structurally growing Nordic electronics and IT-products market and benefits from the growth impact of increasing preference for online trade.

Komplet operates an efficient and scalable business model which has given rise to its cost leadership position and enables an attractive and competitive product offering.

Komplet is deeply committed to delivering best in class customer experience supported by competitive prices, attractive delivery options and payment solutions, and sustainable business concepts.

Komplet's strategy is built on five pillars:

1. Maintain a superior cost position

The Komplet Group has an industry-leading cost position compared to peers and it considers its ability to continuously improve its cost position as a key lever for future success in the Nordic electronics goods market.

Komplet Group has seen a particularly strong development in its product margin over the last years, and sees clear potential to improve margins further from continued supplier cooperation and negotiations. NetOnNet has seen significant contributions from its own brands and sees clear potential to drive further improvement in this area for the combined group. Furthermore, the combination of the Komplet Group and NetOnNet is expected to realise significant synergies within purchasing. This is expected to further increase the cost competitiveness of the group going forward.

2. Next-generation supply chain and IT as a growth enabler

The Komplet Group has planned investments into supply chain and IT systems over the coming years, which are expected to facilitate long-term growth and improved operational efficiency for the group.

While the group's warehouse in Sandefjord has capacity to absorb up to approximately twice its current volume on the current infrastructure, the warehouse in Stock-

holm has potential to improve operations from increased automation. NetOnNet's central warehouse facilities and supply chain have also been under review with plans for upgrades over the coming years. When implementing any supply chain and IT initiatives, such could lead to operational disruptions, and the group would need to handle the challenge of implementing such updates while maintaining focus on its day-to-day business.

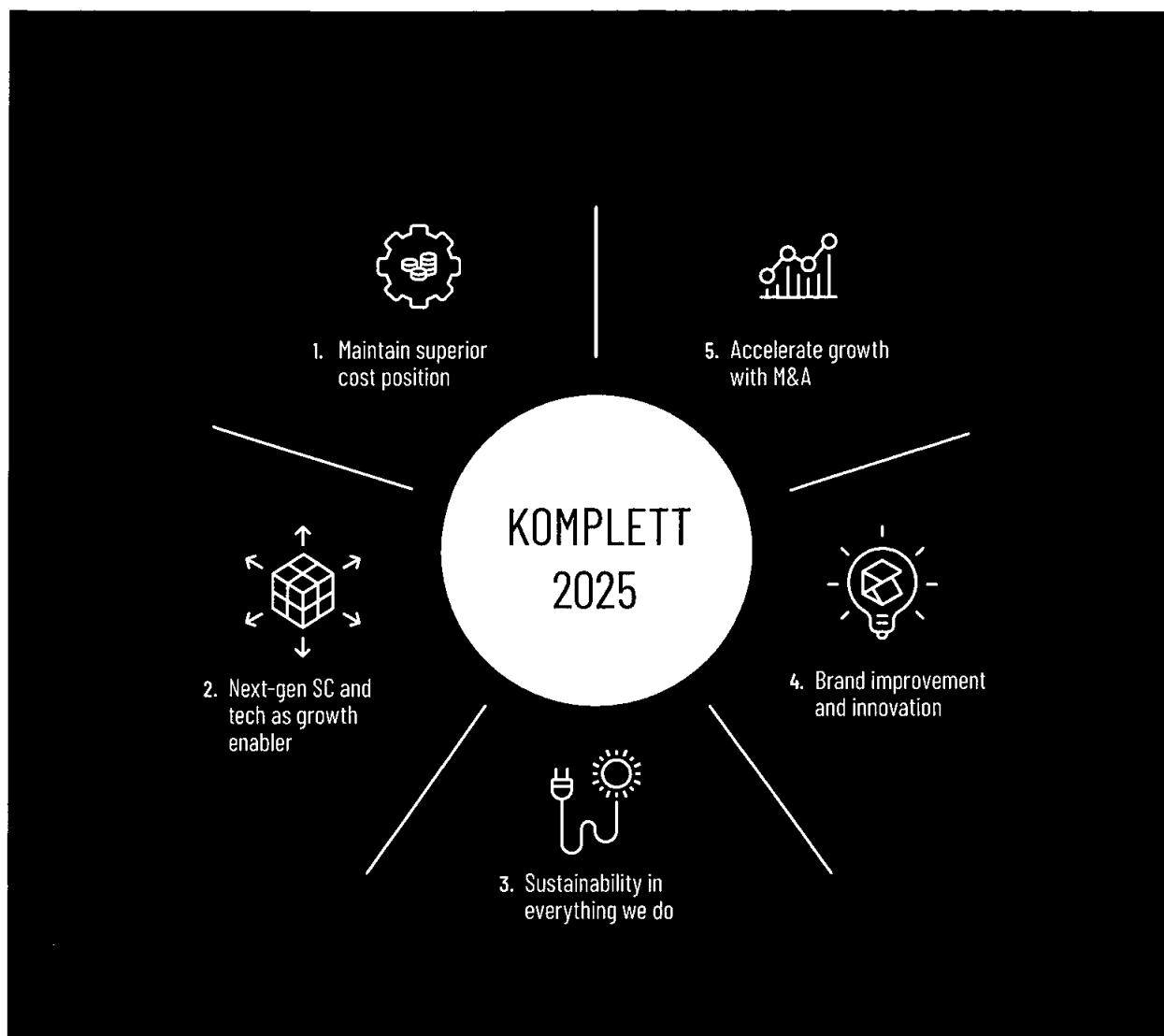
Even though NetOnNet and the rest of the group have separate project teams to drive the planning and implementation of new supply chain and IT set-up, the group is in a process of optimising the businesses, including coordinating its platforms and logistics. The group will look at the combined supply chain and IT systems, and how to best facilitate long-term growth and efficiency for the combined company.

3. Sustainability in everything we do

Sustainability is a key theme for the group, and it is seen as instrumental to support a long-term viable business model, as sustainability is becoming increasingly important among consumers, investors, shareholders, employees and regulators. Within sustainability, the group's strategy focuses on circularity, inclusiveness, environmental footprint and sustainable products. Read more about these topics in the Sustainability report on page 48.

4. Brand improvement and innovation

A focus for the group is also to continuously improve its customer experience, product offering and go-to-market strategy, to secure growth and strengthening of its market position. As part of improving the customer experience and product offering, the group sees clear potential to launch services such as subscription model for products, home installation support and PC support, as well as initiatives that will be implemented within customer care to replace customers' in-store needs. This will add recurring revenue, allow customers to have access to the latest technology in a sustainable manner and improve convenience for customers. The group plans to expand its successful private label and the "Komplet PC" offering, as well as improving its broader own brand offering through leveraging NetOnNet's capabilities within the area. Given the group's strong track record in introducing adjacent products to its core offering, the group seeks to continue to launch new product groups and expand its product categories as a key strategic priority. To increase customer retention, customer life-time value and reduce customer acquisition costs, the group will also work actively with campaigns, digital marketing and personalisation to create an even better customer experience, putting customers at the centre of the group's daily operations.



5. Accelerate growth with M&A opportunities

There is a strong rationale behind driving consolidation within B2C electronic goods in the Nordics and the group will consider proceeding with M&A opportunities. The company believes that acquisitions could have the potential to further strengthen the group's position in the Nordic electronics market and allow the group to leverage further on its track record of realising synergies across brands to create value. It would also offer potential synergies on purchasing back-office functions and from cross selling of the group's private label products. M&A could also be used to accelerate the group's sustainability strategy, particularly within circularity, which is a key theme for the group today.

The company's acquisitions of NetOnNet and Ironstone demonstrates the ability to find M&A opportunities and

OUR 2025 BUSINESS STRATEGY IS BUILT ON FIVE STRATEGIC PILLARS; ONE OF THESE IS TO PROMOTE SUSTAINABILITY IN EVERYTHING WE DO.

provide an attractive offering to potential targets. Further, the transaction demonstrates the clear rationale behind consolidating in this industry, with substantial synergies identified through thorough analysis.

FINANCIAL REVIEW

(All figures in brackets refer to the corresponding period or balance date in 2021, unless otherwise specified)

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.

In the view of the board, the statement of profit and loss, the statement of financial position, the statement of cash flows, the statement of changes in equity and the accompanying notes provide satisfactory information about the operations, financial results and position of the group and the parent company at 31 December 2022.

Statement of profit and loss

Total operating revenue was NOK 14 618 million in 2022, corresponding to an increase of 32.4 per cent compared with NOK 11 043 million in 2021. NetOnNet has been consolidated into the figures from 1 April 2022 and contributed NOK 4 784 million. Excluding the contribution from NetOnNet, the group's revenue decreased by 10.9 per cent mainly due to the challenging market conditions for the B2C segment across the Nordics.

Cost of goods sold was NOK 12 824 million in the full year, compared with NOK 9 581 million in 2021. NetOnNet accounted for NOK 4 098 million of the total cost of goods sold in 2022. The gross margin decreased from 13.2 per cent in 2021 to 12.3 per cent in 2022, and was negatively impacted by price pressure in the industry and efforts to reduce inventory for the group. Softer demand has led to inventory build-up across the industry resulting in tougher competition, higher campaign activity and increased price pressure.

Employee benefit expenses were NOK 820 million for the year, compared to NOK 511 million in 2021. NetOnNet accounted for NOK 332 million of the employee benefit expenses in 2022.

Depreciation and amortisation totalled NOK 256 million, of which NOK 35 million is related to amortisation of acquired customer value. Other operating expenses were NOK 712 million in the full year compared with NOK 453 million in 2021. The increase was driven by operating expenses from NetOnNet of NOK 216 million.

The operating result (EBIT) for the full year amounted to NOK 6 million, compared with a profit of NOK 369 million in the full year of 2021. The EBIT included a positive contribution of NOK 43 million from NetOnNet.

Net financial items in the full year totalled a negative NOK 104 million, compared with a negative NOK 22 million in the same period last year. The increase is driven by NOK 41 million in interest costs related to the bridge facility.

Tax income was NOK 56 million in the full year, compared with a tax expense of NOK 48 million in 2021. A tax deduction of NOK 47 million has been recognised related to losses from Marked Gruppen for previous years.

Profit from discontinued operations was NOK 10 million net of tax. The full amount is explained by a repayment of a supplier guarantees from the bankruptcy estates of the former subsidiaries Comtech GmbH and JES Computer GmbH (Comtech group).

Profit for the period came in at negative NOK 32 million, compared with a profit of NOK 300 million in the full year last year. NetOnNet represented a profit of NOK 22 million and Ironstone reported a loss of NOK 6 million for the period. The results in NetOnNet were impacted by decline in revenues and pressure on gross margins, while Ironstone in 2022 focused on building the platform for future growth.

Statement of cash flows

Cash flow from operating activities amounted to a positive NOK 1 102 million (NOK 65 million), of which profit for the year had a negative impact of NOK 86 million. The positive cash flow from operations was driven by inventory reductions of NOK 686 million and reduction in trade receivables of NOK 421 million, of which NOK 380 million was derived from factoring, while reduced trade payables had a negative impact of NOK 149 million. In total, changes in net core working capital had a positive effect of NOK 958 million. Depreciation and amortisation contributed with an additional NOK 256 million.

Cash flow used in investing activities amounted to NOK 1 701 million, compared with NOK 114 million in the same period last year. The cash flow used in investing activities was driven by the NetOnNet acquisition.

Cash flow from financing activities amounted to NOK 706 million in the full year, an increase from NOK 36 million in the same period last year. The increase was driven by the private placement in the fourth quarter.

Statement of financial position and liquidity

Non-current assets amounted to NOK 4 487 million at the end of the full year of 2022, including NOK 416 million related to NetOnNet, compared with NOK 971 million at the end of last year. The additions were related to goodwill adjustment of NOK 1 699 million and NOK 1 355 million in other intangible assets.

Current assets amounted to NOK 3 046 million at the end of the year, compared with NOK 2 498 million in the same

period last year. Current assets at the end of December 2022 included NOK 1 250 million from NetOnNet, of which inventory in NetOnNet represented NOK 948 million. Excluding NetOnNet, current assets were reduced by NOK 703 million in 2022.

Total cash and cash equivalents amounted to NOK 149 million at the end of the full year 2022 versus NOK 41 million over the same period last year.

Equity amounted to NOK 3 496 million at the end of the full year 2022, including NOK 488 million from NetOnNet, compared with NOK 806 million in the same period last year. The increased equity was mainly driven by increased share premium from the issuance of 35 242 424 new shares to SIBA Invest in April as part of the settlement of the NetOnNet transaction and the issuance of 67 800 000 new shares in November and December 2022. The share capital of Komplett ASA at 31 December 2022 was NOK 70 119 031.60, divided into 175 297 579 shares, each with a nominal value of NOK 0.40.

Total liabilities amounted to NOK 4 037 million at the end of the full year 2022, of which NetOnNet accounted for NOK 1 177 million, compared with NOK 2 663 million in the same period last year. The main driver was increased bank overdraft and trade payables.

Total equity and liabilities amounted to NOK 7 533 million at the end of the full year 2022, including NOK 1 666 million from NetOnNet, compared with NOK 3 469 million in the same period last year.

Financing and capital structure

Komplett has strengthened its financial position in 2022, and liquidity is good.

In November and December 2022 the company completed a private placement of 67 800 000 new shares in the company at a subscription price of NOK 14.75 per share raising gross proceeds of NOK 1 000 050 000. The company also secured a new revolving credit facility in the amount of NOK 1 300 million and an overdraft facility in the amount of NOK 400 million (increased to NOK 500 million in Q4 each year). The new loan facilities replaced the company's existing overdraft facilities of NOK 500 million, as well as its two existing revolving credit facilities of NOK 500 million and SEK 650 million.

The company used the net proceeds from the private placement, a new factoring agreement and funds available under the new facilities to repay the NOK 1 500 million bridge loan, which was obtained in connection with the company's combination with NetOnNet AB, announced 9 February 2022. The last repayment of NOK 500 million on the bridge loan was repaid after year-end.



I IMPROVING OUR PACKAGING LINE

When Komplett first started to consider ways to improve the packaging line, it was clear that we wanted to address the amount of air delivered to customers. So, we put together an internal task force of logisticians and tech enthusiasts with the ambition to significantly improve our packaging line and make it sustainable and fit for the future. In 2022, our packaging line underwent a complete overhaul, and we are proud to see our efforts result in a packaging system that considers our customers, employees, and the environment.

With the new packaging line in place, as many as 99 per cent of our orders leaving AutoStore are shipped without plastic. This has led to an annual 16–19-ton reduction in our use of plastic. We have also worked on using as little material as possible whilst ensuring a damage-free delivery, resulting in a line consisting of three packaging boxes instead of ten. This has significantly reduced the amount of air being shipped to customers and decreased the number of containers transporting our packages by 390 each year.

Our new packaging line is an excellent testament to our commitment to customers and to operating a sustainable and responsible business.



At 31 December 2022, NOK 49 million of the credit facilities, NOK 476 million of the revolving credit facility and NOK 500 million of the bridge loan were utilised. Including available cash of NOK 149 million, the liquidity reserve was NOK 1333 million at the end of 2022 compared with NOK 534 million one year earlier. The equity ratio was 46.4 per cent at the end of the year compared with 23.2 per cent at the end of 2021.

Net interest-bearing debt at 31 December was NOK 876 million excluding IFRS 16 and NOK 1 434 million including IFRS 16. The leverage ratio (NIBD / LTM EBITDA) was 3.7x at the close of 2022. Comparable figures for the last year were a net interest-bearing debt including IFRS 16 of NOK 876 million, which gave a leverage ratio of 1.7x.

SEGMENT INFORMATION

The business is organised in three reporting segments: B2C, B2B and Distribution. Additional information about these segments can be found on page 12 of this annual report.

B2C financial review

Comments below are based on reported figures, with NetOnNet included from 1 April 2022.

In B2C, revenues increased due to the acquisition of NetOnNet. Excluding NetOnNet, revenues declined mainly as a result of more conservative consumer spending especially in capital intensive categories, and temporary market saturation following the consumption peak during the Covid-19 pandemic. The share of online retail trade has also settled back in line with pre-pandemic trends but is expected to continue to grow in a long-term perspective.

Operating revenues for the B2C segment were NOK 9 785 million in 2022, an increase of 53.3 per cent from 2021. NetOnNet has been consolidated into the figures from 1 April 2022 and contributed NOK 4 784 million. Without the contribution from NetOnNet, revenues declined 19.6 per cent in 2022.

In local currency, the operations in Norway and Sweden had a revenue decline of 17.9 per cent and a revenue growth of 139.6 per cent, respectively. Denmark, which represents approximately 2.5 per cent of the B2C sales volume, had a decline of 33.0 per cent.

Gross profit was NOK 1 334 million, an increase from NOK 984 million in 2021. NetOnNet represented NOK 686 million of the gross profit in 2022. Gross margin decreased to 13.6 per cent in 2022 compared to 15.4 per cent in 2021. Without the contribution from NetOnNet, gross margin in 2022 was 13.0 per cent. Gross margin was negatively impacted by increased pricing pressure in the market and efforts to reduce inventory.

Operating expenses was NOK 1 322 million in 2022, compared to NOK 754 million in 2021. NetOnNet represented NOK 626 million of the operating expenses in 2022. Without the contribution from NetOnNet, operating expenses declined by 7.7 per cent in 2022, demonstrating the group's cost efficient and scalable business model.

Operating profit (EBIT) declined to NOK 12 million in 2022, down from NOK 230 million in 2021. NetOnNet contributed NOK 59 million in 2022. The EBIT margin was 0.1 per cent in 2022, compared to 3.6 per cent in 2021. The decline is mainly due to lower sales volume and price pressure in the market.

B2C Key figures:

NOK million	2022	2021
Operating revenues	9 785	6 382
Gross profit	1 334	984
Gross margin (%)	13.6%	15.4%
Operating expenses (ex dep)	(1 259)	(706)
Depreciation and amortisation	(64)	(48)
Total operating expenses	(1 322)	(754)
Operating cost percentage (%)	(13.5%)	(11.8%)
Operating profit (EBIT)	12	230
Operating profit (EBIT) margin (%)	0.1%	3.6%

B2B financial review

The B2B segment has experienced lower demand from smaller businesses in the SME segment towards the end of the year, which are displaying similar behaviours to that of consumers in the B2C segment. Revenue growth was also negatively impacted by supply issues due to Covid-19 lockdowns in China with major constraints on Apple products.

Operating revenues for the B2B segment was NOK 1 615 million in 2022, an increase of 5.7 per cent from 2021. In local currency, the operation in Norway delivered growth of 6.5 per cent, Sweden had a revenue growth of 4.2 per cent.

Gross profit was NOK 276 million, compared with NOK 275 million in 2021. Gross margin decreased to 17.1 per cent in 2022 compared with 18.0 per cent in 2021. The margin decline is mainly a result of increased sales of lower margin products and reduction of inventory.

Operating expenses were NOK 160 million in 2022, up from NOK 129 million in 2021, the increase is mainly a result of the acquisition of Ironstone. Total operating expenses relative to the operating revenue increased from 8.4 per cent in 2021 to 9.9 per cent in 2022.



Operating profit (EBIT) decreased to NOK 116 million in 2022, down from NOK 146 million in 2021. This gave an EBIT margin of 7.2 per cent in 2022 compared to 9.6 per cent in 2021.

In the third quarter of 2021 Komplett acquired 65.1 per cent of the shares in Ironstone Holding AS. Ironstone has been consolidated into the financial statements as of 1 September 2021. In 2022, Ironstone accounted for NOK 109 million of the revenues, NOK 32 million of the gross profit and an EBIT result of negative NOK 6 million. In 2021, Ironstone accounted for NOK 27 million of the revenues, NOK 8 million of the gross profit and an EBIT of negative NOK 2 million.

B2B Key figures:

NOK million	2022	2021
Operating revenues	1615	1528
Gross profit	276	275
Gross margin (%)	17.1%	18.0%
Operating expenses (ex dep)	(152)	(120)
Depreciation and amortisation	(8)	(9)
Total operating expenses	(160)	(129)
Operating cost percentage (%)	(9.9%)	(8.4%)
Operating profit (EBIT)	116	146
Operating profit (EBIT) margin (%)	7.2%	9.6%

Distribution financial review

Total revenues reached NOK 3 207 million and grew by 2.7 per cent from NOK 3 124 million in 2021.

Increased sales to large customer accounts and strong sale of Apple products contributed positively to the sales growth, but an overall weaker consumer sentiment impacted demand also in the Distribution segment. Supply issues due to Covid-19 lockdowns in China resulted in constraints on Apple products, but the impact diminished towards year-end.

In local currency, the operation in Norway delivered growth of 3.1 per cent, Sweden had a revenue growth of 1.8 per cent.

Gross profit amounted to NOK 173 million, down 10.8 per cent from 2021. Gross margins decreased to 5.4 per cent in 2022 compared with 6.2 per cent in 2021. The new distribution agreements primarily include a significant share of products at lower gross margins but are well-suited for Komplett's business model with low handling costs.

More efficient logistics and increased economies of scale from new distribution agreements lowered the total operating expenses per centage from 3.7 per cent in 2021 to 3.4 per cent in 2022.

Distribution recorded operating profit (EBIT) of NOK 63 million in 2022, down from NOK 79 million in 2021. This gave an EBIT margin of 2.0 per cent in 2022 compared with 2.5 per cent in 2021.

Distribution key figures:

NOK million	2022	2021
Operating revenues	3 207	3 124
Gross profit	173	194
Gross margin (%)	5.4%	6.2%
Operating expenses (ex dep)	(103)	(109)
Depreciation and amortisation	(6)	(6)
Total operating expenses	(109)	(115)
Operating cost percentage (%)	(3.4%)	(3.7%)
Operating profit (EBIT)	63	79
Operating profit (EBIT) margin (%)	2.0%	2.5%

GOING CONCERN

The board of directors firmly believes that Komplett Group has the ability to continue its operations in the foreseeable future and hence 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 had no commercial operations in 2022, and revenues, costs and profits are mainly recorded in the operational subsidiaries. Komplett ASA recorded profit before taxes of NOK 19 million in 2022, compared to a profit before taxes of NOK 219 million in 2021. The profit included group contributions from subsidiaries of NOK 84 million in 2022 compared with NOK 241 million in 2021.

The company's profit after taxes in 2022 was NOK 67 million compared with a net profit of NOK 168 million in 2021. The board proposes the following allocation of the net profit of NOK 67 million for the parent company:

Transferred to other equity: NOK 67 million

The board proposes that no dividend is to be paid for 2022.

Following an evaluation, the board has concluded that the group will have an equity and liquidity which is acceptable in relation to the risks and scope of its activities.

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

Below is a summary of the key risks for the group. See note 4 for a more detailed description of the company's financial and market risks.

Financial risks

The group is exposed to financial risk in various areas, including currency risk. The objective is to reduce the financial risk from financial instruments to the greatest extent possible. The company's current strategy includes the use of financial instruments in the business in Sweden, while the the currency risk for the business in Norway is primarily sought reduced 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 to pay suppliers. Many of Komplett's products are purchased and sold in a market where prices can change up to several times

per day. The best hedging of currency fluctuations has therefore historically been shown to be close follow-up and change of selling price, combined with high turnover rate of goods exposed to currency risk.

Credit risks

New suppliers and business customers are 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 continuously strives to improve working capital focusing on inventory management, current assets and liabilities. Improved working capital and profitability shall contribute to strengthening the group's liquidity. At the end of 2022 the short-term interest-bearing debt was NOK 643 million including IFRS.



Market risks

Komplett Group provides products to consumers, businesses, and the public sector in the Nordics. The demand situation in its main markets is correlated with the general economic development of each country. The group sees considerable uncertainties in the development of relevant markets in 2023, both in terms of reduced purchasing power among consumers and uncertainties following the war in Ukraine.

Russia's invasion of Ukraine in February 2022 caused a dramatic increase in energy costs. There is a risk that energy prices will stay elevated on continued uncertainty, which may in turn impact costs of raw material and other input factors. Higher energy prices, inflation and interest rates may influence consumer preferences and have an adverse impact on consumer spending, which could negatively impact demand for electronics products.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The group's sustainability strategy is based on three pillars:

- Komplett Circularity
- Komplett Environment, and
- Komplett Tolerance

Komplett Circularity is the path for developing new and circular business concepts, focusing on recycling, durability, and reusability. A particular emphasis is put on minerals and materials used in electronics that have significant environmental footprints. Komplett aims to develop methods for salvaging these resources so that they can be reincorporated into the lifecycle of electronic products.

Komplett Environment serves as a guidance toward decreasing the environmental impact of the group's operations. This commitment is focused on reducing GHG emissions associated with the transportation of our products.

Komplett Tolerance consolidates how the Komplett Group is committed to creating and upholding a healthy workspace where our employees feel included and valued. Further, the group also emphasises the need to improve documentation and secure decent work standards among its suppliers through increased due diligence. The wider societal focus of Komplett Tolerance includes promoting digital inclusion in all parts of society.

Corporate social responsibility

Komplett is required to report on its corporate responsibility and selected related issues under §3-3a and §3-3c of the Norwegian Accounting Act. Reporting on relevant topics is approved by the board of directors and can be found in the Sustainability section on page 48 of this report.

Komplett Group will publish a statement of the due diligence required in the Transparency act before 30 June 2023. The statement will be published at <https://www.komplettgroup.com/>.

Activities on gender equality and non-discrimination

Komplett 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 annual statement on equality is included in the Komplett Tolerance chapter in the Sustainability section on page 89 of this report.

People and organisation

During 2022, the group had 1 955 employees. The number of full-time equivalents (FTEs) that has been employed during 2022 was 1 251. These figures include the employees of Ironstone. Komplett is, during certain periods, using contracted personnel mainly within warehouses, logistics and customer service. In 2022, the group had 328 temporary workers. Many of these were students helping out during weekends and summer holidays.

The working environment is considered to be healthy. Komplett has since the end of 2019 introduced a tool to follow the working environment on a 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 2022 was 6.0 per cent compared with 4.4 per cent in 2021. During 2022, one work related injury was reported resulting in long term sick leave in the subsidiary NetonNet.

For further information please refer to the Komplett Tolerance chapter included in the Sustainability section on page 85 of this report.

Changes to the executive management and board of directors

Following the combination of Komplett and NetOnNet during 2022, several changes have been made to the executive management team. Susanne Holmström, managing director of NetOnNet, was appointed deputy CEO of Komplett Group, and Roger Sandberg joined the group as chief procurement officer during 2022.

The articles of association provide that the board of directors shall consist of between three and nine directors elected by the company's shareholders. Fabian Bengtsson was elected director at the extraordinary general meeting on 16 March 2022. Jo Olav Lunder has been a director since

2018 and was elected chair of the board at the annual general meeting on 2 June 2022. The board consists of Jo Olav Lunder (chair), Jennifer Geun Koss, Lars Bjørn Thoresen, Fabian Bengtsson, Sarah Willand, Anders Odden (worker director) and Nora Elin Eidås (worker director).

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 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 in order 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 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.lav-data.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 2022 has been approved by the board of directors and can be found on page 40 of this annual report of 2022.

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.

On 15 November 2022 the company completed a private placement of 67 800 000 new shares in the company at a subscription price of NOK 14.75 per share raising gross proceeds of NOK 1 000 050 000.

In an extraordinary general meeting on 8 December 2022 the board of directors was granted an authorisation to

carry out a subsequent offering of up to 3 390 000 new shares at a subscription price equal to the subscription price in the private placement.

At 31 December 2022, the company's share capital consisted of 175 297 579 ordinary shares.

During 2022, the share traded between NOK 13.42 and NOK 71.72 per share, with a closing price of NOK 14.44 at year-end 2022.

Komplett ASA's annual general meeting is planned to be held 9 May 2023.

EVENTS AFTER 31 DECEMBER 2022

- On 6 January 2023 the company launched a subsequent offering of up to 3 390 000 new shares at a subscription price of NOK 14.75. The company received subscriptions for a total of 43 582 shares. Following the issuance of these 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.
- Jaan Ivar Semliitsch was appointed new Chief Executive Director (CEO) of Komplett ASA effective from 10 February 2023. Mr. Semliitsch takes over the role from Lars Olav Olaussen, who has been the CEO of Komplett since 2018.
- Thomas Røkke has been appointed Chief Financial Officer (CFO) of Komplett ASA, effective from 1 March 2023.

At 22 March 2023, the management team consist of Jaan Ivar Semliitsch (CEO), Thomas Røkke (CFO), Susanne Holmström (managing director NetOnNet), Anders Torell (managing director Webhallen), Erlend Stefansson (managing director B2B), Trine-Lise Jensen (head of group SC/IT program), Kristin Hødal Torgersen (chief HR officer), and Roger Sandberg (chief procurement officer).

SUMMARY AND OUTLOOK

The previous year has proven to be a challenging period for the entire retail industry, and the board expects market demand to remain challenging into 2023. Over time, market demand and the share of online trade is expected to return to its attractive growth trajectory.

As reported, the gross margin trended positive in the fourth quarter. The group expects its gross margin performance to continue to improve going forward, supported by good cost control and a healthy inventory position. The group's profitability is also set to benefit from its solid and scalable business model, as well as from the realisation of synergies and other initiatives to reduce operating costs.



The combination with NetOnNet allows for significant economies of scale. Execution of the integration continues to progress as planned, and supplier negotiations are yielding the expected synergies. Cost synergies, mainly related to supplier terms, of at least NOK 200 million on an annual basis are expected to have full effect within the first quarter of 2024, of which an annual run rate of NOK 100 million is expected as from 2023.

The group has succeeded in maintaining an industry-leading cost position, and identified and implemented further efficiency gains and cost-reducing initiatives. In NetOnNet, initiatives have been launched to reduce operating costs by approximately SEK 70-90 million at a gross level with effect from 2023.

The Komplett Group expects annual capital expenditures related to maintenance at the level of NOK 80-100 million for the period 2023-2025. In addition, expansion of supply chain facilities and upgrades to the group's IT systems

involve planned investments in the range of NOK 350-400 million in the coming years. The programme is flexible, without any committed agreements, and the board will evaluate the capex programme based on the market development.

The group has a policy of distributing 60-80 per cent of net profit adjusted for one-off and special items as annual dividend but the board proposes that no dividend be paid for the financial year 2022.

In sum, the group has quickly responded to the market challenges seen in 2022. The group enters 2023 with a healthy stock composition, a stronger balance sheet and strong cost control. Supported by its highly competitive, scalable and cost-efficient business model, the Komplett Group is in a strong position to benefit from a market recovery.

STATEMENT FROM THE BOARD OF DIRECTORS

We confirm that the financial statements for the period 1 January up to and including 31 December 2022 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, and 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, 22 March 2023
Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Jennifer Geun Koss
Director

Lars Bjørn Thoresen
Director

Fabian Bengtsson
Director

Sarah Willand
Director

Anders Odden
Worker director

Nora Elin Eidås
Worker director

Jaan Ivar Semliitsch
CEO





KOMPLETT ASA:

CORPORATE GOVERNANCE

Komplett considers good corporate governance to be a prerequisite for value creation, trust from shareholders, and adequate access to capital. In order 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.

1. STATEMENT OF POLICY ON CORPORATE GOVERNANCE

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 9 May 2023. 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.

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. Furthermore, the board annually assesses and discusses the principles, and has also considered this statement at a board meeting. Komplett's corporate governance policy is structured in the same way as the Code of Practice, covers each point of the Code, and describes how Komplett complies with the Code requirements.

2. ACTIVITIES

Komplett's objectives, as 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.

In accordance with its objects clause, Komplett operates in several segments and countries. The group's core

business is electronic consumer goods across the segments B2C, B2B, and distribution. The group primarily operates in Norway and Sweden, but also has activities in Denmark. Komplett's vision is to be "the obvious choice" for customers, suppliers, employees, and society, and Komplett's mission is "to develop complete solutions that make life easier". Komplett's values are fundamental to our corporate culture. Our values tell us how to work, how to treat each other, and, not least, how we want to be perceived by the world around us. Komplett's values are **precision, simplicity, and enthusiasm**.

The board of directors and executive management ensures good corporate governance by transparent and trustful cooperation between all parties involved with the group and its business. These include the company's shareholders, board of directors, and executive management team, employees, customers, suppliers, and other business partners, as well as public authorities, and society at large. The core objectives in achieving transparent and trustful cooperation are transparent communication, independence between stakeholders, and equal treatment and rights for all of the company's shareholders.

Komplett's sustainability strategy is based on three main pillars: tolerance, by taking care of our employees, customers, and suppliers, circularity, by contributing to a circular economy, and environment, by reducing our emissions.

3. EQUITY AND DIVIDENDS

The board of directors ensures that the company has an equity capital at a level appropriate to its objectives, strategy, and risk profile, and continuously monitors the group's capital situation. At 31 December 2022, the group equity totalled NOK 3 496 million. During 2022, 35 242 424 new shares were issued to SIBA Invest as part of the settlement for the acquisition of NetOnNet, making SIBA Invest the second largest shareholder of Komplett ASA. On 15 November 2022 the company completed a private placement of 67 800 000 new shares in the company at

a subscription price of NOK 14.75 per share raising gross proceeds of NOK 1 000 050 000.

In an extraordinary general meeting on 8 December 2022 the board of directors was granted an authorisation to carry out a subsequent offering to shareholders who were not allocated shares in the private placement. After year-end, the subsequent offering was launched, and the company received subscriptions for a total of 43 582 shares. Following the issuance of these 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.

Komplett shall, at all times, 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 board of directors has proposed that no dividend be paid out for the 2022 financial year. 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. The general meeting is given the opportunity to vote on every purpose covered by the authorisation. Questions concerning increases in share capital must be submitted to the general meeting for decision.

4. EQUAL TREATMENT OF SHAREHOLDERS

Komplett has one class of shares. Each share of the company carries one vote, and all shares carry equal rights. Each share has a nominal value of NOK 0.40. Further information on voting rights at general meetings is provided under the section for general meetings.

Any decision to waive the pre-emption rights of existing shareholders to subscribe for shares in a share capital increase, shall be justified by the common interest of the company and the shareholders, as well as applicable equal treatment regulations.

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.

5. FREELY TRANSFERABLE SHARES

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

6. GENERAL MEETINGS

Komplett seeks to ensure that as many shareholders as possible are able to 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. The final date for giving notice of attendance is no earlier than three days prior to the general meeting. Shareholders are given the opportunity to vote on the election of every single candidate to an office in the nomination committee and on the board of directors. The auditor and members of the board of directors and nomination committee are present at general meetings.

Under Norwegian law, only shares that are registered in the name of the shareholder include the right to vote. Shares that are registered in a nominee account must be reregistered in the VPS for the shareholder to be able to vote with the shares. Further information may be found in the notice of the general meeting and on Komplett's website. Shareholders who are unable to attend the general meeting may vote in advance or by proxy.

Komplett will appoint the board chair or meeting chair to vote for the shareholders. 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 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. The provision in the articles of association departs from the general rule in chapter five of the Public Limited Liability Companies Act which prescribes that the annual financial statements, the report of the board of directors, the auditor's report, and the board of directors' report on remuneration of the executive management pursuant to



section 6-16b must be sent to all shareholders no later than one week prior to the general meeting.

The company facilitates the election of an independent chair of the general meeting. The nomination committee chair and 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 board chair, the general manager, and the heads of the various business areas are normally present in order to reply to any questions that may be raised.

Two extraordinary general meetings were held during 2022, on 16 March and 8 December, in connection with the acquisition of NetOnNet. Meeting notices and minutes were published on Newsweb.no and on the company's website.

7. THE NOMINATION COMMITTEE

Under the articles of association, Komplett has a nomination committee that is elected at the general meeting. 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 general meeting elects the chair and members of the committee, and determines its remuneration. The committee is tasked with submitting the following reasoned recommendations:

Recommendation 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

Input and proposals submitted to the nomination committee may be sent to the chair of the nomination committee by email to sverre.kjaer@online.no by 1 April 2023 at the latest.

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.

8. THE 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 competence, working capacity, and diversity. 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, according to the decision of the participants at the general meeting. There are no other provisions in the articles of association governing the appointment and replacement of directors.

Under Norwegian law and in accordance with Komplett's current system of corporate democracy, group employees have the right to elect two members of the board of directors of Komplett ASA.

The board held a total of 15 meetings in 2022, three of which were written proceedings, including six ordinary meetings. The extraordinary meetings were mainly related to the acquisition of NetOnNet. The attendance rate was 91.4 per cent. A description of the competence and background of the individual board members can be found on page 18 of this annual report for 2022 and on <https://www.komplettgroup.com/about/board-and-management>. The directors are encouraged to hold shares in the company.

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 the Komplett'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 associ-

ated persons to any such party that are deemed material under the Norwegian Public Limited Liability Companies Act, are subject to approval by the participants at the general meeting. Furthermore, the board of directors is required to arrange an independent auditor valuation of the transaction.

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 Sarah Willand (chair), Fabian Bengtsson and Jo Olav Lunder. 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 Lars Bjørn Thoresen and Jennifer Geun Koss. 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.

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.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The board of directors is responsible for ensuring a sound organisation of the business and management of the group. This is done, among other things, through the group's structure for monitoring financial profitability and efficiency in the value chain. The executive management group wants to ensure operational and financial follow-up and effective decision-making based on openness, clear communication, and understanding of roles and responsibilities across the organisation.

Komplett Group is subject to several risk areas, including market and competition risk, financial risk, oper-

ational risk, and cyber security. 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 risk assessment and mitigation is presented and discussed with the board. The management of each business unit is responsible for risk management and internal control to ensure:

- ▶ identification and exploitation of business opportunities
- ▶ goal-oriented and efficient operations
- ▶ compliance with applicable laws and regulations
- ▶ operations in accordance with governing policies and procedures, including ethical and corporate responsibility guidelines.

Governing documents clarifying the standards that apply to the group's businesses are available to all employees through the internal web portals.

Risk management

The group's risk management is centralised and intends to ensure that all significant risks, including both operational and strategic risk areas, are identified, analysed, and effectively followed up by business units and functions. The group controlling function is responsible for the risk management model, including:

- ▶ presenting the group's consolidated risk matrix to the executive management group, the audit committee, and the board of directors
- ▶ maintaining guidelines and templates for risk management and reporting

A key objective of the enterprise risk management process is to highlight risk areas relevant for review by the board and the audit committee, and to facilitate their discussions of risk mitigating activities with the executive management.

All business units update their risk assessments on a regular basis to ensure proper reporting and follow-ups of risk indicators and associated risk mitigation measures.

Environment, health, and safety

Risk identification is also an important tool to prevent unwanted incidents related to the environment, health, and safety. The group's Norwegian operations are certified under ISO 14001:2015. The environmental impact from the business operations is estimated to be what



is expected to be normal for these kinds of businesses. Komplett Group is compliant to relevant environmental acts and regulations, and through partners, the group handle outdated ICT products and toxic waste.

The financial reporting processes

Komplett Group prepares and presents its consolidated financial statements in accordance with current international financial reporting standards (IFRS). The financial statements are prepared according to uniform principles, and all subsidiaries follow the same accounting principles as the parent company.

Every month, each subsidiary reports its financials to the group reporting function using standardised templates and a general chart of accounts. The reporting is expanded in the year-end reporting process to meet various requirements for supplementary information. Financial data are consolidated and checked at several management levels, including monthly business reviews with business units.

The group provides the board of directors with monthly financial reports and prepares quarterly reports that are made public. The audit committee and the external auditor review the quarterly and annual reports before they are approved by the board.

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. All remuneration of the board of directors is disclosed in note 7 to Komplett ASA's 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 issued to directors.

12. REMUNERATION OF THE EXECUTIVE MANAGEMENT GROUP

The board of directors has adopted clear and understandable guidelines for the remuneration of the executive management team. The guidelines are 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 sustainable business practices.

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 com-

pensation 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.

13. INFORMATION AND COMMUNICATIONS

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 2023 may be found on Komplett's website.

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. There are no other written guidelines for procedures to be followed in the event of a takeover bid. The group has not found it appropriate to develop any principles for Komplett's conduct in the event of a takeover bid, other than the actions described above. In addition, the board of directors will refer to what is stated in the code of practice regarding this issue.

1

5. AUDITOR

The board of directors has decided that the external auditor shall regularly report to the board. Every year, the external auditor presents to the board an assessment of risk, internal control, and the quality of financial reporting at Komplett, and an audit plan for the following year. The external auditor also takes part in the board's discussions of the annual financial statements. 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 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.





KONTAKT ASA



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I SUSTAINABILITY PERFORMANCE AT A GLANCE



Conducted a group wide materiality assessment

- In 2022, company representatives from all our subsidiaries participated in our materiality assessment to ensure that our work and priorities within sustainability are relevant and targeted.



Komplett Group made significant progress in promoting circular business practices in 2022

- Komplett's FLEX initiative offered 1 000 products to consumers.
- NetOnNet's Hyreshyllan allowed customers to rent products, reducing EE-waste by 12 000-15 000 items in 2022.
- Webhallen's Revive program was expanded to include products beyond phones, resulting in 485 trades with a total product value of SEK 709 781 in 2022.



Improved diversity efforts

- We achieved a 6 percentage point increase in the average share of women in our workforce in 2022, mainly due to efforts by NetOnNet.
- Our zero-tolerance policy on discrimination was upheld with no reported incidents in 2022.
- Komplett's operation in Norway improved its SHE index score by 12 points in 2022, and women in management positions earned an average of 7.3 per cent more than their male counterparts.
- NetOnNet launched a sustainable recruitment training program in 2022, including recruitment guidelines aimed at creating balanced workgroups.



Prioritised to improve the data quality in our climate account

- This is the first time Komplett Group reports its emissions on a group level including all subsidiaries.
- The total emission for the group was 5 085 tCO₂e.

KOMPLETT ASA



SUSTAINABILITY REPORT 2022:

| SUSTAINABILITY AT KOMPLETT GROUP

This sustainability report aims to offer insights into our integration of sustainability throughout the strategy and operations of our entire group. The 2022 materiality assessment reaffirmed that circularity, environment, and tolerance should remain our top priorities across all our companies.

SUSTAINABILITY IS INTEGRATED IN OUR BUSINESS MODEL AND STRATEGY

Komplett Group operates an efficient and scalable business model that supports cost leadership, and enables a competitive product offering. The company serves customers in the B2C, B2B and distribution markets in Norway, Sweden and Denmark, and is deeply focused on delivering best in class customer experience with focus on sustainable products with a high quality and long shelf life.

In 2020, we developed our 2025 Business Strategy, which serves as our roadmap to become the leading e-retail company in the large and structurally growing Nordic market for electronics and IT products by 2025. As part of this strategy, "sustainability in everything we do" is one of the group's five pillars.

Read more about our business model and 2025 business strategy in the board of directors' report.

SUSTAINABILITY REPORTING

The information in the Sustainability Report 2022 is prepared with reference to the GRI Universal Standard 2021. Since 2020, Komplett Group has used the GRI as a reporting guideline. Going forward, we aim to report in accordance with the GRI Universal Standard. The GRI index at the end of this report provides an overview of the disclosures made according to the GRI Universal Standard.

The report, which is published annually, covers the fiscal year from 1 January 2022, to 31 December, 2022. It is published as part of the annual report of 2022. No restatements from previous reports have been made, and the sustainability reporting has not been externally assured.

This report covers the entire Komplett Group, including its subsidiaries; Komplett, Webhallen and NetOnNet. When data and sustainability efforts pertain to a specific subsidiary, the report specifies this accordingly. In general, NetOnNet has more extensive sustainability data available than Komplett and Webhallen.

GOVERNANCE	ENVIRONMENT	SOCIAL
▶ Business ethics ▶ Governance structure ▶ Code of conduct ▶ Supply chain engagement and human rights 	▶ Circular business ▶ Sustainable products and services ▶ Climate and nature impact ▶ Less transportation 	▶ Human rights and decent working conditions ▶ Employee health ▶ Diversity and inclusion ▶ Community engagement and competence development 
KOMPLETT CIRCULARITY		
KOMPLETT ENVIRONMENT		
KOMPLETT TOLERANCE		

| MATERIALITY ASSESSMENT

The 2022 materiality assessment conducted for the entire group identified three main material topics that are of highest importance for both Komplett Group and its key stakeholders. These topics confirmed that Komplett Group's strategic pillars of circularity, environment, and tolerance continue to be top priorities across all our companies.

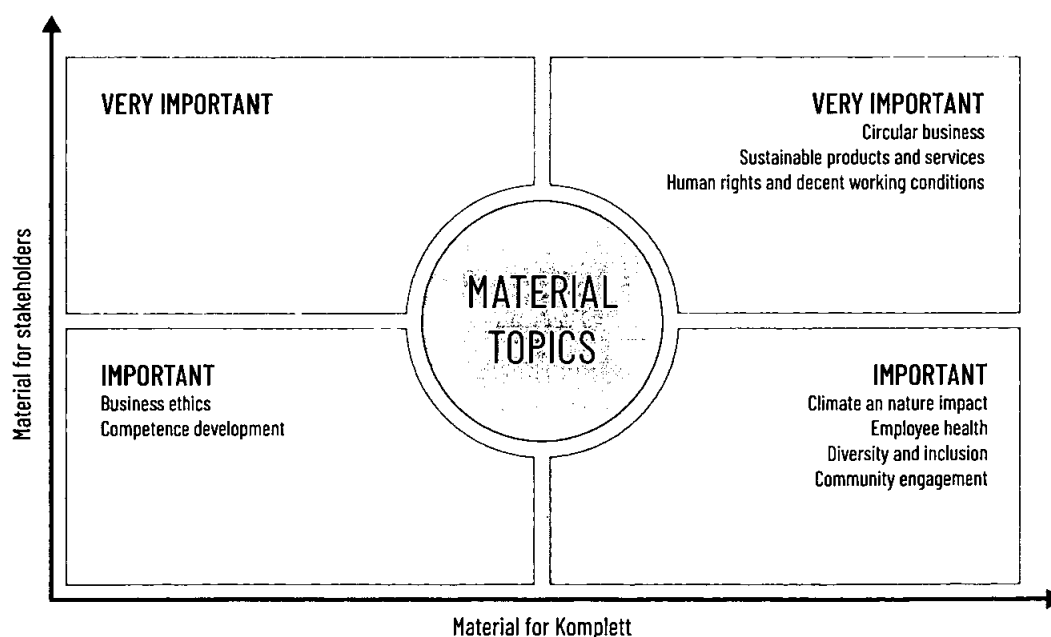
The 2022 assessment process began with a materiality assessment with management representatives from all subsidiaries in the group. The assessment was based on a stakeholder analysis and an evaluation of megatrends as well as an industry analysis. The company representatives discussed developments in the world, changes in the industry's focus on sustainability, and how perceptions of the company and the value chain may have changed in relation to ESG issues.

The main topics discussed were:

- ▶ Economic downturns
- ▶ Human and labour rights
- ▶ Equality and diversity (conscious recruitment and hiring)

- ▶ Employees (working conditions, salary, living conditions)
- ▶ Equality and diversity (conscious recruitment and hiring)
- ▶ Climate - emissions
- ▶ Circular economy (reuse, rental, repair, product design)
- ▶ Risks in the value chain - Chinese dependence

In the discussion, Komplett Group representatives highlighted concerns about the economic downturn, as well as the importance of equality and diversity in a relatively male-dominated industry. They also emphasised the need to reduce climate emissions and explore circular business concepts, and acknowledged challenges related to human and labor rights among suppliers in the global value chain. These discussions, along with stakeholder and industry analyses, formed the foundation of Komplett Group's 2022 materiality assessment:





| MATERIALITY AND STAKEHOLDER DIALOGUE

Komplett Group conducted a stakeholder analysis to identify key stakeholders for the 2022 materiality assessment. Communications and sustainability managers, as well as the CEO's advisor, participated in the discussion, resulting in the addition of three key new stakeholders: financial institutions, non-governmental organisations, and the general public.

Ongoing engagement with these stakeholders is a top priority for Komplett Group. Below follows a summary of the key stakeholders identified for Komplett Group:

- ▷ Majority owners
- ▷ Other investors
- ▷ Financial institutions
- ▷ B2C customers
- ▷ B2B customers
- ▷ Suppliers
- ▷ Government
- ▷ Community
- ▷ Employees
- ▷ NGOs
- ▷ The public (Nordic countries)



KOMPLETT ASA

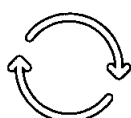


OUR SUSTAINABILITY PILLARS

The material topics identified for 2022 are closely linked to Komplett Group's sustainability strategy, which is based on three pillars – Circularity, Environment and Tolerance. Each pillar has a distinct set of ambitions and corresponding activities, and we aim to track progress in each of these impact areas.

KEY FIGURES FROM OUR THREE PILLARS

Circularity



2.1%
Return rate
Komplett

2.0%
Return rate
Webhallen

3.6%
Return rate
NetOnNet

Environment

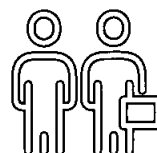


5 083
tonnes CO₂e
Total GHG
emissions



64.5%
Komplett Group's
average share
of renewable
energy use

Tolerance



1 955
of employees
during 2022



33%
Women



67%
Men

KOMPLETT ASA



	 KOMPLETT CIRCULARITY	 KOMPLETT ENVIRONMENT	 KOMPLETT TOLERANCE
WHAT IT IS	Komplett Circularity is our path to developing new and circular business concepts focusing on recycling, durability, and reusability. We focus particularly on the minerals and materials used in the electronics industry that leave significant environmental footprints. Our goal is to develop methods to recover these resources so that they can be reintegrated into the lifecycle of electronic products.	The Komplett Environment principle is designed to help us reduce the impact of our operations on the environment. This commitment focuses on reducing GHG emissions associated with the transportation of our products.	Komplett Group is committed to creating and maintaining a healthy work environment where our employees feel included and valued. We work to improve documents and demand decent labour standards from our suppliers. We promote digital inclusion in all parts of society.
WHAT WE WANT TO ACHIEVE	▶ Increase the durability and reusability of everything we sell. ▶ Ensure that products purchased from Komplett Group are made from more recycled materials. ▶ Create solutions that make it easier for customers to choose to repair or reuse electronic equipment. ▶ Introduce longer warranties and upgrade solutions and continue to improve our buyback and leasing options.	▶ We record, document, and limit our emissions through various environmental programs and ISO certifications. ▶ We work with our suppliers to find transportation solutions with a lower carbon footprint. ▶ We guide our customers towards more environmentally friendly products.	▶ Promote an inclusive work environment by encouraging and mentoring our employees. ▶ Promote digital inclusion in all areas where we have a presence. ▶ Develop a complete view of our value chain - taking care of people and resources at all levels.
WHAT IT WILL TAKE	▶ We will invest in the development of new services to encourage recycling and reuse of products. ▶ We will improve the management of these initiatives by introducing tools and systems for easier use. ▶ We will strengthen our service and circular business models and take measures to communicate the importance of a circular economy to our customers and suppliers.	▶ Continue to closely track and monitor our GHG emissions. ▶ Work with our suppliers to find the most effective and environmentally friendly forms of transportation. ▶ We prioritise suppliers who are committed to reducing their GHG emissions, and encourage our existing partners to work towards this as well. ▶ Promote sustainable products in our inventory.	▶ Establish mechanisms to measure and manage employee satisfaction and well-being at all levels of our organisation. ▶ Implement processes to improve transparency in our value chain and ensure collaboration with suppliers in this area. ▶ Promote digital inclusion by raising awareness, forming partnerships, and conducting fundraising activities together with suppliers and customers.
SDGs	▶ SDG 13: Climate Action	▶ SDG 12: Responsible consumption and production	▶ SDG 5: Gender equality ▶ SDG 8: Decent work and economic growth ▶ SDG 10: Reduced inequalities



THE SUSTAINABLE DEVELOPMENT GOALS

Our strategic pillars are closely linked to the UN Sustainable Development Goals (SDGs), which are important guiding principles that identify challenges for society, but also promote solutions for the future. The 17 goals can only be achieved through significant efforts of businesses globally and we aim to support all goals through our business. With our three impact areas - Circularity, Environment and Tolerance - serving as a foundation, we have identified the following goals that we believe our core business can have a significant contribution to and that we will prioritise going forward:



SDG 5: - Gender equality

As we operate in an industry that is considered typically male-dominated and our main activities are related to warehousing, SDG 5 is a priority for Komplett Group. To address the challenges that may arise from this imbalance, we work constantly to ensure equality at all levels of the group. Our priorities are to recruit and retain female employees and to ensure that all our employees are treated fairly, both in terms of opportunities and compensation. And that all employees feel safe and protected from discrimination and harassment.



SDG 8 and 10: - Decent work and economic growth - Reduced inequalities

To strengthen and communicate our commitment to ensure decent working conditions and respect for fundamental workers' and human rights, both within our company and across our value chain, we emphasise SDGs 8 and 10. One priority is to improve our systems for conducting due diligence to closely monitor the impact of our operations by our suppliers. This is particularly true for those who rely on labour in regions with a high risk of human and labour rights violation. Through this work, we can help reduce regional and global inequalities and advocate for better working and economic conditions for all workers affected by our supply- and value chain.



SDG 12: - Responsible consumption and production

As part of our work with SDG 12 and the core of the circularity principle, we strive to contribute to more reuse, repair, and sustainable management of electronic products. Electronic waste is a major international challenge that Komplett Group seeks to minimise. Many electronic components are highly dependent on minerals, which are in short supply and increasingly needed. This is another reason as to why we need to work with our partners to develop solutions that improve the recycling and recovery of these scarce minerals. The group recognises that electronics manufacturing presents many challenges, and we strive to produce and consume all our products responsibly to reduce our material footprint.



SDG 13: - Climate action

We believe it is crucial for Komplett Group to focus on SDG 13 because our operations contribute to GHG emissions, primarily through the production and transportation of goods. Therefore, it is important for us to map our current climate footprint and initiate actions that will reduce our emissions in the coming years. This also relates to scope 3 emissions, especially emission related to our supply chain and the production of goods.



I OUR VALUE CHAIN AND KEY SUSTAINABILITY IMPACTS

									
		Producer	Sourcing	Warehouse	Sales	Packaging	Logistics	Customer	End of line
1	Circular business concepts								
2	Sustainable packaging								
3	Innovative solutions with partners								
4	Circular value chain								
5	Zero emissions logistics								
6	Responsible supply chain								
7	Competence development								
8	Inclusive workplace								
9	Climate impact								
10	Digital inclusion								
11	Sustainable products								
12	Renewable energy								
13	Business ethics								
14	Employee health								
15	Community engagement								


Komplett Circular
We will contribute to
a circular economy


Komplett Tolerance
We will take care of people
at all levels of our value chain


Komplett Environment
We will reduce our
emissions

IMPACT:
 Significant impact
 Impact

KOMPLETT ASA

GOVERNANCE PERSPECTIVES

To ensure commitment to the highest standards of business ethics, we have incorporated sustainability 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.

Komplett Group's governance model is closely aligned with the "Norwegian Code of Practice for Corporate Governance". For additional information on our group's governance model and policy, please read the Corporate Governance Statement on page 40, or click or scan the QR-code.



SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability permeates all operations and the organisational structure, from top-level board and management to all levels of the organisation. Each subsidiary has a Head of Sustainability and Communications or a Communication Manager that handles the group's ESG initiatives. The CFO is involved in overseeing these efforts and has the ultimate responsibility for corporate governance, including the oversight of strategic planning, review of strategic processes and sustainability reporting.

GROUP STANDARDS AND POLICIES

The group's policies are discussed with local management teams as part of our risk management, internal control, and governance processes.

All policies and guidelines are available on the Komplett, Webhallen and NetOnNet intranet pages. In addition, employees can find delegation of authority policies, employee handbooks (including country-specific versions), ethics and harassment policies, the General Data Protection Regulation (GDPR) policy and guidelines for remuneration of executives here.

Where applicable, the standards and policies have been developed based on internationally recognised initiatives such as the UN Guiding Principles on Business and Human Rights. Komplett Group is also certified according to ISO 9001 and ISO 14001.

BUSINESS CONDUCT

CODE OF CONDUCTS

Each subsidiary within Komplett Group has a separate Code of Conduct, which describes its commitment to maintaining high ethical standards in line with the group's overall ambition. We require all employees across our subsidiaries to make a personal commitment to these Code of Conducts.

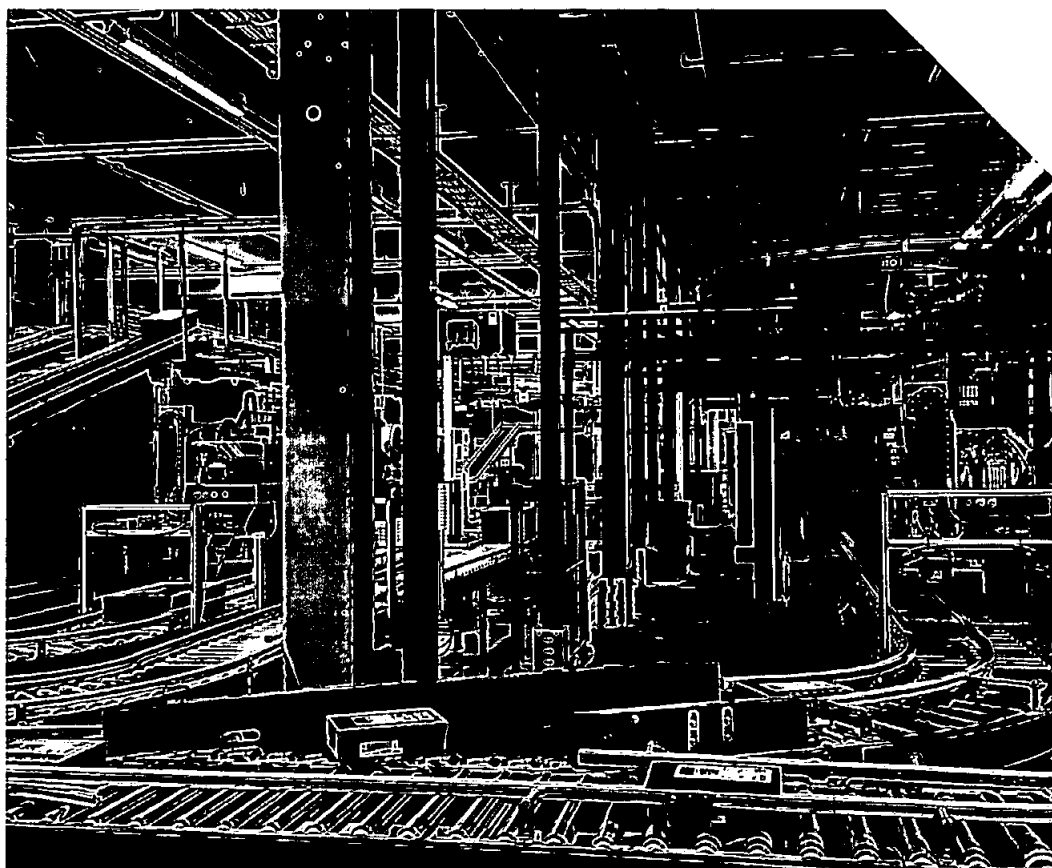
Mandatory onboarding sessions in our companies' Code of Conducts are provided to all new employees across our organisation. In addition, employees can find information and guidance on our standards and procedures for ethical business conduct, available on our subsidiaries' intranet pages.

In 2022, no major breaches of the subsidiaries' Code of Conducts were reported.



Essential insights from our subsidiaries' Code of Conducts:

Komplett	Webhallen	NetOnNet
In 2021, Komplett initiated a review process to update its Code of Conduct in line with its increased sustainability standards and to bring it up to internationally recognised initiatives, such as the UN Guiding Principles on Business and Human Rights. The process is ongoing as of 2022. A newly hired compliance officer, who will take up the position from 1 March 2023, will be responsible for completing the process.	Webhallen's Code of Conduct for employees describes its commitment to maintaining high ethical standards in everything the company does. It sets out the standards of behaviour that Webhallen can expect from internal parties, and what external parties can expect from Webhallen. The Code of Conduct for employees is part of its People policy, which is available at the intranet, and the company aims to further develop this during 2023.	NetOnNet has done extensive work in recent years to develop, implement and update the HR policy, guidelines and its Code of Conducts for both employees and suppliers. This work continued in 2022 and the company aims to do more in subsequent years.





SUPPLIER CODE OF CONDUCT

Komplett Group continuously works to improve internal training and maintain close dialogue with our external suppliers. Across all our subsidiaries we want to work with suppliers that share our values and requirements regarding responsible business conduct.

NetOnNet has come far on this matter, and has specified its supplier requirements in its Code of Conduct. The requirements include commitments within key subjects such as: Quality, Environmental Health & Safety (OEHS), anti-corruption and business ethics, fair pay and working conditions, compliance with laws and regulations, and audit rights.

In 2023, Komplett aims to adapt standards and requirements from NetOnNet's Supplier Code of Conduct. This will be an important aspect to comply and report in line with the expectations and regulations of the Transparency Act, which came into force in Norway in July 2022.

NetOnNet's Global Procurement Policy provides guidelines to ensure a transparent and consistent pro-

curement process that supports its Code of Conduct, strategy, and other policies.

For more information, please see section Supply Chain Engagement and Human Rights.

ANTI-CORRUPTION

Komplett Group has a zero tolerance for corruption and is committed to comply with anti-corruption laws and regulations across all its subsidiaries. All of our subsidiaries explicitly express their commitment to zero corruption through their respective Code of Conducts.

In 2023, Komplett Group will prioritise strengthening its anti-corruption policies, with a particular focus on integrating NetOnNet's standards and policies into a unified anti-corruption program.

For more information on our approach to the supply chain, please see the section "Supply chain engagement and human rights".

Takeaways from our subsidiaries' anti-corruption and anti-bribery efforts in 2022:

Komplett	NetOnNet
Komplett's Code of Conduct provides information on its zero-tolerance policy on bribery and corruption. This is signed by all employees during onboarding. In addition, Komplett has included anti-corruption guidelines in its employee ethics manuals, which all employees must sign. Komplett's purchasing policy explicitly states its zero tolerance for bribery and corruption. Through the educational platform Learnifier, all employees in Komplett must undergo regular courses on corruption risk and business ethics. Komplett Group aims to integrate Webhallen's managers into these digital courses in 2023.	NetOnNet has integrated the zero tolerance for corruption and bribery in both its internal code of conduct, its Supplier Code of Conduct and its supply chain management program. NetOnNet requires all subcontractors to comply with the Supplier Code of Conducts, with the aim to prohibit all forms of corruption, bribery, extortion and embezzlement. In cases where a product supplier has not signed the Supplier Code of Conducts, the suppliers themselves have a stricter policy than NetOnNet's Code of Conduct. NetOnNet works with an external whistleblowing system that is shared with all employees and all suppliers of private labels to make it easy to report any objectionable incidents.

ANTI-COMPETITIVE BEHAVIOUR

In 2020, Komplett Group made its anti-competitive behaviour manual available to all employees via the subsidiaries' intranet. Since the implementation, key staff in each subsidiary have received training on the subject. As of 2022, the group has not received any reported cases

or claims of anti-competitive behaviour, anti-trust or monopoly practices.



| CUSTOMER PRIVACY AND PRODUCT SAFETY

PRIVACY AND DATA PROTECTION

Komplett Group is committed to protecting the privacy of our employees and everyone with whom we do business, especially our customers. Our customers submit their personal information when they purchase our products or join our customer club. We are committed to handling

this data responsibly. Personal data will only be used for appropriate purposes and processed in accordance with the mandatory policies of EU GDPR which came into effect in 2018.

Key takeaways from our subsidiaries' data protection efforts in 2022:

Komplett	Webhallen	NetOnNet
Most of the IT operations of Komplett are run internally. We keep both technical systems and organisational procedures up to date to protect against improper access or misuse, and work proactively to make improvements. All suppliers are subject to strict requirements set out in agreements with data processors, with specific instructions to track and regularly report on security risks. All our customer service staff are trained in the GDPR and are constantly reminded of the importance of high compliance. Komplett conducts spot checks, reviews reports and commissions security tests from external, independent suppliers as required. An e-commerce platform has been developed that includes instructions on how developers should assess data protection and the need for the storage of personal data when developing new systems. A contingency plan has been created in the event of serious incidents. There is also a separate routine for when the security of personal data is breached. In 2022, Komplett did not receive any substantiated complaints about the violation of customer privacy or the loss of data.	Webhallen runs a hybrid IT Operations where a major part of infrastructure is on-prem, in addition to SAAS service. All infrastructure is secured with adequate IT Security software and hardware, and constantly reviewed and improved if needed. During 2022, Webhallen had no identified leaks, thefts or losses of customer data. Webhallen's primary touchpoint for identifying leaks is Customer Service, who has instructions to relay all GDPR related support tickets to the IT Department. In general, Webhallen cares for and listens to its customers. During 2022 there was one complaint from a customer on Data Privacy that resulted in a review of the GDPR policy and a decision to rewrite some parts of the policy during 2023.	Most of the IT operations of NetOnNet are run internally. Some systems are operated externally if the system is a SAAS solution. The company has implemented technical systems and routines for handling customer privacy in a responsible manner, and all employees handling customer service are educated on GDPR. In 2022, NetOnNet recorded a total of 41 identified leaks, thefts or losses of customer data, of which four were reported to the IMY. None of the four incidents reported to the IMY resulted in monitoring. NetOnNet registered 35 customer-identified incidents and no authority-identified incidents substantiated complaints of breaches and loss of customer data. NetOnNet registers all incidents regardless of their size.

INFORMATION SECURITY

Komplett Group is committed to protecting business information and information systems, such as proprietary design data, intellectual property of external stakeholders entrusted to Komplett Group, and personal data, from any unauthorised access or misuse.

For online visitors to the group's websites, personal data is collected via Google Analytics. If the visitor does not wish to provide personal data, users can choose to block cookies. Other cookies and tracking pixels, for instance for Facebook and personalisation must be accepted by the visitor.



Subsidiaries' subscriber statistics for 2022:

Komplett	Webhallen	NetOnNet
<i>Komplett Bedrift's</i> blog has 3 000 voluntary subscribers who receive notifications on new posts, with each post typically receiving approximately 30 000 monthly readers.	At the end of 2022, <i>Webhallen</i> had 382 477 subscribers to its newsletters, which represents 46 per cent of the company's members.	In 2022, 96 per cent of <i>NetOnNet's</i> website visitors accepted the use of personal cookies. The remaining either left the site or blocked the option for cookies. A total of 77 per cent of the online visitors signed up for newsletters. This amounts to a total of 2 million people.



PRODUCT SAFETY AND QUALITY CONTROL

Komplett Group is at the forefront of delivering high quality products and all our products undergo strict safety assessments. Continuous process improvement is a key priority to meet customer, regulatory and internal quality requirements.

Across all our companies, we closely monitor defect rates, the feedback we receive on products, and take action if they fail to meet our customers' high expectations for quality and durability. For these reasons, we regularly remove products from our shelves that do not meet our customers' expectations.

When we develop new products, the product development team analyses the requirements for functions and the applicable legal regulations, which include the EU Eco-design Directive, to ensure high quality. In addition, a risk assessment process, Product Development test (PD) and Final Quality Control (FQC) tests are conducted, to ensure the safety and user-friendliness of potential new products. See next page for more information about PD and FQC tests.

Subsidiaries' reported product safety incidents for 2022:

Komplett	Webhallen	NetOnNet
Komplett had no incidents related to product safety in 2022.	In 2022, one incident related to product safety was handled by Webhallen. The product was immediately sent to the manufacturer for inspection, but no fault was found with the product itself. Nevertheless, the partner manufacturer paid all expenses related to the damage. Recalls due to defects amounted to less than one per cent in 2022 and Webhallen had no significant recalls in 2022.	NetOnNet had 11 reported incidents of non-compliance related to the health and safety impacts of products and services, either through customers returning with complaints or through self-inspections based on the work mentioned above. For this reason, NetOnNet removed one product from the shelf line. None of these products have violated any guidelines or laws of the country in which they were sold, neither EU nor national laws, but the incidents were based solely on voluntary commitments from NetOnNet.

WHISTLEBLOWER PROGRAM

Komplett Group's employees are encouraged to report any misconduct related to the company by using the available whistleblower channels available at our subsidiaries' intranet websites. Whistleblower reports are handled in accordance with our established whistleblower programs.

Reporting concerns can relate to any area, including the environment, human and labour rights, equality and diversity, health and safety, business ethics and anti-corruption, and conflicts of interest. These channels aim to prevent discrimination and ensure professional conduct.

Reports of misconduct are handled by a whistleblower group in each subsidiary. All reported concerns are investigated to identify root causes and evaluate corrective and preventive actions, including the potential involve-

ment of relevant authorities, while maintaining the confidentiality of reports in accordance with relevant jurisdiction. To enable anonymous reporting, the group aims to have an anonymous whistleblower channel in each subsidiary, managed by independent third parties. **Webhallen** aims to establish their channel in 2023.

In 2022, no report was made through the group's available whistleblower channels.

RESPONSIBLE MARKETING

In Komplett Group, we take a case-by-case approach to product recalls, as such incidents do not occur frequently. We take all inquiries seriously and have appropriate procedures in place to reach customers through private information as well as in-store and online advertising.



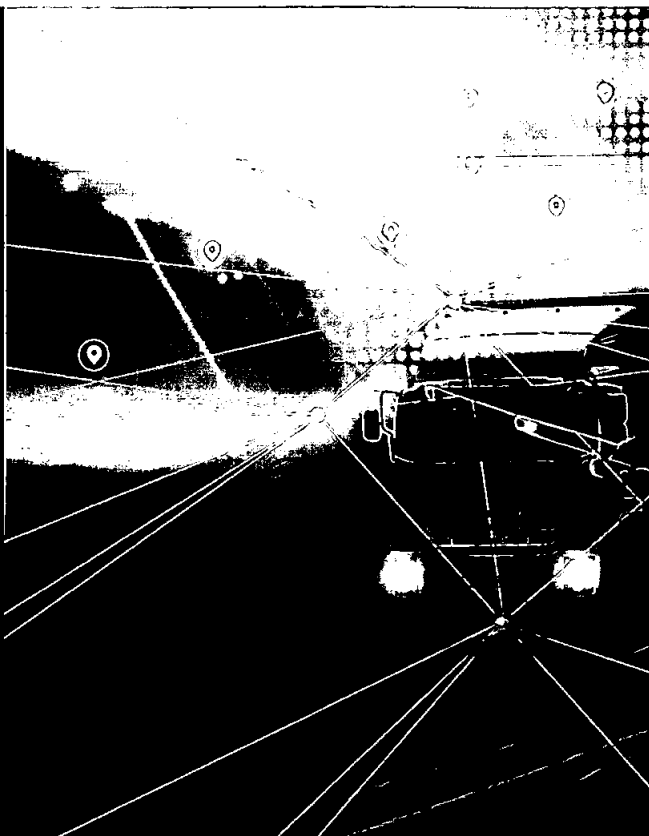
KEY FACTS ABOUT PD TESTS AND FQC CHECKS

PRODUCT DEVELOPMENT TEST (PD)

Tests to ensure that each product is of sufficient quality, functions according to specifications, is user-friendly and does not contain any chemicals that are harmful to health. Any potential deviations will require action, which will be provided by the supplier and reviewed by the companies.

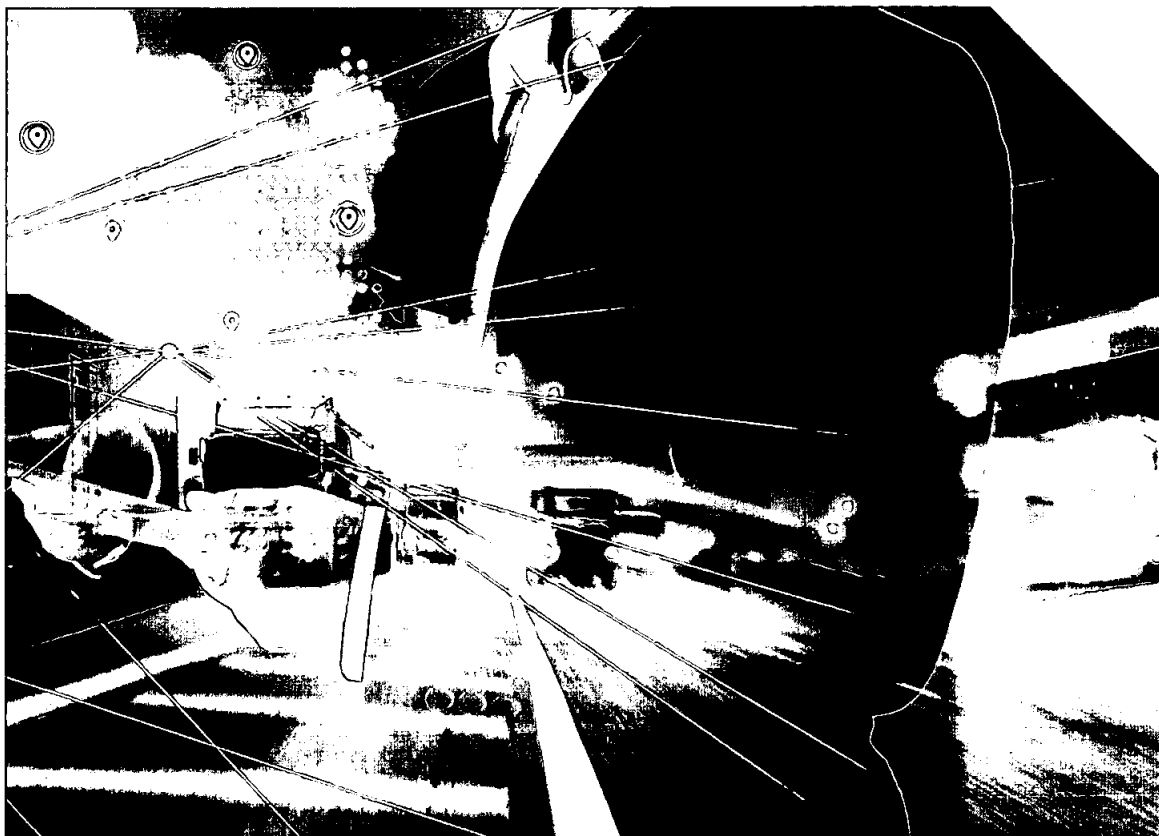
FINAL QUALITY CONTROL (FQC)

Checks before shipments leaves factories, following international standards developed to ensure consistent quality. The checks include a visual inspection to ensure that the product is not damaged, that it has correct information such as the serial number and energy label, that the user manual is included, and that the product has been commissioned and all functions tested according to specifications.



Subsidiaries' product recall statistics for 2022:

Komplett	Webhallen	NetOnNet
Komplett was found to have infringed the Marketing Control Act and the Financial Agreements Act in two separate cases by the Consumer Council in 2022. However, Komplett complied with the Council's orders in both cases, and at the end of 2022, one of the cases has been resolved.	Webhallen reported no incidents of non-compliance with applicable marketing laws and voluntary regulations regarding product information. There were also no non-compliances related to product and service information, labelling, or marketing communications.	NetOnNet reported no incidents of non-compliance with applicable marketing laws and voluntary regulations regarding product information. There were also no non-compliances related to product and service information, labelling, or marketing communications.



| SUPPLY CHAIN ENGAGEMENT AND HUMAN RIGHTS

SUPPLY CHAIN MAPPING

At Komplett Group, we value transparency as a key component to ensure that the products we sell are of high quality and are manufactured in safe and clean conditions with no violations of human rights. We have implemented supply chain mapping throughout all our subsidiaries to identify any potential risks and ensure compliance with our standards. By having a clear understanding of our supply chain, we can make informed decisions and take necessary actions to reduce our environmental impact.

In 2022, **NetOnNet** was the only subsidiary of Komplett Group to screen all new suppliers using social criteria based on international guidelines. However, going for-

ward, the entire company, including our subsidiaries Komplett and Webhallen, will implement procedures and report on their performance in due diligence for human rights and decent working conditions in line with the OECD guidelines and the Transparency act.

NetOnNet aims to screen all new suppliers of private labels against environmental criteria in 2023, as some consumer electronics products may contain conflict minerals or have been collected under working conditions violating human rights (i.e. gold, tantalum, tin and tungsten). In 2021, NetOnNet initiated a third-party review of its private label products to address this issue. Komplett Group aims for all its subsidiaries to implement a process similar to what NetOnNet has initiated.



Key takeaways from Komplett Group's subsidiaries' 2022 supply chain mapping:

Komplett	Webhallen	NetOnNet
In 2022, Komplett collaborated with 509 suppliers. Based on revenue, the most popular product categories in 2022 were: ▶ PCs ▶ Phones ▶ Komplett PC ▶ Monitors ▶ Tablets ▶ TVs	In 2022, Webhallen collaborated with 754 suppliers.	In 2022, NetOnNet collaborated with 167 suppliers. In total, NetOnNet conducted 88 audits in 2022, including both announced and unannounced audits. Of these audits, 26 were conducted at new suppliers. For 2023, NetOnNet has set a target to screen all new suppliers of private labels against environmental criteria.

PRIVATE LABEL

Our private label lines and products are becoming increasingly popular with our customers.

In 2022, **Komplett** initiated a project to further monitor sourcing partners through audits for compliance with the standards and requirements set out in its Code of Conduct and the EU Regulations on Registration, Evaluation, Authorisation, and Restriction of Chemicals. This project is still ongoing and will be strengthened in the coming

year with the introduction of the 4human TQM Management System. The new system will provide the company with a platform to improve management of its private label suppliers.

Komplett and **NetOnNet** are working together to consolidate private label products, and this new system will therefore also feed into Komplett's routines for monitoring sourcing partners.

Key takeaways from Komplett Group's subsidiaries' 2022 private label lines:

Komplett	Webhallen	NetOnNet
Komplett's procurement partners for its private label products are F&H, CBK and Calisto. Komplett offers private label products under the brand names Svive, liglo, Intono, Khameleon, Komplett PC, 324i and Protech.	Webhallen does not have its own private labels, and source these from NetOnNet and Komplett.	NetOnNet's private labels are sourced through the company's sourcing office in Dongguan in China. In 2022, NetOnNet introduced 356 new products.



NETONNET - SUSTAINABLE PRODUCTION LINES ARE KEY TO LONG-TERM GROWTH

NetOnNet purchases products directly from global consumer electronics manufacturers and from distributors. Asia dominates the production of consumer electronics, with China being by far the dominant manufacturing country with 166 active factories in China and 1 in Turkey. From this perspective, NetOnNet's home markets are small and its ability to influence global supply chains is therefore also limited. However, as a leading Nordic player, NetOnNet sees 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, NetOnNet aims to encourage its customers to

make more sustainable choices and can expand its product range actively through industry collaborations. NetOnNet also has the opportunity to carefully select its collaboration partners, set requirements for sustainability in the purchasing process, and thereby influence the sustainability of its product range.

The external suppliers NetOnNet purchase from must also adhere to its 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 Multi-national Enterprises. If its suppliers have their own Code of conduct, they must comply with at least the same level and provide NetOnNet with information about its subcon-



tractors upon request. All of NetOnNet's suppliers have signed NetOnNet's Supplier Code of conduct. NetOnNet does not conduct physical inspections to verify compliance with its Supplier Code of Conduct of suppliers other than its own brands due to lack of capacity. For this reason, the expected compliance is clearly stated in its contracts.

Various types of risks related to the working environment occur in the supply chain. In this regard, NetOnNet places extensive requirements to suppliers, and these are a standard appendix included in its contract to other suppliers. This includes requirements for materials, working conditions, and whistleblowing programs, which are thoroughly described in the Supplier Code of conduct. Through its Supplier Code of conduct, NetOnNet ensures that its suppliers contractually regulate these risks, and for its own brands NetOnNet also carries out controls.

NetOnNet does, however, experience some difficulties in its control of private label distributors, as some large suppliers, such as Apple, have their own Code of conduct. Moreover, NetOnNet has carried out extensive work to update its policies and training in GDPR in 2022. All employees have access to its GDPR policies on its intranet.

NetOnNet's ability to influence suppliers of its own brands is greater, even though NetOnNet is only a small customer to most of its factories. NetOnNet has commercial agreements with all its 166 suppliers in China, where its Supplier Code of Conduct is a key component. Compliance is ensured through ongoing physical inspections as part of its factory audits. The aim is to inspect each factory at least every two years.

Despite restrictions linked to the pandemic in the beginning of the year, NetOnNet still managed to carry out 88 audits in 2022.

NetOnNet's inspection protocol is based on the standards from ISO and includes approximately 70-100 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 2022.

The greatest risk associated with CSR is that NetOnNet's employees are not covered by fundamental rights. Therefore, the updated CSR now covers nine subcategories:

- ▶ Child labour
- ▶ Forced Labour
- ▶ Discrimination
- ▶ Compensation
- ▶ Environment

- ▶ Work environment
- ▶ Health
- ▶ Union Rights
- ▶ Disciplinary action

Potential suppliers are scored on all categories during pre-screening.

NetOnNet's QMS includes about 70 questions and covers energy, greenhouse gas emissions, air pollution, waste and waste management, chemical management, and environmental compliance for new products. NetOnNet now has a high level of expertise in CSR and QMS. EMS is new to the company, and NetOnNet is gradually building its skills and knowledge. In 2022, five suppliers were audited using the EMS protocol. In 2023, NetOnNet aims to audit all suppliers regarding EMS.

In addition to audits, NetOnNet aims to provide all suppliers with mentors who can help them set requirements for their subcontractors, of which there are typically 40-50 per factory. NetOnNet is constantly looking at the possibility of doing inspections on subcontractors as well. However, its suppliers are not allowed to use subcontractors that are not approved by NetOnNet. The plan is to conduct inspections of approximately 100 suppliers in 2023 in accordance with the new inspection protocol.

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 is pleased to announce that none of its factories had any reported incidents of child- or forced labour.

Komplett Group's journey to secure transparency

With the enforcement of the newly established Transparency Act in Norway, we continue to focus our efforts on increasing transparency and overview at all stages of our value chain to safeguard the people who are impacted by our business. Complying with the standards put forth in the new law is of great importance to our business. Komplett Group is currently preparing for increased human rights due diligence from our suppliers.

To secure the necessary progress, Komplett has engaged external consultants to assist in the establishment of new procedures. Komplett Group will publish a statement of the due diligence required in the Transparency act before 30 June 2023. The statement will be published at <https://www.komplettgroup.com/>

KOMPLETT CIRCULARITY

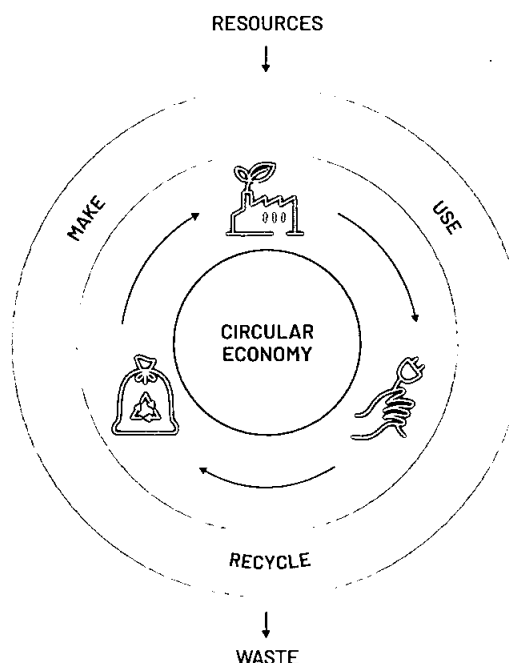
Komplett Group sees the transition to a circular economy as necessary from a societal perspective and as a great opportunity from a business perspective. By exploring models that contribute to more circular consumption patterns, we aim to contribute to reducing the industry's impact while strengthening our market position and relationship with customers

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, than on traditional linear production.

Our goal is to reduce the use of consumption of natural resources, reduce waste and develop new high-quality electronic products from recycled resources and raw materials. This is an important measure to prevent the loss of valuable resources. As a leading online electronic retailer, our products should be designed to meet a sustainable standard where all products are built to last.

Our products are designed to meet a sustainable standard for longevity. We continuously work with our suppliers to constantly improve the quality and design of our products.

We are committed to implementing a sustainable waste management system and ensuring that the products we sell are recollected, handled responsibly, and reused.



CIRCULAR BUSINESS

The consumers in the Scandinavian market are becoming increasingly interested in circular services and products. In 2021 Komplett Group introduced solutions to enhance recycling of electronic waste from e-commerce.

By partnering with waste management actors in Norway and Sweden as well as our suppliers, we have developed new ways to efficiently collect electronic waste from

our customers. We have also introduced concepts that offer customers the opportunity to buy, or rent used and remanufactured products and buybacks.

In 2022, we developed these solutions and services further in Komplett, Webhallen and NetOnNet:



KOMPLETT FLEX – A PRODUCT SUBSCRIPTION SERVICE

In May 2021, **Komplett** launched FLEX, a service that enables a consumer to subscribe to a product, with an option after 2 years, to either return the used product or keep it. Customers can now choose this service for 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 sales in Norway and Sweden. The aim is to grow FLEX to 50 per cent of Komplett's revenue.

In 2022, Komplett improved the FLEX subscription service with help of its partners. The use of data and statistics was vital in assessing FLEX's sustainability, with the number of products recycled or reused being a key metric. The FLEX subscriptions are to be renewed starting in 2023.



WEBHALLEN REVIVE - A PRODUCT BUY-BACK PROGRAM

Webhallen launched the new buy-back program, Revive, in Sweden in December 2021. The service enables customers to bring their old mobile phone, iPad or Macbook to Webhallen in exchange for a new one. Based on criteria set by Corporate Mobile Recycling (CMR), Webhallen receives a buy-back value of the product. This value can be used for new purchases or is given out on a gift card. The first launch was primarily for mobile phones but opened for other products such as computers from Apple in 2022.

In 2022 there were a total of 485 trades with an average value of SEK 1463. The total product value was SEK 709 781. These products are bought by the partner company CMR who sells the products as second-hand products.

NETONNET - BUY-BACK AND RENT PROGRAMS

Byt in

NetOnNet launched their service "Byt in" both online and in warehouses in Norway in 2022 and Sweden in 2020. The service enables customers to purchase used products. When a customer turns in their old product, they are either rewarded with a gift card or a discount on a new product. In 2022, 95 per cent of products were reused. In 2022, NetOnNet offered about 8 800 products through the service, worth around eight million SEK. The estimated CO₂e savings from this service is about 600 tonnes.

THE ESTIMATED CO₂ SAVINGS FROM THIS SERVICE IS ABOUT 600 TONNES

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 working device at a significantly lower price. In 2022, Foxway received about 8 800 individual products from NetOnNet SE. Only a small percentage of items are sent to recycling. The majority of 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 2nd 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 2nd Lifecycle. The items can still be recycled, and the raw materials can be reused.



HYRESHYLLAN

Through NetOnNet's service "Hyreshyllan" the company provides the customers with an opportunity to rent what



they need for as long as they want. 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.

This service was launched in Sweden in February 2022. After the launch, the project received great media attention and was warmly welcomed by NetOnNet's customers. The project is still in the testing phase, and a significant challenge is to find out whether it is possible

to build a sustainable business with the rental model.

NetOnNet opened an online outlet in 2022, offering bargain and outbound products for sale in addition to items returned by customers. All products for sale in the online outlet are of high quality but cannot be sold as A-grade goods. The initiative has reduced NetOnNet's e-waste by 12 000–15 000 items in 2022.



I WASTE MANAGEMENT

For Komplett Group, effective and responsible waste management is a top priority in our sustainability strategy. We continually strive 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.

Waste management key figures:

	Komplett		NetOnNet		Webhallen		Komplett Group
	2022	2021	2022	2021	2022	2021	2022
<i>Tonnes</i>							
Metal and glass	23.4	14	42.5	51.8	7.5	-	73.5
Wood	311.1	378	358.3	434.6	2.5	-	672.0
Plastic	20.4	36	16.9	21.8	16.6	-	48.1
Paper and cardboard	418.7	688	417.1	541.9	148.8	-	984.6
Electronic waste, mixed EE waste	11.6	5	196.4	239.7	20.3	-	228.2
General waste, including food waste	110.4	127	255.5	286.4	42.6	-	408.4
Hazardous waste	0.1	0.14	0.9	0.4	3	-	4
Total	895.7	1248.1	1287.5	1576.5	241.3	-	2 424.5

Numbers are based on HQ Sandefjord (Komplett), Warehouse and e-shop (CWB), HQ, retail Sweden, technical service (Borås) (NetOnNet) and Retail, warehouse, HQ and Config (Webhallen)

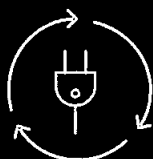
In 2022, the total amount of waste in the Komplett Group was approximately 2 424 tonnes. This is an increase from 2021 due to the inclusion of NetOnNet and Webhallen in the figure. For the group, the largest waste fractions were paper and cardboard, wood, general waste and electronic waste. All fractions are in general recycled, either as materials or as energy recovery.

The total amount of waste in **Komplett** in 2022 was about 896 tonnes, which represents a decrease of 353 tonnes from 2021. 53 per cent of the waste was recycled, an improvement of 46 per cent over 2021.

For **Webhallen**, the total amount of waste in 2022 was approximately 241 tonnes, 62 per cent was recycled as materials and 36 per cent went to energy recovery.

For **NetOnNet**, the total amount of waste in 2022 was approximately 1 287 tonnes, a decrease from 2021 of 289 tonnes. Most of the waste was recycled, of which 196 tonnes was electronic waste.

I SHARE OF WASTE AND MATERIALS RECYCLED IN OUR SUBSIDIARIES IN 2022



Komplett

53%

NetOnNet

49%

Webhallen

62%





PARTNERSHIPS TO ENHANCE RECYCLING

To enhance waste management efforts, we have partnered up with waste companies. Norsirk handles the e-waste for Komplett and NetOnNet in Norway as well as most of the IT-sector in the country. They aim to develop new methods for the recovery and recycling of electronic products. The partnership provides us with valuable insight on how to improve our waste management and recycling.

In Sweden, NetOnNet has partnerships with LBC Borås, Stena Recycling and El-kretsen. These partners contribute to recycling and to meet the requirements in the EU Waste Electrical and Electronic Equipment directive.

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.

In accordance with existing policies on e-waste, we accept all E- and EE-waste free of charge. Customers can bring their old or broken e-waste to one of our warehouses during normal business hours. For customers who purchased online or are unable to transport it themselves, they may contact our customer service department for help, and we offer to send them a delivery bill. Subsequently, they can drop off the item at their nearest post office.

Of the group's total recycled waste in 2022, 228 tonnes were e-waste. All e-waste is recycled by our partners.

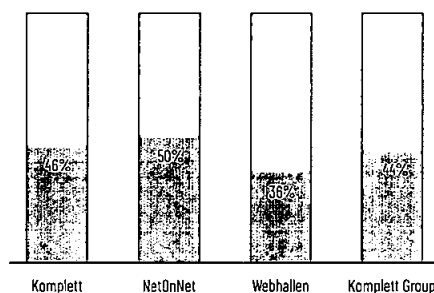
Komplett and **NetOnNet** in Norway are members of Norsirk, which has producer responsibility for electronics, packaging, and batteries. This means that Norsirk collects these fractions depending on what Komplett imports and puts on the market. Komplett paid NOK 3 972 956 in environmental fees which directly contributed to better management of electronic waste.

NetOnNet in Sweden has partnered with Förpackningssinsamlingen (FTI), Stena, LBC, ElKretsen and Norsirk (Norway). There is an expanded quality work in the purchasing department and an expanded collaboration with external partners to dispose of used goods which previously could be seen as obsolete, which led to a reduction of the amount of electronic waste by 18 per cent in 2022,

despite an increased focus on collecting used electronics from our customers in warehouses. In 2022, NetOnNet paid NOK 100 288 678 in environmental fees which directly contribute to better management of electronic waste.

All **Webhallen's** stores have the option of accepting e-waste free of charge. All e-waste is handled by the Service & Return department who ships it to Stena Recycling. Some stores in Malmö use the partner Rang-Sells for the handling of e-waste. Plastic casings are incinerated for energy, metal is sent to smelters, and glass is also recycled. Hazardous materials, such as mercury, are disposed of at approved facilities.

ENERGY RECOVERY
Per cent



I CUSTOMERS CAN BRING THEIR OLD OR BROKEN E-WASTE TO ONE OF OUR WAREHOUSES DURING NORMAL BUSINESS HOURS.



| SUSTAINABLE PRODUCTS AND SERVICES

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.

SUSTAINABLE PACKAGING

In 2022 the group used both renewable packaging materials such as cardboard and wood and non-renewable materials like plastics. The aim is to use as much certified material as possible. The most common materials in our packaging are paper, cardboard, plastics, and disposable wooden pallets.

Webhallen works to reuse packaging as much as possible to reduce their environmental impact. The main packaging supplier, Boxon, is certified with ISO 9001 and FSC, and is assessed by EcoVadis annually. Webhallen has established routines for recycling packaging in all stores and warehouses, and pallets and boxes sent to Webhallen stores are reused. Products are sent from the warehouses to the stores, where internal cartons and pallets are used multiple times until they are no longer functional. However, reusing packaging brings some challenges in terms of packaging quality. The company therefore works with different recycling quality policies.

Komplett and **Webhallen's** main suppliers of packaging operate with strict environmental policies that are



reflected in packaging in a variety of ways. Many packages are for instance made from recycled fibres, plastics can be incinerated without producing hazardous gases, or they are members of the Forest Stewardship Council (FSC), an international organisation that promotes the labelling of products from sustainable forests.

NetOnNet has actively worked on its own brand products by reducing the proportion of plastic and corrugated cardboard that does not add a protective value to the packaging. The company has enhanced the effectiveness of packaging by reducing airspace. In 2022, NetOnNet reduced 22 per cent plastics and 23 per cent paper in terms of total weight generated waste. To take this even further, the company has during Q4 2022 worked to develop a new packaging strategy which will be implemented in 2023.

INITIATIVES TO REDUCE THE USE OF CARDBOARD IN KOMPLETT AND WEBHALLEN

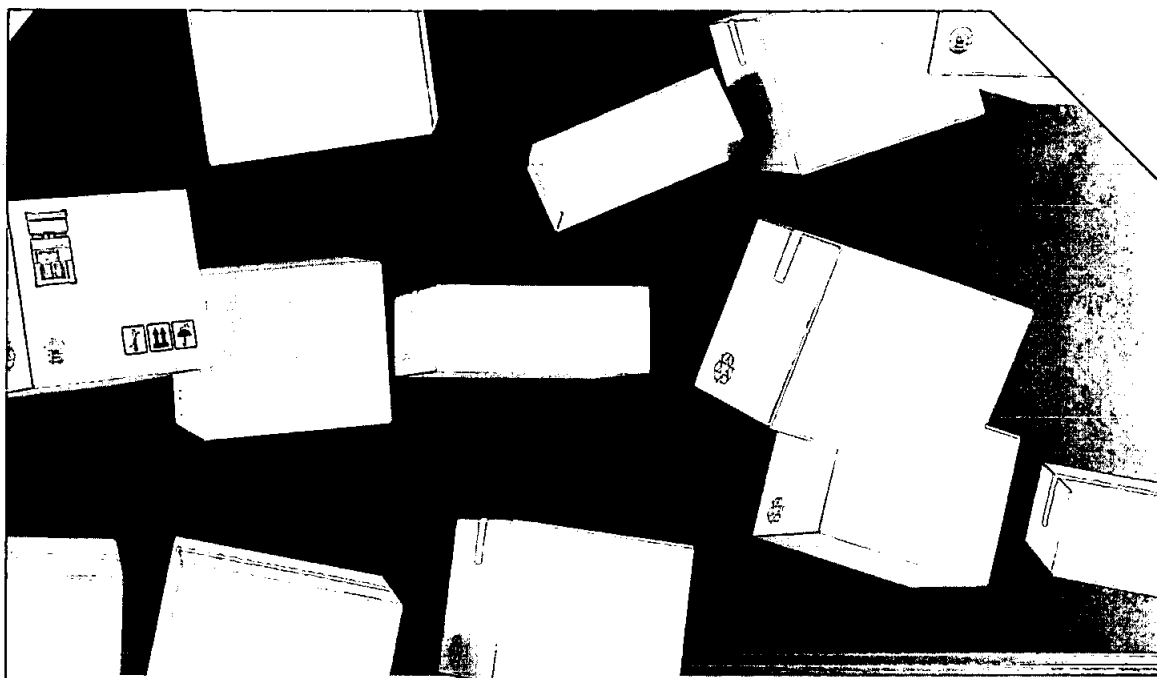
Almost all of **Komplett** and **Webhallen** products are shipped in cardboard boxes, often filled with a lot of air or with fillers like paper or plastics. Up until 2022, all packaging has been based on standardised box sizes, where Komplett and Webhallen's system suggests which size to use based on the content of each order.

Due to the standardised sizes, the boxes are often larger than the products ordered. The use of material and transport volume is therefore bigger than necessary. This has been a huge challenge for effective material use and transport, and a big concern expressed by our customers. To handle this challenge, Komplett has introduced new packaging machines at the warehouse in Sandefjord.

With the new packaging line in place, as many as 99 per cent of Komplett's orders leaving AutoStore are shipped without plastic. This has led to an annual 16 to 19 tonnes reduction in our use of plastic. This has significantly reduced the amount of air being shipped to customers, and decreased the number of trucks and containers transporting our packages by 390 each year.

Webhallen has purchased and started to use a new cardboard wrapping during 2022. These are used for small goods and it is now possible to send packages with less air and without filling material. The purchases of filling material have decreased most of all material being purchased during 2022.

Approximately 25 per cent of Webhallen's orders are being sent in these new cardboard wrappers. The new minimum height that is possible to send is now one centimetre instead of 10 centimetres.



Webhallen's new cardboard wrappers have resulted in an estimated decrease of 450 m³ in volume being sent, leading to a reduction in transport volumes. In addition, the company has experienced a significant increase in productivity since implementing these boxes.

REUSE OF PACKAGING MATERIALS

Some of **Komplett's** suppliers use Styrofoam as a packaging material to protect their products before they arrive at the warehouses. Through an innovative collaboration with Norsirk, Komplett has been able to reduce the amount of Styrofoam that gets thrown away. Komplett reuses the Styrofoam to package other products. That way, the material is repurposed, and as a result, gets a longer lifespan.

Webhallen has established routines for recycling packaging in all stores and warehouses. 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. However, reusing packaging brings some challenges in terms of packaging quality. Webhallen works with different recycling quality policies where, for instance, large cartons, which are not defective or have affected strength, are reused two to three times for internal deliveries.

NetOnNet's upcoming packaging strategy for 2023 will include measures for extended use of recycled materials.

Material use for Komplett, Webhallen and NetOnNet in 2022:

In tonnes	Komplett	NetOnNet	Webhallen
Cardboard and paper	580.3	173.8	134.4
Single-use wood pallets	113.9	238	94.5
Plastics	181.6	25.6	19
Steel	11.4	-	0.02
Total	875.8	437.3	247.9





KOMPLETT ENVIRONMENT

Komplett Group recognises that the transition to a low-carbon society presents both challenges and opportunities for development. The group welcomes the transition and aims to contribute by reducing its own emission and seek to help customers make environmentally friendly choices.

CLIMATE AND NATURE IMPACT

In 2022, the group has prioritised improving the data quality in our climate accounts and continued mapping the organisation's GHG emissions, including all its subsidiaries in the process.

2022 marks the first year we report on all our subsidiaries' climate accounts, and we have dedicated significant time and effort to improve the quality in our climate accounts, including the use of recognised and updated conversion factors. This has resulted in some changes in historical figures, and as we now include all subsidiaries, comparisons with previous periods are of less relevance in 2022.

We enlisted the help of a third party to assist with our 2022 climate account. Additional details on the accounting methods and findings can be found in their report on page 104.

CARBON ACCOUNTS

In 2022, Komplett Group made significant strides towards reducing its carbon footprint, including increasing its use of renewable energy sources and minimising travel activities across its subsidiaries. Komplett Group has a relatively low direct carbon footprint in a global context. However, the carbon footprint of our value chain, is significant and represents 85.5 per cent of our carbon footprint, as our scope 3 emissions represent 85.5 per cent of our carbon footprint.

While we have been able to collect data from more sources than previous years, we acknowledge that there are still weaknesses concerning our carbon account for 2022. We have not been able to map our entire climate footprint, especially emissions from our upstream transportation and distribution.

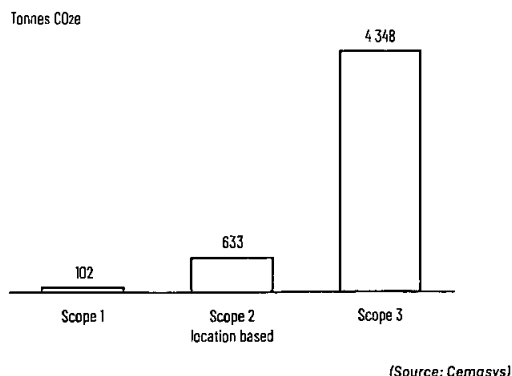
Despite this, many areas of the organisation have improved data collection processes, resulting in improved data quality. We still have a long way to go in structuring and streamlining our routines to ease data collection, and we will continue to improve the extent of our reporting going forward.

Total GHG emissions*

t CO ₂ e	2022
Komplett	1525.2
NetOnNet	3 174.1
Webhallen	383.4
Total	5 082.6

*Includes scope 1,2,3 (Source: Cemasys).

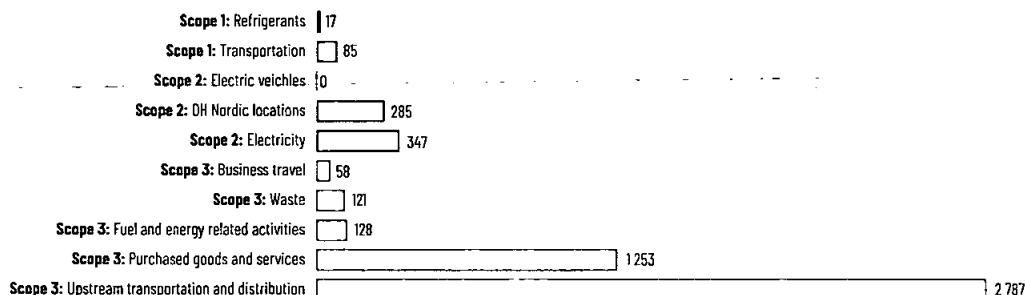
KOMPLETT GROUP GHG EMISSIONS PER SCOPE 2022





TOTAL GHG EMISSIONS PER CATEGORY 2022

Tonnes CO₂e



Source: Cemasys (location-based reporting).

Komplett Group's carbon accounts includes the following sources of GHG emissions

- **Direct emissions (Scope 1):**
Emissions from the use of fuel oil and gas for heating and processes, as well as from the production of district heating at Komplett Group's storages.
- **Indirect emissions from electricity (Scope 2):**
Emissions from electricity consumption and district heating or cooling from external suppliers. The CO₂ emission factors used for electricity are location-based and in accordance with GHG Protocol Scope 2 Guidance.
- **Indirect emissions (Scope 3):**
Included emission sources are waste, fuels and energy-related activities, business travel, upstream transportation, and distribution, as well as purchased goods and services.

Scope 1

Komplett Group's Scope 1 emissions stem from the fuel combustion from leased vehicles and refrigerants. The total of Scope 1 emissions was 102 tCO₂e, which is two per cent of the share of total emissions. Komplett Group has no stationary combustion.

Scope 2

Komplett Group's Scope 2 includes emissions from acquired electricity, heat, and cooling in offices, warehouses, and stores. The total GHG emissions in Scope 2 stands for 12.4 per cent of Komplett Groups' total emissions with a total of 633 tCO₂e.

The total energy consumption related to all scope 2 emissions was 18 129.7 MWh. Energy from electricity and heat-

ing at our owned and leased locations makes up most of our total energy consumption and scope 2 emissions.

For 2022, it has been particularly difficult to collect energy consumption data from our operations at **Webhallen** in Sweden. Webhallen has gone through multiple changes over the past year including changes in the staff responsible for data collection which might have affected the data quality. In 2023, the group will evaluate our reporting and data collection routines to ensure that we report the most correct and precise data every year.

Scope 3

Komplett Group's Scope 3 emissions stands for a total of 85.5 per cent of the total carbon footprint. Upstream transportation and distribution accounted for the largest share of emissions, representing 55 per cent of the total GHG emissions for the group. The second largest category was purchased goods and services, which accounted for 25 per cent of the emissions and included emissions from the production of materials used for packaging. Other Scope 3 emissions were waste (2 per cent), fuels- and energy-related (3 per cent) and business travel (1 per cent).

It should be noted, however, that the Scope 3 emissions are not yet complete or fully mapped, and as more emission sources are included in the carbon accounting, the distribution of emissions per category is likely to change. To address this, Komplett Group is committed to expanding the Scope 3 emissions to include more emission sources and improving data quality going forward. This is critical to track the emission pathway and increase the comparability of emissions over time, enabling the setting of meaningful mitigation targets.



Key figures GHG emissions

Category	Unit	Total group	Komplett	NetOnNet	Webhallen
Scope 1					
Transportation total	tCO ₂ e	85.3	7.6	77.8	-
Refrigerants total	tCO ₂ e	16.9	-	16.9	-
Scope 1 emission	tCO ₂ e	102.3	7.6	94.7	-
Scope 2					
District heating location total	tCO ₂ e	285.2	-	221.2	64
Electric vehicles total	tCO ₂ e	0.2	-	0.2	-
Electricity location-based total	tCO ₂ e	347.1	120.2	189.2	37.7
Scope 2 emission	tCO ₂ e	632.5	120.2	410.6	101.7
Scope 3					
Waste Total	tCO ₂ e	121.3	71.6	27.5	22.2
Fuel-and-energy-related activities total	tCO ₂ e	128.4	10.3	84.2	33.9
Business travel total	tCO ₂ e	58.3	30.2	28.1	-
Upstream transportation and distribution total	tCO ₂ e	2 787.2	235.8	2529	22.5
Purchased goods and services total	tCO ₂ e	1 252.6	1 049.6	-	203.1
Scope 3 emission	tCO ₂ e	4 347.8	1 397.5	2 668.8	281.7
Total (scope 1 + 2)	tCO ₂ e	734.8	127.8	505.3	101.7
Total emissions (scope 1 + 2 + 3)	tCO ₂ e	5 082.6	1 525.2	3 174.1	383.4

Annual market-based GHG emissions

Category	Unit	Total group	Komplett	NetOnNet	Webhallen
Electricity total (scope 2) with market-based calculations	tCO ₂ e	1 920.7	1 136.2	398.5	386.0
Scope 2 total with market-based electricity calculations	tCO ₂ e	2 206.0	1 136.2	619.9	449.9
Scope 1+2+3 total with market-based electricity calculations	tCO ₂ e	6 656.1	2 541.2	3 383.4	731.6

(Source: Cemasys)

Upstream transportation and distribution

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 our largest contributor to GHG emissions as it counts for over a half of the total Group emissions of 2022.

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. In 2022, we have increased our efforts to collaborate with our delivery suppliers and to find collective solutions to this mutual industry challenge.

Webhallen'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, where Webhallen cooperates with various transportation partners.

Through participation in the branch-initiative "Fossil free deliveries" driven by Svensk Handel, **NetOnNet** works towards fossil-free deliveries with the goal of becoming fossil-free somewhere between 2025 and 2030. The transporters "Best" and "Instabox" are already operating fossil-free, but the partner PostNord are experiencing difficulties due to their community mission and cannot

yet drive exclusively fossil-free in all areas of Sweden. Moreover, NetOnNet will in 2023 take part in a research project in Sweden, which sets out to research the environmental footprints of e-retail versus physical stores.

ENERGY CONSUMPTION

Komplett Group uses energy in the form of electricity, district heating and during transportation. Total consumption of electricity in 2022 was 12 388.8 MWh. The total use of energy from district heating and was 5 734.1 MWh, represented 31 per cent of total energy consumption and 6 per cent of Komplett Groups total emissions (285.2 tCO₂e)

Energy consumption key figures

MWh	2022
Komplett	4 652.9
NetOnNet	10 996.4
Webhallen	2 869.9
Total	18 519.1

(Source: Cemosys)

8%

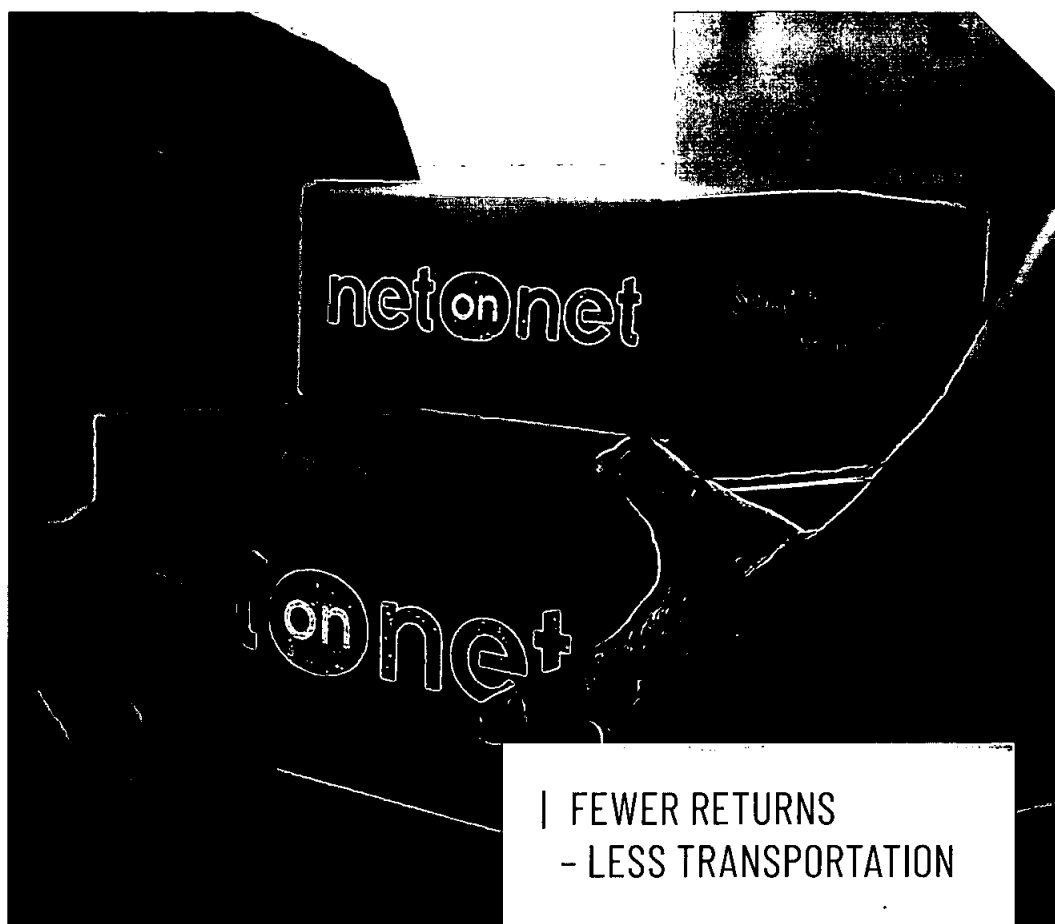
Komplett sources about 8 per cent of its energy in Norway from renewable solar energy, generated by its installed solar panels at its warehouse in Sandefjord.

The group has an ambition to reduce energy consumption and establish more renewable sources for energy generation at our locations. In 2022, Komplett had a total renewable energy share of 75.5 per cent, NetonNet had a total renewable energy share of 61.1 per cent, and Webhallen had a total renewable energy share of 60.1 per cent.

NetOnNet uses green electricity at all properties where the company is free to decide the electricity supplier. LED-lightning was installed a few years back in all our stores in Sweden. For the stores in Norway this is still in process. Going forward, NetOnNet aims to increase its share, and will look into the possibilities of solar panels going forward.

Key figures energy

Category	Unit	Total group	Komplett	NetOnNet	Webhallen
Scope 1					
Transportation total	MWh	389.5	29.9	359.6	-
Refrigerants total	MWh	-	-	-	-
Scope 1 total	MWh	389.5	29.9	359.6	-
Scope 2					
District heating location total	MWh	5734.1	-	4 315.3	1 418.8
Electric vehicles total	MWh	6.7	-	6.7	0
Electricity total	MWh	12 388.8	4 623	6 314.7	1 451.1
Scope 2 total	MWh	18 129.7	4 623	10 636.7	2 869.9
Total energy	MWh	18 519.1	4 652.9	10 996.4	2 869.9
	GJ	66 668.9	16 750.3	39 586.9	10 331.7
Scope 1 renewable energy	MWh	53.2	-	53.2	-
Scope 1 renewable energy share	%	13.6%	-	14.8%	-
Scope 2 renewable energy	MWh	11 899.7	3 513.5	6 662.5	1 723.7
Scope 2 renewable energy share	%	65.6%	76%	62.6%	60.1%
Total renewable energy	MWh	11 952.9	3 513.5	6 715.7	1 723.7
Total renewable energy share	%	64.5%	75.5%	61.1%	60.1%
Percentage change					



I FEWER RETURNS – LESS TRANSPORTATION

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.

Return rates

MWh	2022	2021
Komplett	2.1%	2.1%
Webhallen	2.0%	2.2%
NetOnNet	3.6%	3.3%





KOMPLETT TOLERANCE

Our employees contribute to the continuous development and growth of our company, and their safety and well-being are key to our success. It is our top priority that our employees feel responsibility, security, and motivation. We want to be an employer where managers, in their respected role, create the conditions for employees' development and success.

We strive to be a driving force for safety, equality, and diversity. Through our strategic principle of tolerance, these are integral to our sustainability strategy and are implemented throughout the entire Komplet Group. Promoting these principles commits us to ensure diversity and safety in our organisation and to actively work to include people with different backgrounds, characteristics, and experiences. We continually strive to create and maintain an inclusive and uplifting work environment that ensures motivated, active, and healthy employees who are committed to our vision and values.

As a group that relies on many suppliers, some from regions with a higher risk of human and labour rights violation, we recognise that we have an important responsibility to manage and document our social impact beyond our own direct operations.

Promoting digital inclusion is another important part of our sustainability strategy, as we see it as crucial to creating equal opportunities for all groups in society. Through innovative solutions and our position as the leading online retailer of electronic products in Scandinavia, we aim to make technology and digital services accessible to all.

Komplett Group aspires to be a desired employer with high integrity, both internally and externally. To achieve this, we work systematically to create a good and safe working environment for all our people in our supply- and value chain, and to ensure that we always act ethically as a company.

EMPLOYEE HEALTH

The health, safety and wellbeing of our employees is of paramount importance to Komplett Group. Our occupational health and safety management systems are being developed on an on-going basis. Through regular training and development of routines and procedures, Komplett Group actively works to prevent harm and promote health at work.

Our warehouse routines and mitigation efforts are regularly assessed to secure the safety and welfare of employees. Non-conformities are reported and managed, and measures are taken to prevent similar incidents in the future.

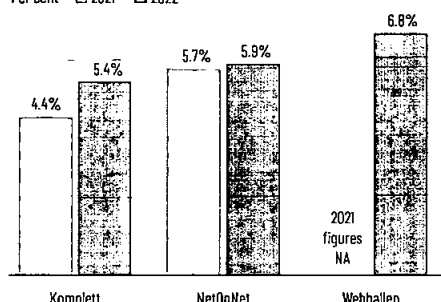
HEALTH AND SAFETY

NetOnNet has an ambition to have a sick leave percentage below 5.5 per cent, Komplett 4 per cent and Webhallen below 6 per cent in 2023.

The Covid 19 pandemic continued to impact our lives and work environment in early 2022. It was important to maintain the safety measures implemented in 2020 and 2021 to prevent contagion and illness among our employees. All administrative tasks were delegated to the home offices during the most restrictive times of the year to maintain normal operations and protect our critical operations from further infections. During the course of the year, however, we are pleased that the impact of the pandemic on our business and people decreased, and we were able to return to normal operations.

SICK LEAVE

Per cent □ 2021 ■ 2022



At Komplett Group we are systematically striving to reduce occupational and health-related risks. Komplett, Webhallen and NetOnNet have occupational health and safety policies and guidelines based on national laws and emphasise the managers' obligation to act responsibly. Our managers are responsible for ensuring that all internal policies and legal requirements for occupational health and safety are complied with. Each of our locations have health and safety representatives who, in cooperation with managers, regularly review working conditions to ensure the safety and well-being of our employees. The risk of occupational accidents in the Komplett Group is highest in logistics and in our warehouses, where vehicles and several people are in circulation.

Komplett Group's warehouse routines and risk mitigation measures are regularly reviewed to ensure the safety and well-being of our employees. Occupational health and safety issues are discussed on a regular basis in various committees, as well as with works council representatives, safety representatives and management representatives at the various levels of the company. In addition, health and safety training is part of the on-boarding process.

Komplett Group has established whistleblower programs in each subsidiary. To allow for anonymous reporting, the group has one anonymous whistleblower channel in each subsidiary. At Komplett and NetOnNet the channels are managed by independent third parties. For more information on our whistleblower program, see page 63.

Komplett's work on safety is led by a protection committee consisting of managers and employees from different areas of the company and meets quarterly. Violations are reported and addressed on an ongoing basis, and measures are taken to prevent similar incidents in the future.

All warehouse employees are required to wear safety shoes, and Komplett provides in-house training on equipment and forklift operator requirements. All deviations are registered in the management system TQM, where an email is sent to the responsible manager who must close any deviations. Komplett is a member of the Occupational Health Services and provides health insurance for its employees and a massage therapist in the workplace.

Webhallen has integrated injury reporting systems 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.

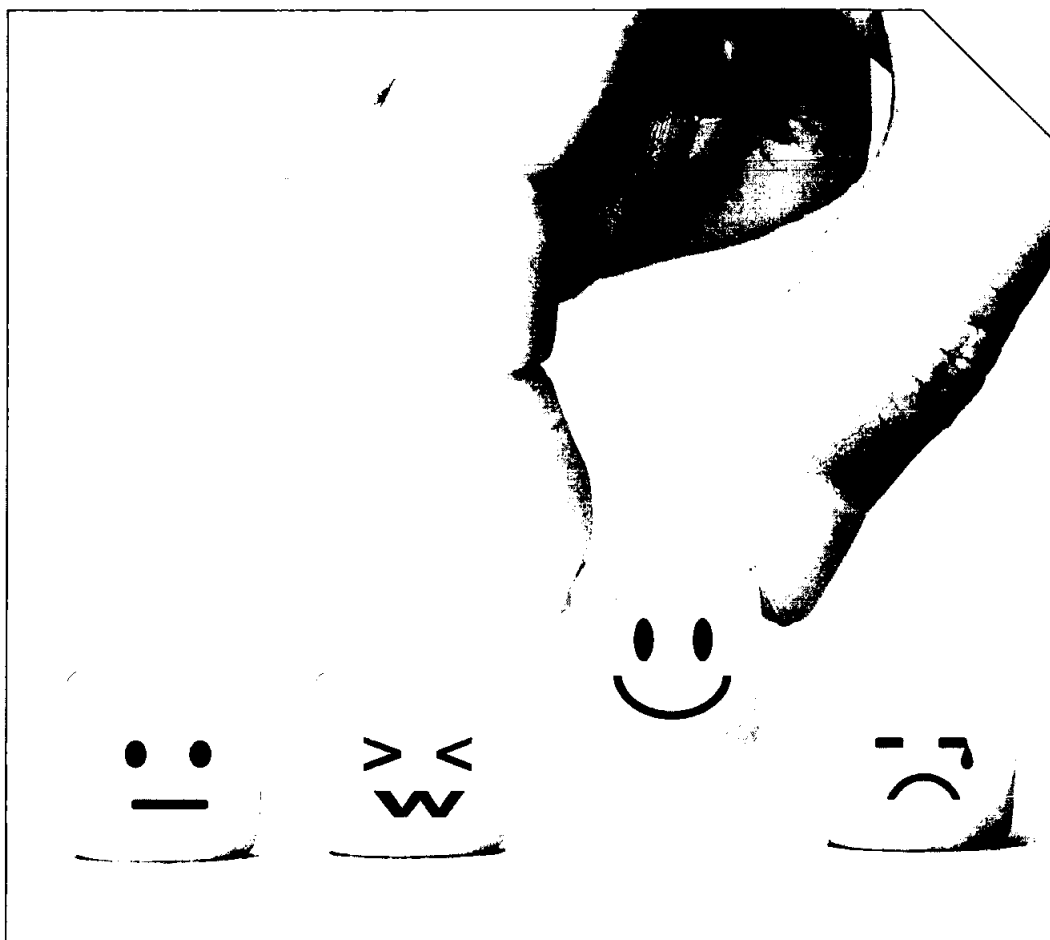
In 2022, Webhallen conducted a comprehensive and thorough review of fire safety in all its stores. All managers, safety representatives, and leaders receive annual training on fire safety and routines.

In 2023, Webhallen plans to conduct an overall risk assessment and implement routines to improve how it communicates its policies to its employees. All managers will be trained in SAM (systematiskt arbetsmiljöarbete) and labour law. Webhallen will continue to roll out its SAM action plan with training, appointing safety representatives and regular health and safety check-ups throughout the year.

Webhallen's system ADAPT will serve as an enabler and regulator in ensuring it complies with existing laws and regulations.

In 2022, **NetOnNet** converted its HR system and digitised several of its HR and payroll processes through SD Worx. Digitising these processes has allowed the company to reserve more time in 2022 and future years for value-creating tasks. NetOnNet's HR policy is primarily a support for managers and summarises how NetOnNet works with a wide range of HR-related issues, from recruitment, employee health, diversity and inclusion to targets, skills development and working conditions. All NetOnNet's employees have received training on these policies. All truck drivers must undergo training each year, where they are obliged to conduct an assessment with the safety representative each year. In addition, all NetOnNet's employees have participated in workshops to familiarise themselves with and sign its Code of Conduct.

Good leadership is an important tool in creating a good work environment where employees can develop and thrive. NetOnNet's leadership is relationship-based and insight-driven. Leaders must build relationships with



their own employees by being responsive to them and caring about their personal and professional well-being. All leaders and managers meet three times per year to discuss the work environment. This is complemented by weekly surveys of all employees on how they experience their work situation through Winningtemp.

NetOnNet continuously works on risk assessment related to health, safety, and well-being. All serious workplace accidents and risks are addressed and evaluated. The system applies to all of NetOnNet's organisational units in Norway and Sweden.

In the case of any organisational changes, both **Webhallen** and **NetOnNet** conduct thorough risk assessments, including looking at the pace of changes, how this affects the relevant department, cooperation between depart-

ments, safety, and consequences for the work environment. These risk assessments are conducted and applied by management, HR and safety representatives.

EMPLOYEE SATISFACTION

Komplett Group values feedback from our employees and believes we can use this information to ensure our employees thrive in the workplace.

To engage with our employees and measure employee satisfaction, Komplett Group makes use of the AI software Winningtemp. The tool helps us measure indicators such as leadership, employee satisfaction, work situation, and personal development, and serves as a channel for feedback. Surveys are sent to all employees regularly.



Rating of employee satisfaction:

	Komplett	NetOnNet	Webhallen
Average rating	7.4 out of 10	7.3 out of 10	7.3 out of 10
Change from 2021	-	N/A*	+6.9%
Response rate	86%	72%	53%

* Winningtemp was introduced in April 2021

Webhallen is pleased to report increased score on "Team feeling" from 7.8 to 8.2 and "Personal development" from 6.1 to 6.6. Its NPS score has also increased from -5 to 11. The average score of Webhallen has increased by 0.4 in each measured category compared to the previous year. To improve its scores in 2023, Webhallen plans to conduct an additional employee survey, followed by customised action plans for each team and manager. This process will be repeated annually to track progress. The company is particularly focused on improving in the area of "Personal development" in Winningtemp, but also aims to improve in other areas.

Both at **Komplett** and **NetOnNet** "Team feeling" is one of the categories that consistently receives high scores from employees during annual check-ins (8.1 out of 10).

We continuously work to improve the response rate in all our subsidiaries, and NetOnNet has initiated a project in order to increase the response rate in 2023. The data obtained from the employee surveys are systematically reviewed and appropriate measures are taken to continuously improve the work environment.

Komplett established the Komplett Employee Advisory Board in 2021. The role of the Employee Advisory Board is to provide input from our employees and implement actions that have been agreed upon with the management team. Employees at all levels of Komplett's businesses are involved in and can identify with the 2025 Corporate Strategy. Komplett's aim is to improve the overall satisfaction, commitment, and well-being of its employees. Komplett's work with this board has continued in 2022, and it is committed to use the group's strategic principles to translate these responses into action items for 2023.

FREEDOM OF ASSOCIATION

An important prerequisite for the well-being and safety in our organisation is respect for the fundamental human rights of our employees. 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. Operating in a labour-intensive industry, we understand and recognise the importance of unions in protecting the rights of our workers and creating a cooperative and safe work environment.

In 2022, 64 employees in **Komplett** were unionised and a total of 124 employees were covered by collective bargaining agreements in Norway. In Sweden, employees are affiliated with the Unionen (administrative employees) and Handels unions (store and warehouse employees), while in Norway employees are affiliated with the EL & IT Forbundet and Fellesforbundet. Komplett Group is a member of the employer associations NHO Service, Virke (in Norway) and Svensk Handel (in Sweden).

| AN IMPORTANT PREREQUISITE FOR THE WELL-BEING AND SAFETY IN OUR ORGANISATION IS RESPECT FOR THE FUNDAMENTAL HUMAN RIGHTS OF OUR EMPLOYEES.



| DIVERSITY AND INCLUSION

Komplett Group is committed to being a preferred employer and to providing equal opportunities at all levels of our organisation. We always seek to ensure that our employees enjoy their work and feel valued for what they do. As a company that is constantly looking to grow and improve its services, we value diversity as essential to developing new ideas and solutions that will lead our company into the future. Moreover, we welcome people who have fallen on the outside 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 and thrive. 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. Our zero-tolerance policy is reflected in the fact that no incidents of discrimination were reported in 2022.

To actively work to promote diversity and inclusion, as well as develop and retain existing skills and attract qualified employees, Komplett Group offers competitive com-

pensation packages. We offer good insurance schemes and a comprehensive human resources policy. We believe that the combination of competitive compensation and comprehensive policies that promote a positive and engaging environment makes us a desired employer.

At 31 December 2022, Komplett Group had a total of 1955 permanent employees, a significant increase from a total of 755 in 2021. The significant increase from last year is mainly due to the inclusion of NetOnNet in the figures.

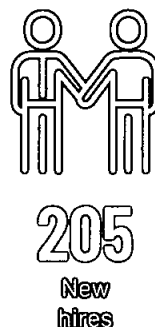
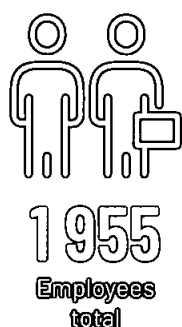
Total number of employees in 2022

Head count*

Komplett	363
NetOnNet	1 278
Webhallen	287
Ironstone (72.15% ownership)	27
Total	1 955

* Full-time employees in average during 2022.

I KEY DIVERSITY FIGURES FOR KOMPLETT GROUP 2022 (HEAD COUNT)



AGE DISTRIBUTION OF NEW HIRES:

Age <30	119
Age 30-50	82
Age 50+	4

Komplett:



NetOnNet:



Webhallen:



Our team continues to grow and develop. Throughout 2022, Komplett Group welcomed 205 new employees, 138 men and 67 women. The average turnover rate in our subsidiaries was 24 per cent in 2022.

Parts of our business, particularly logistics and customer service, are subject to significant seasonal and volume-related fluctuations. As a result, we rely on the support of temporary staff during the busiest times of the year. In total, the group had 328 temporary employees hired during 2022.

Collecting HR data from various departments has been challenging in previous years due to an outdated system that required manual calculations. To address this, Komplett Group implemented the CatalystOne HRM system in September 2022, solving many of the previous challenges, despite still being in the early implementation phase.



EQUALITY AND DIVERSITY

In 2022, the average share of female employees in Komplet Group was 32 per cent, which represents an increase of 5 percentage points from 2021. The increase is due to the higher share of women in NetOnNet. The gender imbalance is mainly due to several departments, such as warehousing and logistics, being traditionally considered male domains. However, the imbalance varies between departments; in some areas of our business, particularly in administrative positions, women and men are equally represented. Obtaining an improved gender balance will be an important focus area for the subsequent years for the group.

Komplett supports and participates in the SHE Index initiative to contribute to transparency in gender equality. Komplett's operation in Norway received a high SHE-score for the year 2022, with an increase of 12 points compared to the previous year.

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. In 2022, a total of 115 employees took parental leave, including 135 men and 95 women. The average number of weeks of parental leave was 36 weeks for women and 12 weeks for men.

I WE STRIVE TO ENCOURAGE BOTH PARENTS TO USE THEIR AVAILABLE PARENTAL LEAVE.

Pay gap statistics in our subsidiaries 2022:

Komplett	Webhallen	NetOnNet
At Komplett, male employees earn on average 1.3 per cent more per year than female employees, not including CEO compensation. This must be seen in the context of the gender distribution in the company. Women tend to hold more administrative positions, while men make up a larger proportion in our warehouse and logistics departments. However, when looking at management levels (L1-L3), women earn on average 7.3 per cent more than men.	In line with its commitment to promoting fair and equitable compensation practices, Webhallen has set a goal to conduct a comprehensive analysis of salaries in 2023. This analysis will provide a more complete overview of the company's compensation practices and allow for the identification of any areas in need of improvement. Based on the findings of this analysis, Webhallen will take necessary initiatives and actions to ensure that its 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.	NetOnNet has a strong focus on gender equality. On an overall level, NetOnNet consists of 35 per cent women and 65 per cent men. At management level, the balance is 38 per cent women and 62 per cent men. As part of NetOnNet's work on equality, it updated its hiring policies in 2021. NetOnNet also implemented a sustainable recruitment training program in 2022, where equality is a central focus. 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. However, final hiring decisions are always made based on how candidates will strengthen the company by meeting short- and long-term needs.



For further information about diversity and inclusion in Komplett Group¹, see "Number and statistics" on page 98.

DIGITAL INCLUSION

As a leading provider of digital technologies in Scandinavia, Komplett Group uses its position to promote digital inclusion. We continuously work on innovations and well-designed services, and occasionally introduce initiatives to include all groups in society.

The group works to develop its websites in line with universal design. Universal design is based on the idea that services should be accessible to everyone, regardless of age, functional ability, or education. We have already appointed a Universal Design Lead among our developers and have held workshops to provide insight and awareness. Our goal is to be a leader in universal design and keep availability as part of our digital inclusion strategy.

We promote gaming as an important arena for learning, development, and social networking where everyone should be able to participate. As one of the largest suppliers of gaming equipment, Komplett Group invests heavily in gaming and e-sports in the Nordic countries. We want to use our position to counteract the negative image of gaming in many parts of society by showing that gaming is an important activity with a positive impact on the lives of many people.

Another important aspect of this issue is ensuring a gender-equal gaming and esports environment. The number of female gamers is still significantly lower than that of men, and many girls and women who participate in gaming are subject to prejudice and harassment. Komplett Group is committed to using its position to create a safe and welcoming space for all who want to participate in gaming. As part of our philanthropic work, gaming makes an important contribution. Our annual initiatives include "Gamers against Cancer" in Norway and "Webhallen festival" in Sweden.

¹ Komplett Group is present in both Sweden and Norway and different legal framework applies when it comes to equality and inclusion in Norway and Sweden. Komplett Norway, i.e. Komplett Services AS, has initiated a process to report on its systematically work to promote diversity and combat discrimination following the the four mandatory steps outlined in Norwegian law, in the Equality and Anti-discrimination Act: (1) risk assessment, (2) analysis of identified risks, (3) implementation of appropriate measures, and (4) evaluation of results from steps 1-3. The statement will be posted at the company's website.



I COMPETENCE DEVELOPMENT

Komplett Group believes that skills enhancement is an important prerequisite for a successful business. The benefits are twofold: It is an important requirement for the well-being of our employees to develop and challenge themselves, and it is an important investment in our company.

At Komplett Group, training our employees is critical to ensure they are adequately prepared for their role as part of the team. In addition to mandatory safety training and new employee onboarding, we offer training courses in GDPR, ergonomics, customer management, and sales to all employees who wish to improve and expand their knowledge. All employees are offered courses on the company's environmental policy.

Training and education can not only motivate our employees, but also build the necessary skills within the company. **Komplett's** Logistics School was established in 2019 together with its external partner Fønix. It has also developed a modular logistics course for the purchasing department.

Komplett is in the planning phase of establishing a program for identifying and developing talents in the organisation. The program will be developed in 2023.

As part of its initiatives in our local community of Sandefjord, Komplett has been working with Sandefjord High School since 2014 as part of the 4S partnership, in offering apprenticeships for students. The students, who typically start at the age of 15-16, are given the opportunity to work as apprentices in various areas of the company for two years. In 2022, two apprentices passed their apprenticeship exams, and Komplett still has four apprentices who will continue their training until 2023. By participating in the program, students earn a general university entrance qualification or a vocational qualification in sales and office administration.

Webhallen has implemented several arenas for employee skills development and will launch new skills development programs in 2023, such as sales trainings, leadership trainings and trainee programs.

All employees will have a unique development plan, related to their work. This plan will be reviewed and followed up regularly during the year and revised annually.

A new onboarding process is being implemented to ensure the best possible employee experience. The routine includes both administrative, informative and inclusive actions.

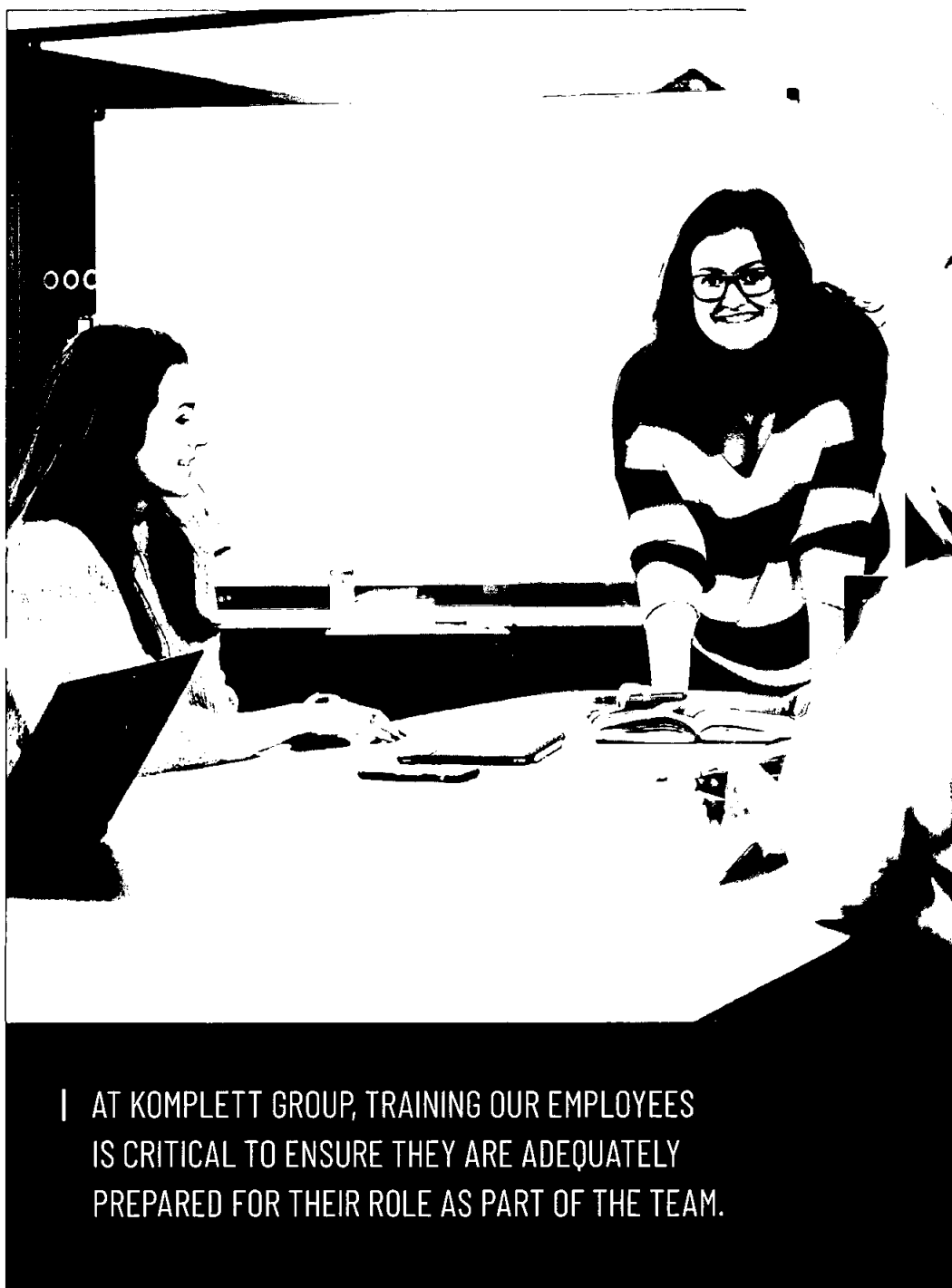
Throughout Webhallen's organisation, it conducts performance appraisals for all employees and talent assessments at various levels through our HRM. In the second half of 2022, it also set out to track these talent reviews more closely. Webhallen has integrated processes for offboarding, which include "exit conversations" as a service to the employees. This has proven to be helpful as the company is dominated by many younger employees who can use the feedback from exit conversations as they take on new roles in the future.

Through Webhallen's Internal Warehouse Leadership Program, all warehouse employees can receive training to become team managers. This program is implemented 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. Webhallen is also looking forward to the launch of its online leadership training program, which will be rolled out to all managers in 2023.

Continuous skill development is important to **NetOnNet**, and all systems, onboarding programs and other training programs apply to all employees, regardless of their position. A digital learning platform was introduced in 2021. At this learning platform, employees have access to a digital course catalogue that NetOnNet is constantly adding new courses to. Through this tool, NetOnNet has digitised its onboarding program, defined training requirements, and held digital lectures.

NetOnNet has thorough onboarding processes, where all new employees undergo mandatory onboarding courses, depending on their position. Through its HR-system, a full list of checkpoints is sent to their manager with a program for their onboarding. Additionally, all new employees are also included in its Winningtemp systems. All employees have access to how NetOnNet works with these issues through the company's intranet.

In 2022, NetOnNet launched its sustainable development training program. The company's skills development routines are complemented by cycles of conversations in which it carries out annual conversations with all its employees. In these conversations, the work situation as well as goals and development are discussed, and at least one skills development goal must be defined.



| AT KOMPLETT GROUP, TRAINING OUR EMPLOYEES
IS CRITICAL TO ENSURE THEY ARE ADEQUATELY
PREPARED FOR THEIR ROLE AS PART OF THE TEAM.



COMMUNITY ENGAGEMENT INITIATIVES

At Komplett Group, we are dedicated to giving back to our communities and contributing to society. We aim to contribute to the development of local communities through offering jobs, supporting local businesses and initiatives and by trying to be good neighbours.

Managers at Komplett lecture at Gokstad Akademiet, a lifelong education academy near our headquarter. Every year, employees may apply for funding for activities (sports clubs etc) they are involved in from "Komplett sponsorfond" (sponsorship). Broad and visible engagement in our local community is our focus going forward.

Komplett initiated a project in the early days of the war in Ukraine, collaborating with Fabres (its subsidiary in Poland) and the Ukrainian Association of Eastern Norway. The following actions were taken:

- ▶ Fabres collected returned equipment such as PCs, mobile phones, power banks, etc. worth approximately NOK 100 000. The employees from Fabres personally travelled to Ukraine to deliver this equipment to local aid organisations.
- ▶ The Ukrainian Association of Eastern Norway, in collaboration with the Ukrainian embassy and Norwegian Ukraine Aid, requested donations. Komplett sent its

Private Label products (flashlights, headlamps, power banks, batteries, etc.). Additionally, the company donated a total of NOK 1 036 560 to Ukraine to aid victims of the war.

Webhallen's project Streamhjälpen was introduced to take a stand to reduce inequality and contribute to digital inclusion in gaming. The purpose of the initiative was to collect donations in terms of games and consoles for organisations working with vulnerable children and youth. This included kindergartens, sheltered housing, and hospitals where children do not have the opportunity to participate in digital play.

In December, Streamhjälpen 2022 raised SEK 770 020 for "En tryggare barndom". Overall, the project has collected SEK 3 509 756 from 2017 to 2022. Additionally, Webhallen donated christmas presents to Bymisjonen in Oslo and Stadsmissionen in 2022.

NetOnNet has decided to donate to a charity project every year instead of Christmas gifts to employees. The previous years the chosen project has been MIND, a non-profit organisation promoting, supporting, and educating the public on mental health issues. MIND operates online chats and phone lines for different mental health issues and groups in the society.



| GAMERS AGAINST CANCER

Komplett's Black Week charity initiative, "Gamers against Cancer", was established in 2020. The community aims to raise money for the Childhood Cancer Society in Norway, an organisation that contributes to the fight against childhood cancer.

In 2022, Komplett continued the success of previous years. During "Black Week" several of Norway's top gaming influencers joined Komplett for a livestream from its studio in Sandefjord. The campaign also has an educational aspect, as representatives from the Childhood Cancer Society participated during the event, providing information on current research, and on the areas of the organisation that the funds will support. Further, its suppliers also supported the initiative by donating money to the cause and products as giveaways.

Komplett's yearly Black Friday Live Stream is its biggest stream with a total of 42 300 viewers. It is therefore the best occasion to raise the most donations for this cause. At its peak, 3 555 viewers were streaming at the same time. The event raised NOK 1.9 million for the Childhood Cancer Society in the course of the 54-hour livestream event.



| WEBHALLEN FESTIVAL

Webhallen has arranged several e-sport tournaments, in collaboration with the digital culture centre SPACE. It's a Corporate Social Responsibility activation, which is conducted together with schools from the Stockholm metropolitan area. The participants learn how to code sessions at SPACE academy, and events are conducted in Webhallen's stores.

SPACE is a digital cultural centre in the heart of Stockholm. A physical meeting place for the digital generation. Here, some of the most important ingredients in digital culture are combined - gaming, music, content creation and digital know-how, all under the same roof. An inclusive house where people can meet, collaborate and create together - a community where new formations and business ideas take off.

PLANS AND AIMS GOING FORWARD

Komplett Group will continue to invest and take greater responsibility for how our customers use their electronics. We aim to make it easier to return expired products, and we will continue to identify and test how we can contribute more to closing the material loop with full product life cycles. We aim to set high goals for recycling to contribute to slowing down and closing resource flows. We strive to reduce the environmental footprint caused by production of products and packaging.

Going forward, Komplett Group will increase the efforts to reduce our climate footprint. Continuing to map our emissions and monitoring progress, are the first steps towards identifying appropriate action areas to reduce our GHG emissions further. We acknowledge that we still have much work to do to secure high-quality data, and our reporting process this year has demonstrated the need to establish structured data collection routines.

We will continue identifying solutions for efficient transport, while also actively engaging with our transportation suppliers to establish and uphold environmentally conscious transport standards throughout our value chain. We will further develop our environmental management system, and engage with our stakeholders on initiatives to reduce the climate impact of our entire value chain.

Komplett, Webhallen and **NetOnNet** all have different strengths on tolerance work, and we look forward to seeing how we can implement the work in these areas into the other businesses. We believe this is an effective way for us to strengthen our position, both as a desired employer and as a responsible social actor.

Komplett recognises the importance of updating its code of conduct to ensure it is compliant across our entire value chain. This collaborative effort is planned for 2023 and will be done in collaboration with NetOnNet, who has extensive experience in this area.

With the enforcement of the newly established Transparency Act in Norway, we continue to focus our efforts on increasing transparency and overview at all stages of our value chain to safeguard the people who are impacted by our business. Komplett Group's board of directors has delegated responsibility and adopted plans to implement the Norwegian Transparency Act and guidelines for the entire group, including our subsidiaries. While legislation may vary across the Nordic countries, we remain fully committed to promoting a value chain that prioritises human and labor rights in all of our operations in all regions.

Going forward, we will seek to strengthen our work with sustainability reporting and draw on the knowledge and experience of the subsidiary companies.

For more information about sustainability in Komplett Group and the sustainability reporting, please contact:

Komplett Group: Kristin Hovland, head of communications.
E-mail: kristin.hovland@komplett.com

Komplett: Daniel Hauan, communications manager.
E-mail: daniel.hauan@komplett.com

Webhallen: Åsa Lundberg, communications manager.
E-mail: asa.lundberg@webhallen.com

NetOnNet: Kristina Wärmare, head of communications and sustainability.
E-mail: kristina.warmare@netonnet.com

WE WILL ENGAGE WITH OUR TRANSPORTATION SUPPLIERS AND DEVELOP STANDARDS FOR ENVIRONMENTALLY CONSCIOUS TRANSPORT SOLUTIONS IN OUR VALUE CHAIN.



APPENDIX

NUMBERS AND STATISTICS

PEOPLE

	Unit	Total group	Komplett	NetOnNet	Webhallen	2021 ¹⁾
EMPLOYMENT¹⁾						
Employees in Komplett Group						
Total employees	Head count ²⁾	1 928	363	1278	287	755
Number of permanent employees	Head count	1 580	343	961	276	682
Of which are full time	Head count	1 014	329	530	155	497
Of which are part time	Head count	566	14	431	121	185
Number of temporary employees	Head count	328	0	317	11	22
Of which are full time	Head count	48	0	46	0	4
Of which are part time	Head count	282	0	271	11	18
Number of total management positions	Head count	158	50	79	28	48
Number of trainees	Head count	4	4	0	0	6
New hires						
Total	Head count	205	42	99	64	135
Women	Head count	67	9	31	27	
Men	Head count	138	33	68	37	
By age group						
Age <30	Head count	119	21	60	38	
Age 30-50	Head count	84	20	39	23	
Age >50	Head count	4	1	0	3	
Total man-years by region						
Total	FTE	1 222				
Norway	FTE	367	326	41	0	
Sweden	FTE	831	15	621	195	
China	FTE	23	0	23	0	
Turnover						
Total	Per cent of total (head count)	24%	15%	22%	35%	18%
Women	Per cent of total (turnover)	28%	18%	34%	31%	
Men	Per cent of total (turnover)	61%	82%	66%	35%	

1) These figures excludes the employees from Ironstone. The average FTE from Ironstone during 2022 was 29 and the average number of full time employees was 27.

2) Numbers from 2021 are not directly comparable with 2022 figures, due to all companies being included for the first time in 2022.

3) Head count figures and FTE figures are based on average employees and man-years through the year.



	Unit	Total group	Komplett	NetOnNet	Webhallen	2021*
Turnover by age group						
Age <30	Per cent of total (turnover)	42%	20%	50%	56%	
Age 30-50	Per cent of total (turnover)	53%	71%	47%	43%	
Age >50	Per cent of total (turnover)	5%	10%	4%	1%	
Turnover by region						
Norway	Per cent of total (turnover)	24%	15%	32%	n/a	
Sweden	Per cent of total (turnover)	25%	19%	22%	35%	
DIVERSITY AND EQUALITY*						
Gender balance						
Total female employees	Per cent of total (head count)	32%	27%	35%	29%	27%
Full time positions	Per cent of total (head count)	24%	26%	22%	32%	38%
Part time positions	Per cent of total (head count)	28%	50%	17%	17%	33%
Management positions	Per cent of total (head count)	34%	30%	38%	31%	31%
Age distribution*						
Age <30	Head count	493	66	388	39	73
Age 30-50	Head count	776	236	501	39	250
Age >50	Head count	115	42	72	1	42
Parental leave						
Employees in parental leave(women)	Head count	95	11	81	3	16
Employees in parental leave(men)	Head count	135	14	109	12	12
Average weeks parental leave (women)SWE	Head count	36	22	14	n/a	14
Average weeks parental leave (men)SWE	Head count	12	6	6	n/a	
Average weeks parental leave (women)NO	Head count	34	11	23	n/a	8
Average weeks parental leave (men)NO	Head count	21	10	11	n/a	
Pay gap (salary ratio women to men)						
Total employees	Per cent		101%	100%	-	(11%)
Executive committee	Per cent		45%	-	-	(26%)
Management	Per cent		107%	-	-	(2%)

* Numbers from 2021 are not directly comparable with 2022 figures, due to change all companies being included for the first time in 2022.



	Unit	Total group	Komplett	NetOnNet	Webhallen	2021 ¹⁾
HEALTH AND SAFETY						
Estimated man hours	Amount	1035 274	668 389	-	366 885	1035 853
Sick leave	Per cent	6%	5%	6%	7%	4%
Work related injuries	Amount	20	-	12	8	-
Work related injuries leading to long-time sick leave (>6 months)	Amount	1	-	1	-	-
Fatalities	Amount	-	-	-	-	-

THE ENVIRONMENT

	Unit	Total group	Komplett	NetOnNet	Webhallen	2021 ¹⁾
Total emissions (tCO ₂ e)	tCO ₂ e	5 083	1 525.2	3174	380	4 540
Scope 1						
Transportation and refrigerants	tCO ₂ e	102	8	95	n.a.	24
Scope 2						
Electricity	tCO ₂ e	347	120	-	38	235
District heating (Sweden)	tCO ₂ e	285	n.a.	221	64	17
Electric vehicles			n.a.	189	n.a.	
Scope 3						
Upstream transportation and distribution	tCO ₂ e	2 787	236	2 529	23	3 091
Waste	tCO ₂ e	121	72	28	19	49
Business travel	tCO ₂ e	58	30	28	n.a.	18
Fuel-and-energy-related activities	tCO ₂ e	128	10	84	34	n.a.
Purchased goods and services	tCO ₂ e	1253	1050	n.a.	203	n.a.
WASTE						
Total waste	Tonnes	2 425	896	1288	241	1249
ELECTRONIC WASTE						
Electronic waste, (incl. EE-waste)	Tonnes	228	12	196	20	n.a.
PACKING MATERIALS						
Plastics	Tonnes	226	182	26	19	123
Paper and cardboard	Tonnes	889	580	174	134	672
Single-use wood pallets	Tonnes	446	114	238	95	276
ENERGY CONSUMPTION						
Total energy consumption (scope 1,2)	MWh	18 519	16 750	10 997	2 870	9 555
Scope 1	MWh	390	30	360	n.a.	n.a.
Scope 2 (district heating, electric vehicles and electricity)	MWh	18 130	4 653	10 637	2 870	n.a.
Total renewable energy	MWh	11 953	3 514	6 716	1 724	n.a.
Total renewable energy share	%	65%	76%	61%	60%	n.a.

* Numbers from 2021 are not directly comparable with 2022 figures, due to change in climate accounting and all companies being included for the first time in 2022.



| GRI-INDEX

GRI universal standard disclosure number	Disclosure title	Status	Reference/response
General disclosures			
GRI 2-1	Organisational details	Completed	p.4 , 28
GRI 2-2	Entities included in the organisation's sustainability reporting	Completed	p. 51
GRI 2-3	Reporting period, frequency and contact point	Completed	p. 51
GRI 2-4	Restatements of information	Completed	p. 51
GRI 2-6	Activities, value chain and other	Completed	p. 57
GRI 2-7	Employees	Completed	p. 37, 89 , 98
GRI 2-8	Workers who are not employees	In progress	p. 37, 98
GRI 2-9	Governance structure and composition	Completed	p. 18-25 , 58
GRI 2-10	Nomination and selection of the highest governance body	Completed	p. 43- 44
GRI 2-11	Chair of the highest governance body	Completed	p. 18
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Completed	p. 44 , 58
GRI 2-13	Delegation of responsibility for managing impacts	Completed	p. 44 , 58
GRI 2-14	Role of the highest governance body in sustainability reporting	Completed	p.58
GRI 2-15	Conflicts of interest	In progress	p.44
GRI 2-16	Communication of critical concerns	In progress	54-55 , 63
GRI 2-17	Collective knowledge of the highest governance body	In progress	p.18-24
GRI 2-18	Evaluation of the performance of the highest governance body	Completed	p.38
GRI 2-19	Remuneration policies	Completed	p.38
GRI 2-20	Process to determine remuneration	Completed	p.38
GRI 2-22	Statement on sustainable development strategy	Completed	p. 54-55
GRI 2-23	Policy commitments	In progress	p. 58-60
GRI 2-24	Embedding policy commitments	In progress	p. 56-60
GRI 2-25	Processes to remediate negative impacts	In progress	p. 61
GRI 2-26	Mechanisms for seeking advice and raising concerns	In progress	p. 63
GRI 2-27	Compliance with laws and regulations	Completed	p. 64
GRI 2-28	Membership associations	Completed	p. 88, 99
GRI 2-29	Approach to stakeholder engagement	Completed	p. 53
GRI 2-30	Collective bargaining agreements	Completed	p. 88
Material topics			
GRI 3-1	Process to determine material topics	Completed	p. 52-53
GRI 3-2	List of material topics	Completed	p. 52
GRI 3-3	Management of material topics	Completed	p. 52-57
Economic performance			
201-1	Direct economic value generated and distributed	Completed	p.114-169
201-3	Defined benefit plan obligations and other retirement plans	Completed	p. 127, 136
Anti-corruption			
205-1	Operations assessed for risks related to corruption	In progress	p. 60
205-2	Communication and training about anti-corruption policies and procedures	In progress	p. 60 , 63
205-3	Confirmed incidents of corruption and actions taken	Completed	p. 60
Anti-competitive behaviour			
208-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Completed	p. 60



GRI universal standard disclosure number	Disclosure title	Status	Reference/response
KOMPLETT PILLARS: CIRCULARITY AND ENVIRONMENT			
Materials			
301-1	Materials used by weight or volume	In progress	p. 80-81
301-2	Recycled input materials used	Completed	p. 70, 72, 74, 76-77
301-3	Reclaimed products and their packaging materials	Completed	p. 63,
Energy			
302-1	Energy consumption within the organisation	Completed	p. 82, 100
302-2	Energy consumption outside of the organisation	In progress	p. 82, 100
302-4	Reduction of energy consumption	In progress	p. 82
Emissions			
305-1	Direct (Scope 1) GHG emissions	In progress	p. 79-81, 100
305-2	Energy indirect (Scope 2) GHG emissions	Completed	p. 79-81, 100
305-3	Other indirect (Scope 3) GHG emissions	In progress	p. 79-81, 100
305-5	Reduction of GHG emissions	In progress	p. 81
Effluents and waste			
306-2	Waste by type and disposal method	Completed	p. 69-77, 100
306-6	Transport of hazardous waste	In progress	p. 72
Environmental compliance			
307-1	Non-compliance with environmental laws and regulations	Completed	No cases recorded in 2022
Supplier environmental assessment			
308-1	New suppliers that were screened using environmental criteria	In progress for NetOnNet	p. 65-66
KOMPLETT PILLAR: TOLERANCE			
Employment			
401-1	New employees hires and employee turnover	In progress	p. 90
401-3	Parental leave	In progress	p. 91
Occupational health and safety			
403-1	Occupational health and safety management system	In progress	p. 86-87
403-2	Hazard identification, risk assessment, and incident investigation	In progress	p. 86-87
403-5	Worker training on occupational health and safety	In progress	p. 86-87
403-8	Workers covered by an occupational health and safety management system	In progress	p. 86-87
403-9	Work-related injuries	In progress	p. 86
Training and education			
404-2	Programs for upgrading employee skills and transition assistance programs	In progress	p. 93
Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	Completed	p. 90-91
405-2	Ratio of basic salary and remuneration of women to men	In progress	p. 91



GRI universal standard disclosure number	Disclosure title	Status	Reference/response
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Completed	p. 63, 68, 89. No incidents recorded in 2022.
Child labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	Completed for NetOnNet	p. 68
Forced or compulsory labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Completed for NetOnNet	p. 68
Human rights assessment			
412-2	Employee training on human rights policies or procedures	Completed for NetOnNet	p. 93
Supplier social assessment			
414-1	New suppliers that were screened using social criteria	In progress for NetOnNet	p. 68
Customer health and safety			
416-1	Assessment of the health and safety impacts of product and service categories	Completed	p. 63-64
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Completed	p. 63-64
Marketing and labelling			
417-1	Requirements for product and service information and labeling	In progress	p. 63-64
417-2	Incidents of non-compliance concerning product and service information and labelling	In progress	p. 63-64
417-3	Incidents of non-compliance concerning marketing communications	In progress	p. 63-64
Customer privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Completed	p. 61-62. No cases recorded in 2022
Material topic	Material topic importance	SDG	GRI disclosure number
Circular business	Very high materiality for Komplet and stakeholders	SDG 12, 13	301-1, 301-2, 301-3, 306-2, 306-6
Sustainable products and services	Very high materiality for Komplet and stakeholders	SDG 12, 13	301-1, 301-2, 301-3, 306-2, 306-6
Human rights and decent working conditions	Very high materiality for Komplet and stakeholders	SDG 5, 6, 10	412-2, 416-1, 416-2
Climate and nature impact	Very high materiality for Komplet, high materiality for stakeholders	SDG 12, 13	302-3, 302-4, 305-1, 305-2, 305-4
Employee health	Very high materiality for Komplet, high materiality for stakeholders	SDG 5, 6, 10	403-1, 403-2, 403-5, 403-8, 403-9
Diversity and inclusion	Very high materiality for Komplet, high materiality for stakeholders	SDG 5, 6, 10	405-1, 405-2
Business ethics	High materiality for Komplet and stakeholders	SDG 5, 6, 10	205-1, 206-1, 406-1, 408-1, 409-1, 412-1
Competence development	High materiality for Komplet and stakeholders	SDG 5, 6, 10	404-2





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Carbon Accounting Report 2022

Komplett Group

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Content

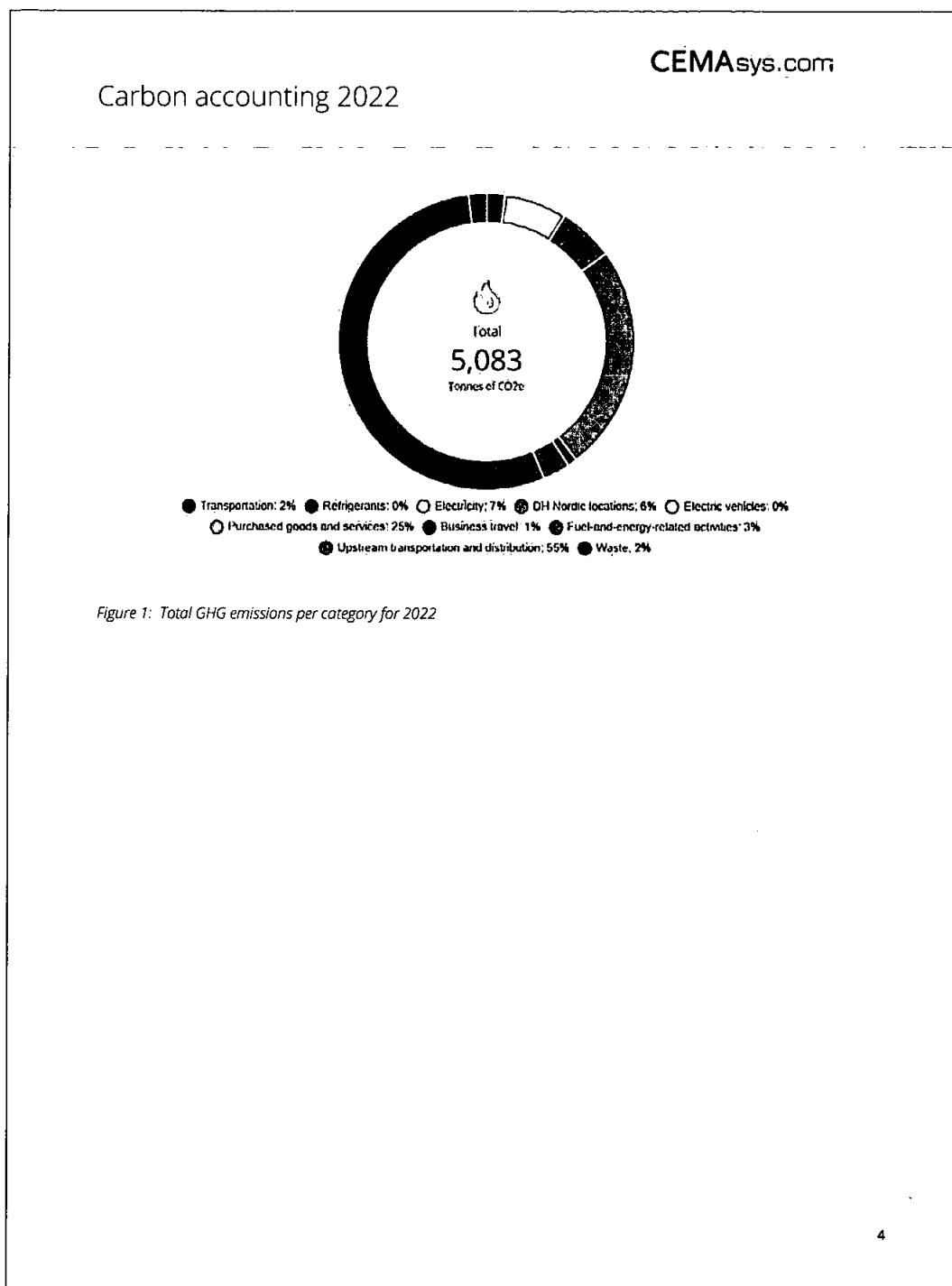
This report provides an overview of the organization's greenhouse gas (GHG) emissions, which is an integrated part of an organization's climate strategy. Carbon accounting is a fundamental tool in identifying tangible measures to reduce GHG emissions. The annual carbon accounting report enables the organization to benchmark performance indicators and evaluate progress over time.

This report includes emissions from Komplett Group including the organizational units Komplett ASA, NetonNet and Webhallen.

The input data is based on consumption data from internal and external sources, which are converted into tonnes of CO₂-equivalents (tCO₂e). The carbon footprint analysis is based on the international standard; A Corporate Accounting and Reporting Standard, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol). The GHG Protocol is the most widely used and recognized international standard for measuring greenhouse gas emissions and is the basis for the ISO standard 14064-1.

2023-03-07

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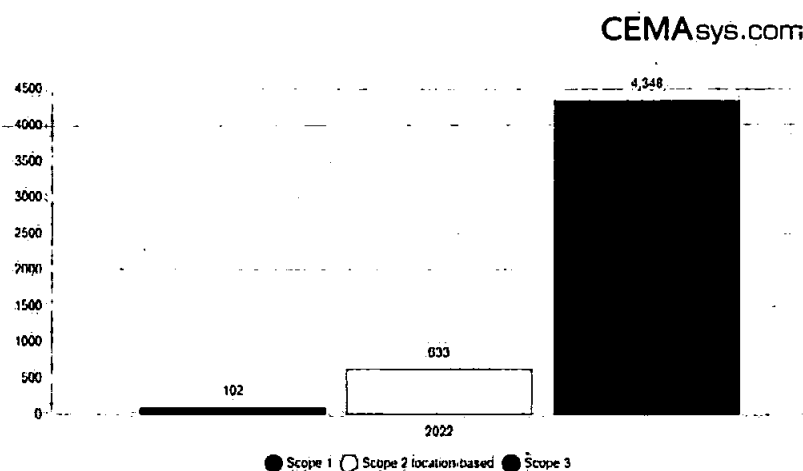


Figure 3: Annual GHG emissions per Scope (tCO2e)

Komplett Groups' Carbon accounting 2022

Komplett has started the work of calculating their greenhouse gas emissions. This is the first time Komplett Group reports their emissions on a group level including the organizational unit NetonNet. The absolute emissions have increased by 543.6 tCO2e from 4539 to 5082.6 tCO2e, which is an increase of 12% compared to the emissions calculated in 2021. Upstream transportation and distribution stand for the largest share of the emissions (55%) in the carbon accounting for 2022. The second largest category is Purchased goods and services (emissions from the production of the materials used for packaging) which stand for 25% of the total emissions. However, 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 as well as on improving the data quality. This is fundamental to tracking the emission pathway and increasing the comparability of emissions over time in order to be able to set fruitful mitigation targets.

The greenhouse gas emissions are distributed to the different scopes accordingly:

- 102 tCO2e (2% share of total emissions) in Scope 1.
- 633 tCO2e (12.4% of total emissions) in Scope 2. This is according to the location-based reporting method.
- 4 348 tCO2e (85.5% of total emissions) in Scope 3.

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Scope 1

The emissions in Scope 1 stem from the fuel combustion from leased vehicles as well as refrigerants. The total consumption of fuel for mobile combustion from transportation in 2022 was 39161 liters, resulting in emissions of 102 tCO₂e from fuel combustion. The fuels used by Komplett Group are petrol and diesel. Komplett Group has no stationary combustion.

Scope 2

The emissions in Scope 2 stand for 12.4 % of Komplett Groups' total emissions with a total of 633 tCO₂e. Scope 2 includes emissions from acquired electricity, heat, and cooling. The data points included in Komplett Groups' Scope 2 calculations are electricity and district heating and cooling. The numbers include data from all units within Komplett Group, i.e., NetonNet, Webhallen and Komplett. The total consumption of electricity under 2022 was 12 395 554 kWh, resulting in 347.1 tCO₂e (location-based reporting).

The emissions from electricity with a market-based reporting in 2022 are 1921 tCO₂e. Komplett Group purchases electricity from renewable energy for some of its premises (a total of 5080261 kWh). In the market-based reporting, the emissions covered by GoOs (Guarantees of Origin) are considered 0. The practice of presenting emissions from electricity consumption with two different emissions factors is explained further under Scope 2 in Methods and Sources.

Furthermore, the emissions from district heating and cooling stand for 6 % of Komplett Groups total emissions, 285.2 tCO₂e.

Scope 3

Scope 3 emission sources in 2022 are waste, fuels and energy-related activities, business travel, upstream transportation, and distribution, as well as purchased goods and services.

Waste: Waste stands for 2% of Komplett Group's total emissions in 2022. The total amount of 241.36 ton waste resulted in 121 tCO₂e. The numbers include data from all units within Komplett Group, i.e. NetonNet, Webhallen and Komplett.

Fuels and energy-related activities: Fuels- and energy-related activities stands for 3 % of Komplett Group's total emissions in 2022. The total amount of emissions resulted in 128 tCO₂e. Included in this category are the upstream emissions from the fuel and energy in Scope 1 and 2. The numbers include data from all units within Komplett Group, i.e., NetonNet, Webhallen and Komplett.

Business travel:

Business travel stands for 1 % of Komplett Group's total emissions in 2022. The total emissions from business travel in 2022 were 58.3 tCO₂e, whereof 32.4 tCO₂e from air travel, 25.9 tCO₂e from mileage

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allowance and close to 0 tCO₂e from train. The numbers include data from NetonNet and Komplett, but not Webhallen.

Upstream transportation and distribution: The category upstream transportation and distribution stands for the largest share of Komplett Group's total emissions in the accounting year 2022, namely of 55 %. The total emissions from upstream transportation and distribution in 2022 was 2,787 tCO₂e. Emissions data were received directly from suppliers and include transports for NetonNet, and part of Webhallens and Komplett's acquired transportation.

Purchased goods and services:

Purchased goods and services stand for 25 % of Komplett Group's total emissions in 2022, which amounts to 1 253 tCO₂e. This year it includes only materials from packaging for Komplett and Webhallen.



Methodology

The Greenhouse Gas Protocol Initiative (GHG Protocol) was developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). This analysis is done according to A Corporate Accounting and Reporting Standard Revised edition, currently one of four GHG Protocol accounting standards on calculating and reporting GHG emissions. The reporting considers the following greenhouse gases, all converted into CO₂-equivalents: CO₂, CH₄ (methane), N₂O (laughing gas), SF₆, HFCs, PFCs and NF₃.

For corporate reporting, two distinct approaches can be used to consolidate GHG emissions: the equity share approach and the control approach. The most common consolidation approach is the control approach, which can be defined in either financial or operational terms.

The carbon inventory is divided into three main scopes of direct and indirect emissions.

Scope 1 includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transportation, in owned and, depending on the consolidation approach selected, leased, or rented assets. It also includes any process emissions, from e.g. chemical processes, industrial gases, direct methane emissions etc.

Scope 2 includes indirect emissions related to purchased energy; electricity and heating/cooling where the organisation has operational control. The electricity emission factors used in Cemsys are based on national gross electricity production mixes from the International Energy Agency's statistics (IEA Stat).

Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA statistics.

In January 2015, the GHG Protocol published new guidelines for calculating emissions from electricity consumption. Primarily two methods are used to "allocate" the GHG emissions created by electricity generation to the end consumers of a given grid. These are the location-based and the market-based methods. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or not chosen).

Organisations who report on their GHG emissions will now have to disclose both the location-based emissions from the production of electricity, and the market-based emissions related to the potential purchase of Guarantees of Origin (GoOs) and Renewable Energy Certificates (RECs).





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The purpose of this amendment in the reporting methodology is on the one hand to show the impact of energy efficiency measures, and on the other hand to display how the acquisition of GoOs or RECs affect the GHG emissions. Using both methods in the emission reporting highlights the effect of all measures regarding electricity consumption.

The location-based method: The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilize a mix of energy resources, where the use of fossil fuels (coal, oil, and gas) result in direct GHG-emissions. These emissions are reflected in the location-based emission factor.

The market-based method: The choice of emission factors when using this method is determined by whether the business acquires GoOs/RECs or not. When selling GoOs or RECs, the supplier certifies that the electricity is produced exclusively by renewable sources, which has an emission factor of 0 grams CO₂e per kWh. However, for electricity without the GoO or REC, the emission factor is based on the remaining electricity production after all GoOs and RECs for renewable energy are sold. This is called a residual mix, which is normally substantially higher than the location-based factor. As an example, the market-based Norwegian residual mix factor is approximately 7 times higher than the location-based Nordic mix factor. The reason for this high factor is due to Norway's large export of GoOs/RECs to foreign consumers. In a market perspective, this implies that Norwegian hydropower is largely substituted with an electricity mix including fossil fuels.

Scope 3 includes indirect emissions resulting from value chain activities. The scope 3 emissions are a result of the company's upstream and downstream activities, which are not controlled by the company, i.e. they are indirect. Examples are business travel, goods transportation, waste handling, consumption of products etc.

In general, the carbon accounting should include information that users, both internal and external to the company, need for their decision making. An important aspect of relevance is the selection of an appropriate inventory boundary which reflects the substance and economic reality of the company's business relationships.



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KOMPLETT ASA



FINANCIAL STATEMENTS

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KOMPLETT ASA



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2022	2021
Operating revenues			
Revenues from sale of goods		14 299	10 903
Other operating income		319	140
Total operating income	6	14 618	11 043
Operating expenses			
Cost of goods sold	15	(12 824)	(9 581)
Employee benefit expenses	7	(820)	(511)
Depreciation and amortisation expense	11, 12, 19	(256)	(129)
Other operating expenses	19, 21, 26	(712)	(453)
Total operating expenses		(14 612)	(10 674)
Operating profit		6	369
Finance income and expenses			
Share of post-profits from equity accounted investments	13	4	3
Finance income	8	2	3
Finance expenses	8, 19	(111)	(28)
Net finance income and expenses		(104)	(22)
Profit before tax	5	(98)	347
Tax expense	9	56	(48)
PROFIT FROM CONTINUING OPERATIONS		(42)	300
Profit/(loss) from discontinued operations	26	10	-
Profit for the year		(32)	300
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		14	(14)
Total comprehensive income		(18)	286
Profit for the year attributable to:			
Owners of the parent		(32)	300
Total		(32)	300
Total comprehensive income attributable to:			
Owners of the parent		(18)	286
Total		(18)	286
Earnings per share			
Continued operation (basic and diluted) – in NOK	10	(0.40)	(33.14)
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 2022	31 December 2021
NON-CURRENT ASSETS			
Non-current financial assets			
Goodwill	11	2 131	433
Software	11	218	113
Other intangible assets	11	1 424	73
Total intangible assets		3 773	620
Property, plant, and equipment			
Right-of-use assets	2, 3, 19	559	253
Leasehold improvements	12	13	3
Machinery and fixtures	12	121	25
Total property, plant, and equipment		692	281
Other non-current assets			
Deferred tax asset	9	-	25
Investments in equity-accounted associates	13	14	11
Other receivables	4, 14, 19	8	34
Total other non-current assets		22	70
TOTAL NON-CURRENT ASSETS		4 487	971
CURRENT ASSETS			
Inventories	15	1 928	1 305
Total inventories		1 928	1 305
Current receivables			
Trade receivables - regular	4, 14	309	676
Trade receivable from deferred payment arrangements	4, 14	91	130
Other current receivables	4, 14, 19	464	315
Prepaid expenses		104	31
Total current receivables		968	1 152
Cash and cash equivalents			
Cash and cash equivalents	4, 16	149	41
Total cash and cash equivalents		149	41
TOTAL CURRENT ASSETS		3 046	2 498
TOTAL ASSETS		7 533	3 469



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER (EQUITY AND LIABILITIES)

Amounts in NOK million	Note	31 December 2022	31 December 2021
Equity			
Share capital	17	70	29
Share premium	17	3 741	1 075
Other equity		(314)	(298)
Total equity		3 496	806
Liabilities			
Non-current liabilities			
Deferred tax liabilities	9	245	-
Pension liability		3	-
Provisions and other liabilities		46	49
Interest-bearing loans and borrowings	4, 20	400	400
Non-current lease liabilities	3, 19, 20	391	230
Total non-current liabilities		1 084	679
Current liabilities			
Short-term loans	4, 16, 22, 23	625	207
Trade payables	4	1 412	1 124
Public duties payable	4	395	293
Current income tax	9	17	68
Current lease liabilities	3, 19	167	80
Other current liabilities	4, 6, 20, 21	337	212
Total current liabilities		2 953	1 984
Total liabilities		4 037	2 663
TOTAL EQUITY AND LIABILITIES		7 533	3 469

Sandefjord, 22 March 2023

Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Jennifer Geun Koss
Director

Lars Bjørn Thoresen
Director

Fabian Bengtsson
Director

Sarah Willand
Director

Anders Odden
Worker director

Nora Elin Eldås
Worker director

Jaan Ivar Semlitsch
CEO



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2022	2021
Cash flows from operating activities			
Profit before income tax		(98)	347
Profit/(loss) on discontinued operations (before tax)		12	-
Profit for the year		(86)	347
Income taxes paid		(19)	-
Depreciation and amortisation expense	11, 12	256	129
Long-term incentive programme	18	(2)	5
Payment received on finance lease receivable	19	12	10
Interest on finance lease receivable	8, 19	0	2
Share of post-tax profits from equity accounted investments	13	(4)	(3)
Net finance items	8	109	25
Changes in deferred payment arrangements receivables	14	39	22
Changes in inventories, trade payables, and trade receivables	15	958	(423)
Currency effects		(2)	(9)
Other changes in accruals		(158)	(39)
Net cash flows from operating activities		1102	65
Investing activities			
Investments in property, plant, and equipment	11, 12	(177)	(56)
Acquisition of subsidiary, net of cash acquired	26	(1 526)	(59)
Dividend from associated company		2	1
Net cash used in investing activities		(1 701)	(114)
Financing activities			
Proceeds from loans and borrowings	20, 22	1 500	400
Repayment of loans and borrowings	20, 22	(1 000)	-
Changes in bank overdrafts	22	(524)	155
Principal paid on lease liabilities	19	(147)	(72)
Interest paid on lease liabilities	8, 19	(18)	(14)
Net interest paid on loans and overdrafts	8	(91)	(13)
Issue of share capital		987	-
Distributions to owners		-	(420)
Net cash (used in)/from financing activities		706	36
Net increase in cash and cash equivalents		108	(12)
Cash and cash equivalents at beginning of year	16	41	54
Cash and cash equivalents at end of year	16	149	41



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 2021		29	1 075	(189)	2	917
Profit for the year		-	-	300	-	300
Other comprehensive Income		-	-	-	(14)	(14)
Total comprehensive Income for the year		-	-	300	(14)	286
Long-term incentive programme		-	-	2	-	2
Dividend/group contribution	17	-	-	(400)	-	(400)
Contributions by and distributions to owners		-	-	(398)	-	(398)
At 31 December 2021		29	1 075	(287)	(11)	806
At 1 January 2022		29	1 075	(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		-	(13)	-	-	(13)
Contributions by and distributions to owners		41	2 666	2	-	2 708
At 31 December 2022		70	3 741	(317)	3	3 496



| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 01 GENERAL INFORMATION AND BASIS FOR PREPARATION

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, with its 10 web-shops, is a leading player in e-commerce in the Nordic region. The bulk of products offered are in the field of electronics. The width of the number of product groups varies slightly in the different 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 in Norway and Sweden.

The following describes the main 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 22 March 2023, and it will be submitted for final approval of the general meeting on 9 May 2023.

Basis for preparations

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.

The consolidated financial statements are based on a modified historical cost principle. The exceptions from historical cost relates to financial assets and liabilities at fair value through profit or loss. The accounting principles used are consistent with those of last year. These consolidated financial statements have been prepared on the assumption of going concern.

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

The group's management assesses whether there is an impairment of an intangible asset when indicators indicate that the book value cannot be recovered. 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. To estimate the value of use, the group must estimate expected future cash flow from the cash flow-generating units, as well as select a suitable discount rate for the current value calculation of cash flow. 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 are expensed as long as these services do not create an intangible asset.

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 products sold returned, 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 to 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 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

Subsidiaries are all entities that the group has control over. Control over an entity occurs when the group is exposed to variability in the return from the entity and has the ability to influence that return through its power over the entity. Subsidiaries are consolidated from the day control is obtained and de consolidated when control ceases.

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.

Associated companies are entities where the group has significant influence, but not control (normally at a stake of between 20 per cent and 50 per cent). Associates are accounted for according to the equity method in the consolidated financial statements. The groups 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) 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 any contingent consideration agreement. Identified assets, liabilities and contingent liabilities are recognised at fair value at the transaction date. Non-controlling interests in the acquired entity are measured from a business combination to business combination either at fair value or to their share of the fair value of acquired entity's net assets.

Transaction cost related to acquisitions are expensed when they are incurred.

If business combinations take place in several stages, ownership from previous purchases shall be revalued at fair value when control is obtained with any changes in fair value recognised in profit or loss. Contingent consideration is measured at fair value at the transaction date. Subsequent changes in the fair value of the contingent consideration is recognised through profit or loss. For contingent consideration classified at equity is recognised in equity and is not subsequently remeasured.



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.

Transactions with non-controlling owners in subsidiaries that do not result in loss of control are treated as equity transactions. In the event of further purchases, the difference between the consideration and the shares' proportional share of the carrying amount of net assets in the subsidiary is recognised against the equity of the parent company's owners. Gains or losses on sale to non-controlling owners are recognised accordingly in equity.

Goodwill and other intangible assets with indefinite economic life are tested annually or more frequently if events or changes in circumstances indicate a potential for impairments. In connection with this, the intangible assets are allocated to cash flow-generating units or groups of cash flow-generating entities that are expected to benefit from the synergies of the business association. Each unit or group of units where goodwill has been allocated represents the lowest level of the enterprise where goodwill is followed up for internal management purposes. Goodwill is followed up by operating segment.

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. As an approach to the specific exchange rate each day the monthly average rates are used. 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 using average prices. The translation difference resulting from the conversion of foreign operations is recognised in other comprehensive income. Accumulated translation differences in equity are recycled into profit and loss upon divestment of foreign operations.

Revenues from contracts with customer

Revenue from sale of goods is recognised in the income statement when the product is delivered to the customer. 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 after ordinary invoice credit based on the company's credit rating.

Webhallen offers deferred payment to customers. The income from this includes forward fees, establishment fees, and interest income. The income is accrued based on effective interest rates and classified as operating income. In addition, Komplett offers a financing solution via the partners Komplett Bank and Resurs Bank. This generates a commission income which is recognised in the income statement as other operating income.

Komplett also offers the opportunity buy insurance through partners when purchasing specific products. Komplett receives a commission based on insurance policies sold.

NetOnNet offers the 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 is sold. Gift certificates 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 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

The group classifies its financial assets into one of the categories discussed below, depending on the financial asset's contractual cash flow characteristics and the group's business model for managing them. Apart from financial assets in a qualifying hedging relationship, the group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-the-money derivatives where the time value offsets the negative intrinsic value (see the "Financial liabilities" section for out-of-the-money derivatives classified as liabilities). They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line. Apart from derivative financial instruments which are not designated as hedging instruments, the group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

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.

The group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash

equivalents in the consolidated statement of financial position. Cash and cash equivalents includes cash in hand, deposits held at call with banks, and – for the purpose of the statement of cash flows – bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

Part of the bank deposits have limitations on disposition rights, see note 16.

Financial liabilities

The group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. Apart from financial liabilities in a qualifying hedging relationship (see below), the group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises out-of-the-money derivatives where the time value does not offset the negative intrinsic value. (See "Financial assets" for in-the-money derivatives and out-of-the-money derivatives where the time value offsets the negative intrinsic value). They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income. The group does not hold or issue derivative instruments for speculative purpose but for hedging purposes. Other than these derivative financial instruments, the group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include the following items: Bank borrowings and the group's redeemable preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Liability components of convertible loan notes are measured as described further below.

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.

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 which 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 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.

Property, plant, and equipment

Items of property, plant, and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant, and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Freehold buildings	2% per annum straight line
Plant and machinery	15%-25% per annum straight line
Fixtures and fittings	20% per annum straight line
Computer equipment	33% per annum straight line
Motor vehicles	33% per annum straight line

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:

- ▶ Trade names (indefinite)
- ▶ Non-contractual customer relationships (five 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 acquire, 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. (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 sold goods. 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 based on the in the countries that Komplett 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 re-assesses 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.



Pension

Defined contribution plans

Defined contribution plans comprise arrangements whereby the company makes monthly contributions to the employees' pension plans, and where the future pensions are determined by the amount of the contributions and the return on the individual pension plan asset. Payments related to the contribution plans are expensed as incurred, as a part of employee benefit expenses.

Participation in multi-employer schemes

In Norway, some of the employees are included in a multi-employer pension arrangement. The arrangement provides a lifelong addition to the ordinary pension. Employees can choose to take out the pension from the age of 62, also next to being in work, and it provides further earnings when working until the age of 67. The scheme is a defined benefit pension scheme and is funded through premiums that are determined as a percentage of salary. Currently, there is no reliable measurement and allocation of commitment and funds in the scheme.

In accounting, the scheme is treated as a defined contribution pension scheme, where premium payments are expensed on an ongoing basis, and no provisions are made in the accounts. The current premiums are set at 2.6 per cent of total salaries between 1G and 7.1G. As the scheme is set up as a pay as you go arrangement, the premiums are expected to increase in the years ahead.

In Sweden, some of the employees are included in a multi-employer pension arrangement (ITP2). This arrangement is split in two parts where one part is a lifelong pension based on final salary and another part where the company makes monthly contributions to the employees' pension plans. The future pension of the latter is determined by the amount of the contributions and the return on the individual pension plan asset. Following "Uttalande från rådet för finansiell rapportering", UFR10, this scheme is recognised as a defined contribution scheme. The premium for lifelong pension varies for each individual members, but the average premium for 2022 was 15.2 per cent.

The employees in Sweden who are not part of ITP2 arrangement are part of ITP1, which is a normal defined contribution scheme and recognised on an ongoing basis and no provision is made in the accounts.

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 2022:

- ▶ Annual Improvements to IFRS: 2018–2020 Cycle amendments to IFRS 1, IFRS 9, IAS 41 and the Illustrative Examples accompanying IFRS 16
- ▶ Conceptual Framework for Financial Reporting (Amendments to IFRS 3)
- ▶ IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)
- ▶ IAS 16 Property, Plant and Equipment (Amendment – Proceeds before Intended Use)

None of the amendments listed above have had any impact on the financial statements.

Standards and amendments issued but not yet effective
The following standards and amendments was mandatory application for the first time for the reporting period commencing after 1 January 2022:

- ▶ IFRS 17 Insurance Contracts
- ▶ Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement 2)
- ▶ Definition of Accounting Estimates (Amendment to IAS 8)
- ▶ Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- ▶ Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)
- ▶ IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)

None of the amendments listed above is expected to have any material any impact on financial statements.

NOTE 04 FINANCIAL INSTRUMENTS – RISK MANAGEMENT

General objectives, policies, and processes

The group is exposed to financial risk in various areas, including currency risk. The objective with financial instruments is to reduce the financial risk to the greatest extent possible. The company's current strategy includes

the use of financial instruments in the business in Sweden, while the the currency risk for the business in Norway is primarily sought reduced 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 to pay suppliers. Many of Komplett's products are purchased and sold in a market where prices can change up to several times per day. The best hedging of currency fluctuations has therefore historically been shown to be close follow-up and change of selling price, combined with high turnover rate of goods exposed to currency risk.

Capital management

The group assess its capital based on the desired equity ratio based on the risk assessments in the individual companies. 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 how much of the current results are distributed in dividends.

Currency risk

The group is exposed to currency exchange risk arising from the import of goods for sale, both into Norway and Sweden. These transactions are mainly settled in USD and EUR. As part of the company's revenues are in foreign currency, the group is also exposed to changes in exchange rates, especially SEK and DKK. The company has entered into forward contracts for the business in Sweden to reduce the company's foreign exchange risk and thereby reduce the operating market risk. This for the same reason as mentioned above.

The net exposure in each currency is as stated in the table below. The exposure is split on the functional currency of each subsidiary in the group.

31.12.2022 (All figures in OCur million)	Functional currency	
	NOK	SEK
Exposed currency		
NOK	-	40.0
SEK	5.9	-
EUR	0.5	6.3
USD	0.6	6.5
DKK	(3.1)	(0.7)
GBP	0.2	0.0
PLN	(0.7)	-

31.12.2021 (All figures in OCur million)	Functional currency	
	NOK	SEK
Exposed currency		
NOK	-	0.7
SEK	16.8	-
EUR	(0.3)	0.7
USD	0.5	0.2
DKK	(4.8)	7.7
GBP	0.2	0.0
PLN	(0.8)	-

Interest rate risk

The group has a net overdraft facility at the end of 2022 which has not been utilised, it has a loan linked to the deferred payment portfolio in Webhallen which is drawn with NOK 49.2 million, a credit facility in NetOnNet which is drawn with NOK 76.1 million, a long-term loan at the end of 2022 of NOK 400 million, and an agreement on floating interest for both bank deposits and overdrafts.

If interest rates change by one per cent, net interest expense changes by approx. NOK 1.6 million.

The group has income from credit via partial payment and deferred payment and changes in interest rates will affect these. A change in interest rates by one per cent will result in a change in revenues of NOK 1.3 million per an year.

Credit risk

The risk of selling to private end customers is limited by the average order size, and by the fact that in the vast majority of cases, the customer pays the goods credit card. Private individuals are normally not granted credit. New retailers and business customers are credit-rated by a dedicated credit department. Careful credit limits are set and



customers are manually assessed as soon as the credit limit is reached or they have overdue payments. Komplett issues only one debt collection notice 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 obtained where new credit information is collected from our partner Bisnode. Provisions 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.

At the end of the year, the receivables from deferred payment amounted to NOK 91 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 2022, the group has net unused overdraft rights of NOK 1 189.7 million. Net working capital is positive with NOK 644.5 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	2-3 years	4-5 years	After 5 years
31 December 2022						
Long-term loans ¹⁾	486	13	13	50	410	-
Short-term loans	634	634	-	-	-	-
Trade payables	1412	1412	-	-	-	-
Public duties	395	395	-	-	-	-
Other short-term liabilities	339	339	-	-	-	-
Total	3 285	2 792	13	50	410	-

Amounts in NOK million	Total	0-6 months	6-12 months	2-3 years	4-5 years	After 5 years
31 December 2021						
Long-term loans ¹⁾	446	5	5	21	415	-
Short-term loans	209	209	-	-	-	-
Trade payables	1124	1124	-	-	-	-
Public duties payable	293	293	-	-	-	-
Other short-term liabilities	212	212	-	-	-	-
Total	2 284	1 843	5	21	415	-

1) On 31 May 2021, Komplett ASA entered into a NOK 500 million unsecured revolving credit facility agreement with Skandinaviska Enskilda Banken AB (publ), with a three years' duration and 1+1 year renewal option. At 31 December 2022, NOK 400 million were utilised.



Financial instruments based on category

31 December 2022

Amounts in NOK million	Financial assets at fair value	Financial assets at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost
Assets				
Non-current receivables	-	5	-	-
Other non-current financial assets	-	3	-	-
Trade receivables	-	400	-	-
Other current financial asset	-	589	-	-
Cash	-	149	-	-
Currency forwards	2			
Liabilities				
Long-term loans	-	-	-	400
Short-term loans	-	-	-	625
Trade payable, public duties payable, and other current liabilities	-	-	-	2 148

31 December 2021

Amounts in NOK million	Financial assets at fair value	Financial assets at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost
Assets				
Non-current receivables	-	34	-	-
Trade receivables	-	806	-	-
Other current financial asset	-	346	-	-
Cash	-	41	-	-
Liabilities				
Long-term loans	-	-	-	400
Short-term loans	-	-	-	207
Trade payable, public duties payable, and other current liabilities	-	-	-	1 629



NOTE 05 SEGMENT INFORMATION

Through its well-known brands Komplet, NetOnNet, Webhallen, and Itegra, 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 ten webshops, 17 physical shops, and 30 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), a private company or a public entity. Further, the sale to private companies is divided into sale to resellers (Distribution) and sale to companies where the company is the end user (B2B). The segmentation is independent of the legal structure of Komplet Group and doesn't 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. Komplet Group 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

Komplet Group's operations in the B2C segment cover sales to private consumers across Norway, Sweden, and Denmark through the brands Komplet, 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. Komplet serves its B2C customers on the platforms Komplet.no, Komplet.se and Komplet.dk. Komplet 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 17 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 30 complementary self-service, logistics and warehouse shops located in Sweden and Norway.

B2B

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

Komplet B2B offers its customers a fully digital customer journey through its web shops Kompletbedrift.no and Kompletforetag.se and serving the Norwegian and Swedish market, respectively. Komplet Group further expanded its operations in the B2B segment during 2021 through the acquisition of Ironstone, which is a pure cloud technology company offering IT services to corporate customers that complement traditional hardware purchases. Ironstone was consolidated into the group's operations from 1 September 2021, and its operations are reflected in the B2B segment reporting from this date.

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 are excluded from the business segments.

The segmentation above is according to the internal reporting on both daily and monthly basis. Further, the segments has separate management and employees to run their business. Every month, the segments need to report to the executive management team.

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 - 2022

Amounts in NOK million	B2C	B2B	Distribution	Other	IFRS 16	Total
Operating income						
Revenues from contract with customers	9 606	1 501	3 191	-	-	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, amortisation, and impairments	(64)	(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)

Profit or loss - 2021

Amounts in NOK million	B2C	B2B	Distribution	Other	IFRS 16	Total
Operating income						
Revenues from contract with customers	6 298	1 495	3 110	-	-	10 903
Other operating revenues	84	33	14	21	(12)	140
Total operating income	6 382	1 528	3 124	21	(12)	11 043
Operating expenses						
Cost of goods sold	(5 399)	(1 252)	(2 931)	1	-	(9 581)
Employee benefit expenses	(331)	(63)	(65)	(52)	-	(511)
Depreciation, amortisation, and impairments	(48)	(9)	(6)	(1)	(65)	(129)
Other operating expenses	(375)	(57)	(44)	(62)	85	(453)
Total operating expenses	(6 153)	(1 382)	(3 046)	(114)	20	(10 674)
OPERATING RESULT	229	146	79	(93)	9	369
Financial income and financial expenses						
Share of profit or loss from associates	-	-	-	3	-	3
Financial income	-	-	-	1	2	3
Financial expenses	-	-	-	(15)	(14)	(28)
Net financial items	-	-	-	(10)	(12)	(22)
PROFIT OR LOSS BEFORE TAXES	229	146	79	(104)	(3)	347



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

Amounts in NOK million	2022	2021
Sale to consumers (B2C)	9 785	6 382
Sale to corporates (B2B)	1 615	1 528
Sale to resellers (B2B)	3 207	3 124
Other	11	9
Total	14 618	11 043

Revenues based on geographic location of customers

Amounts in NOK million	2022	2021
Norway	7 351	7 126
Sweden	7 025	3 553
Denmark	243	364
Total	14 618	11 043

Revenues by product or service

Amounts in NOK million	2022	2021
Sale of goods	14 299	10 903
Commission from deferred payment and sale of insurance	319	140
Total	14 618	11 043

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 varies 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 it is certain that a significant reversal of income will not 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 Komplet Bank 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 part variable part is postponed until the group is entitled to the consideration.

Gift certificates

Gift certificates can be purchased in all webshops and physical stores. The value of the gift certificates can vary as can the expiration time. Until the gift certificate has been applied to purchase products, or until the certificate has expired, there is recognised a liability in the balance sheet.

Contract balances for contracts with customers

Amounts in NOK million	2022	2021
Refund liabilities	21	5
Provision for warranties	20	17
Customer loyalty programme	8	-
Gift certificates	38	24
Total	86	46

NOTE 07 EMPLOYEE BENEFIT EXPENSES AND AUDIT FEES

Amounts in NOK million	2022	2021
Salaries	530	298
Social security expenses	138	67
Contribution to pension schemes	39	20
Fees for external staff	89	87
Share option plan (see note 18)	2	2
Bonuses	9	28
Other expenses	13	9
Total	820	511

The number of man-years that has been employed during the financial year: 1251 565

Key management compensation in 2022:

Amounts in NOK million	Salary	Bonuses earned	Pension	Other benefits	Value of options granted	Total
Lars Olav Olaussen, CEO	4.48	-	0.02	0.26	-	4.76
Krister Pedersen, 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, chief HR officer	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 (Jan-Mar)	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 & Integra (interim) (Sep-Dec)	1.53	-	0.01	0.01	-	1.55
Susanne Holmström, deputy CEO and managing director of NetOnNet (Apr-Dec)	3.45	1.65	1.46	0.10	-	6.67
Anders Torell, Managing director of Webhallen (Apr-Dec)	2.16	-	0.55	0.05	-	2.75
Roger Sandberg, chief procurement officer (Apr-Dec)	2.06	1.00	0.71	0.26	-	4.03
Martin Klafstad, managing director of Komplet	3.90	-	-	-	-	3.90
Total	29.57	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 share
- ▶ 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.

Key management compensation in 2021:

Amounts in NOK million	Salary	Bonuses earned	Pension	Other benefits	Value of options granted	Total
Lars Olav Olaussen, CEO	3.85	2.81	0.02	0.26	0.92	7.87
Krister Pedersen, CFO	2.24	1.78	0.02	0.01	0.58	4.63
Trine L. Jensen, chief information & operating officer	2.17	1.58	0.02	0.22	0.52	4.51
Kristin H. Torgersen, HR director (interim) (May-Dec)	1.09	0.99	0.02	0.20	-	2.29
Kjetil Wisløff, category and buying director (Mar-Dec)	1.96	1.62	0.02	0.11	0.64	4.34
Henri Blomqvist, managing director Webhallen	2.52	1.47	0.73	0.30	0.58	5.61
Kristin Hovland, head of communication and advisor to CEO	0.71	0.55	0.01	0.01	0.18	1.46
Hanne Elisabeth Hagen, HR director	1.50	-	0.02	0.13	0.36	2.02
Per Skøien, head of category and procurement	1.52	0.99	0.02	0.21	0.36	3.11
Stian Gabrielsen, director B2B & Integra (Jan-Aug)	2.08	-	0.02	0.01	0.50	2.62
Kristoffer G. Langballe (Jan-Apr)	0.73	0.40	0.01	0.05	-	1.18
Mats Hansen, category and buying director (Jan-Apr)	0.52	0.38	0.01	0.00	-	0.91
Jan Erik Svendsen, director B2B & Integra (interim) (Sep-Dec)	0.38	0.40	0.01	0.01	0.22	1.01
Total	21.26	12.96	0.95	1.51	4.87	41.56

- ▶ The bonus scheme for group management consists of the following elements: 1) budgeted EBIT, 2) budgeted sale, 3) discretionary share
- ▶ 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	2022	2021
Jo Lunder (22-24)	Chair	Compensation	0.48	0.22
Nils Selte (21-Jun 22)	Chair	Compensation	0.18	0.37
Lars B. Thoresen (19-23)	Director	Audit	0.41	0.27
Sarah Willand (21-23)	Director	Compensation	0.38	0.25
Jennifer Geun Koss (20-23)	Director	Audit	0.36	0.38
Anders Odden (18-23)	Worker director		0.15	0.14
Nora Eldås (21-23)	Worker director		0.15	0.10
Camilla Johansen (19-21)	Worker director		-	0.03
Sverre Kjær (21-23)		Nomination	0.08	-
Karin B. Ørgland (21-23)		Nomination	0.04	-
Nina C. H. Sørli (21-23)		Nomination	0.04	-
Total			2.27	1.76

Effective since June 2021, a long-term incentive programme (the "LTI program") was established for the executive management team, key employees and certain identified young talents. At 31 December 2022, 23 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
Lars Olav Olaussen, CEO	58 127	-	-	-	-	58 127	64.43	3.48
Krister Pedersen, CFO	36 711	-	-	-	-	36 711	64.43	3.48
Trine L Jensen, Head of group supply chain / IT program	32 668	-	-	-	-	32 668	64.43	3.48
Kjetil Wisløff, category and buying director (Mar 21 - Mar 22)	40 566	-	(40 566)	-	-	-	-	-
Henri Blomqvist, managing director Webhallen (Oct 20 - Apr 22)	36 714	-	(29 372)	-	-	7 342	61.80	3.48
Per Skøien, head of category and procurement (Sep 19 - Mar 22)	22 944	-	-	-	-	22 944	64.43	3.48
Jan Erik Svendsen, director B2B & Integra (interim) (Sep 21 - Mar 22)	13 575	-	-	-	-	13 575	64.43	3.48
Total	275 415	-	(88 294)	-		187 121	-	-

(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 vests 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.

Shares held by group management and board members at 31 december 2022:

	Number of shares
Lars Olav Olaussen, CEO (R og L Invest AS)	516 164
Susanne Holmström, deputy CEO and managing director of NetOnNet	48
Krister Pedersen, CFO (Crit AS)	174 684
Trine L Jensen, Head of group supply chain/IT program (TLJ Invest AS)	102 590
Kristin H Torgersen, chief HR officer	11 835
Jon Martin Klafstad, managing director of Komplett (AS Master Trading)	50 564
Anders Torell, managing director of Webhallen (Grand Mosse Konsult AB)	16 949
Jo Olav Lunder, Chair (Cigalep AS)	391 777
Fabian Bengtson, Director (SIBA Invest AB)	55 581 404
Lars Bjørn Thoresen, Director (LT Invest AS)	378 646
Jennifer Geun Koss, Director	4 166
Anders Odden, Worker director	8 333
Total	57 237 160

Pension:

Komplett is obliged to have occupational pension pursuant of the Mandatory Occupational Pension Act and in 2006 established a scheme with a defined contribution pension for employees in Norway. The scheme complies with the requirements of this Act. Employees in the Norway also have a contractual pension scheme (AFP). Due to the employee's age composition, obligations related to this are not actuated and no obligation has been made relating to this. This year's recognised expenses for defined contribution plans (including multi employer plans) amount to NOK 11.4 million

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 a fixed contribution. ITP2 is a multi-employer plan and fully recognised as a defined contribution plan. This according to UFR10 "Uttalande från rådet för finansiell rapportering". ITP1 is a defined contribution plan and in total, this year's recognised expenses for defined contribution plans amount to NOK 27.8 million.



Audit fees

The table below shows BDO and Deloitte's 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	2022	2021
Statutory audit	4.41	2.80
Other assurance services	0.22	0.31
Other non-assurance services	0.23	0.85
Total	4.86	3.96

NOTE 08 FINANCE INCOME AND EXPENSES

Finance income

Amounts in NOK million	2022	2021
Interest income	1.69	1.03
Interest from leases	0.26	1.90
Other finance income	0.17	0.23
Total financial income	2.13	3.16

Finance expenses

Amounts in NOK million	2022	2021
Interest on debts and borrowings	82.66	14.46
Interest on leases	17.89	13.70
Foreign exchange losses	(0.13)	(0.21)
Other finance expenses	10.48	0.42
Total finance expenses	110.90	28.37



NOTE 09 INCOME TAX

Taxable income

Amounts in NOK million

	2022	2021
Result from continued operations	(98)	347
Result from discontinued operations	12	-
Non taxable items ¹⁾	51	8
Correction of previous years	-	(96)
Use of tax loss carried forward	(218)	(34)
Changes in temporary differences	45	(22)
Taxable income	(208)	202
Income tax expense:		
Current income tax	(29)	66
Correction of previous years current income taxes ²⁾	(0)	(21)
Changes in deferred tax	(24)	2
Total income tax expense	(54)	48
Income tax expenses from discontinued operation	3	-
Income tax expense from continued operation	(56)	48
Total income tax expense from continued - and discontinued operation	(54)	48
Income tax expense Norwegian operations	(39)	53
Income tax expense foreign operations	(15)	(5)
Total income tax expense	(54)	48



Temporary differences and tax positions

Amounts in NOK million	2022	2021
Intangible assets	1437	89
Property, plant, and equipment	(26)	(84)
Inventories	(34)	(19)
Receivables	(6)	(3)
Provisions	(28)	(26)
Tax losses carried forward ³⁾	(352)	(282)
Total temporary differences and tax positions	992	(324)
Temporary differences and tax positions not included in the basis for deferred tax	202	208
Basis for deferred tax	1194	(116)
Net deferred tax	245	(25)

Specification in the statement of financial position:

Deferred tax asset	245	(25)
Net deferred tax	245	(25)

Tax payable in the statement of financial position:

Current income tax payable ⁴⁾	(29)	66
Used not capitalised deferred tax asset	47	-
Prepaid tax	(1)	2
Net tax payable	17	68

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) NOK 22 million is a result of a positive outcome in a tax case that applies to the years 2012 to 2016 and which has not previously been included in the basis for capitalised deferred tax assets

3) The tax loss carried forward has occurred in the period 2002 - 2019. 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.

4) The main part of this tax claim lapses in the event of a positive outcome in an unresolved tax case

Reconciliation of effective tax rate

Amounts in NOK million	2022	2021
Profit before tax	(86)	347
Income tax based on applicable tax rate (22%)	(19)	76
Effect from foreign currency and different tax rates	1	(0)
Changes in not recognised tax loss carried forward	0	3
Effect of income from associated company after tax	(1)	(0)
Correction of previous years current income taxes	(0)	(21)
Not deductible expenses	12	2
Effect of used not capitalised deferred tax asset	(47)	(1)
Effect of recognition of deferred tax asset	-	(11)
Income tax expense	(54)	48
Effective tax rate	62.8%	13.7%



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. On the 28th of May, the shareholders meeting resolved to merge the two separate classes of shares, by changing all shares to ordinary shares. For the calculation of earning per share this is treated as

a settlement of the preference shares by issuing ordinary shares. The difference between the fair value the ordinary shares "issued" and the carrying amount of the preference shares settled is charged against the result allocated to the holders of ordinary shares. Dividends paid or payable to the holders of preference shares is also charged against the result allocated to the holders of ordinary shares.

Earnings per share

Amounts in NOK million	2022	2021
Result allocated to the holders of ordinary shares		
Profit from continuing operations	(42)	300
Profit from discontinued operations	10	0
Dividend payable to preference share holders	-	(48)
Additional dividend paid to holders of preference shares	-	(173)
Difference between fair value and carrying amount on conversion ¹⁾	-	(1 775)
Result allocated to the holders of ordinary shares	(32)	(1 696)
Profit from discontinued operations	10	0
Profit from continued operations	(42)	(1 696)
Average number of shares		
Shares at the beginning of the period	72 255 155	4 335 309
Effect of merging the two classes of shares	-	5 900 838
Effect of new shares	32 459 501	-
Average number of shares	104 714 656	10 236 147
Effect of 1 to 5 split ²⁾		51 180 734
Earnings per share (basic and diluted) - in NOK	(0.31)	(33.14)
Earnings per share (basic and diluted) in NOK from continuing operations	(0.40)	(33.14)

1) Canica holds 100 per cent of the preference shares and close to 100 per cent of the ordinary shares. The theoretical loss/charge towards the result allocated to the holders of ordinary shares is an off market transaction, and the charge included above holds little meaning and is just theoretical.

2) In May, the shareholders at the shareholders meeting resolved a 1 to 5 split of the shares in the company. For the calculation of earnings per share, the split is adjusted for retrospectively.

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 2022.



NOTE 11 INTANGIBLE ASSETS

Amounts in NOK million	Goodwill	Software	Other intangible assets	Total
Cost at 31 December 2021	553	545	243	1 341
Additions from acquisition of companies	1 688	63	1 381	3 132
Additions	-	89	-	89
Disposals	-	(2)	-	(2)
Foreign currency effects	10	(0)	7	16
Cost at 31 December 2022	2 251	694	1 631	4 576
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)
Carrying amount at 31 December 2021	433	113	73	620
Carrying amount at 31 December 2022	2 131	218	1 424	3 773
Carrying amount of assets with indefinite life	2 131	-	1 127	3 259
Amortisation rate		15 - 25%	14 - 20%	

The group amortises all intangible asset based on the linear method.

Useful economic life

	2022	2021
Customer relations	5 - 7 year	5 - 7 year
Software	3 - 7 year	3 - 7 year

Other intangible assets relate to the purchase of brand names, customer relationships and added value on leases. 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 units for the impairment test.

Intangible assets by segment or CGU at 31 December 2022

Amounts in NOK million	Goodwill	Trade names	Customer relations	Total
CGU/Segment				
Komplett B2C	148	-	-	148
Komplett B2B	223	-	-	223
Itegra	68	5	-	73
Webhallen Sweden AB	290	48	-	338
Ironstone	78	5	10	94
NetOnNet	1 324	1 069	287	2 679
Total at 31 December 2022	2 131	1 127	297	3 555

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 the value of the asset for the business (value of use).

The impairment tests are based budgets for next year with a projection based on long-term strategic plans. The management has set budgeted figures for 2023 based on previous performance and expectations for market developments. Growth rates for the period 2023 - 2027, are in accordance with the management's long-term plan and are used as projections of budgeted figures for 2023. After 2027 two per cent perpetual growth is based on cash flows in the year 2027. The discount rate used is after tax and reflects specific risks to the relevant operating segment/CGU.

Impairment test of the cash-generating unit Komplett B2C

The impairment test shows that the calculated value in use estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of -1.7 per cent to 11.2 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range 1.9 - 4.2 per cent in the first five-year period, and 3.0 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.

In per cent

Change in revenues growth	N/A
Changes in EBIT margin	Decrease from 3.0 to -0.1%
Change in discount rate	increase from 11.0% to 34.2%

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 Komplett B2B

The impairment test shows that the calculated value in use estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of 2.0 - 12.4 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range 8.8 - 10.8 per cent in the first five-year period, and 8.0 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.

In per cent

Change in revenues growth	N/A
Changes in EBIT margin	Decrease from 8.0% to -1.4%
Change in discount rate	Increase from 11.0% to 43%

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 estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of 2.0 - 5.8 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range 2.1 - 2.4 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 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	N/A
Changes in EBIT margin	Decreased from 2.4% to 1.2%
Change in discount rate	Increased from 11% to 16.8%

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 Webhallen Sweden AB

The impairment test shows that the calculated value in use estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of 3.0 - 9.4 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range -0.1 per cent to + 3.5 per cent in the first five-year period, and 3.5 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

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	Decrease from 2.0% to -0.9%
Changes in EBIT margin	Decrease from 3.5% to 2.7%
Change in discount rate	Increase from 10.0% to 11.7%

The value in use is close to the carrying amount and changes in key assumption might change the conclusion related to impairment. Calculated headroom 31 December 2022 is SEK 131 million.

Impairment test of the cash-generating unit Ironstone

The impairment test shows that the calculated value in use estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of 15 - 59 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range 3.1 - 8.7 per cent in the first five-year period, and 6.2 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 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	Decreased from 2.0 to -3.1%
Changes in EBIT margin	Decreased from 6.2 to 3.8%
Change in discount rate	Increased from 12.0 to 15.3%

The value in use is close to the carrying amount and minor changes in key assumption might change the conclusion. Calculated headroom 31 December 2022 is NOK 38 million.

Impairment test of the cash-generating unit NetOnNet

The impairment test shows that the calculated value in use estimated usage value 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 residual value after year five. The cash flows estimate includes estimated annual growth of negative 3 per cent to positive 10 per cent in revenues in the first five-year period, which is reduced to a 2.0 per cent perpetual growth from year 6. The EBIT margin is assumed to be in the range 2.1 - 5.6 per cent in the first five-year period, and 5.0 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

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	Decreased from 2.0 to 1.7%
Changes in EBIT margin	Decreased from 5.0 to 4.9%
Change in discount rate	Increased from 10.0 to 10.2%

The value in use is close to the carrying amount and minor changes in key assumption might change the conclusion. Calculated headroom 31 December 2022 is SEK 75 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
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)
Carrying amount at 31 December 2021	3	25	28
Carrying amount at 31 December 2022	13	121	134
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	2022	2021
At 1 January	10.8	8.7
Share of profit after tax	4.4	3.2
Dividend	(1.6)	(1.1)
At 31 December	13.6	10.8

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	2022	2021
Assets	17.4	14.3
Liabilities	1.8	1.9
Equity	15.5	12.4
Revenues	24.5	20.1
Total operating expenses	(17.9)	(15.1)
Net financial items	(0.2)	0.0
Profit of the year	6.3	5.0

NOTE 14 TRADE AND OTHER RECEIVABLES

Trade receivables

Amounts in NOK million	2022	2021
Trade receivables at face value at 31 December	315	684
Less: Provision for impairment of trade receivables	(6)	(8)
Net trade receivables	309	676
Receivables written off during the years	15	8
Collected on receivables written off in prior periods	(3)	(3)
Changes in provision during the year	(2)	2
Impairment loss during the year	10	8

The lifetime expected loss provision for trade receivables is as follows:

	Total	Current	0-30d	30-60d	60-90d	>90d
At 31 December 2022	309	225	58	12	9	6
At 31 December 2021	676	579	82	8	4	4



Receivables from deferred payment arrangements

Amounts in NOK million	2022	2021
Gross amount receivable at 1 January	135	166
Less provision at 1 January	(5)	(14)
Carrying amount 1 January	130	152
Additions during the year	101	88
Down payments	(127)	(122)
Interest income	21	25
Net losses during the year	(2)	(22)
Change in loss provision	(3)	8
Carrying amount¹⁾ at 31 December	119	130
Receivables due during next twelve months	78	51
Receivables due after twelve months	21	84
Less provision for losses	(9)	(5)
Total	91	130

1) Carrying amount = gross receivables - loss provision

Other current receivables

Amounts in NOK million	2022	2021
Public duties receivable (VAT)/Tax	3	-
Receivables from suppliers	332	261
Current lease liabilities	-	12
Prepaid payroll element on option	11	21
Other receivables and prepaid expenses	117	21
Sum	464	315

Non-current receivables

Amounts in NOK million	2022	2021
Rent deposits	4	1
Warranty - The Swedish Customs	1	1
Pension premium fund	3	1
Other non-current receivables	-	1
Non-current lease receivable	-	32
Sum	8	34



NOTE 15 INVENTORIES

Amounts in NOK million	2022	2021
Inventories carried at cost	1979	1316
Provision not allocated to specific goods	(50)	(20)
Booked value	1928	1305

Amounts in NOK million	2022	2021
Changes in provision for impairment included in cost of cost sold	9	5

NOTE 16 CASH AND CASH EQUIVALENTS

Amounts in NOK million	2022	2021
Cash at hand and on demand bank deposits	149	41

Restricted funds

Amounts in NOK million	2022	2021
Bank deposits bound for payment of tax due	2.2	0.8
Rent deposits	1.2	-

NOTE 17 SHARE CAPITAL, SHAREHOLDER INFORMATION, AND DIVIDEND

Number of shares

	2022	2021
Ordinary shares	175 297 579	72 255 155

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	1075
31 December 2020	14 451 031	2.00		29	1075
May 2021	72 255 155	0.40	Split ¹⁾	29	1075
31 December 2021	72 255 155	0.40		29	1075
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

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 2022

	Name	Holding	Stake	Type of account
1	Canica Invest AS	74 376 317	42.43%	Ordinary
2	SIBA Invest AB	55 581 404	31.71%	Ordinary
3	Verdipapirfondet Alfred Berg Gambak	5 532 206	3.16%	Ordinary
4	The Bank of New York Mellon	4 398 418	2.51%	Nominee
5	The Bank of New York Mellon	3 331 182	1.90%	Nominee
6	The Northern Trust Comp, London	3 300 000	1.88%	Nominee
7	Verdipapirfondet Holberg Norge	2 100 000	1.20%	Ordinary
8	Verdipapirfondet Holberg Norden	2 100 000	1.20%	Ordinary
8	Morgan Stanley & Co. Int. Plc.	1 887 234	1.08%	Nominee
10	Sole Active AS	1 883 646	1.07%	Ordinary
11	Wenaasgruppen AS	1 273 370	0.73%	Ordinary
12	Verdipapirfondet Storebrand Norge	1 174 943	0.67%	Ordinary
13	BNP Paribas	1 162 340	0.66%	Nominee
14	Verdipapirfondet Pareto Investment	1 145 000	0.65%	Ordinary
15	Citibank, N.A.	910 735	0.52%	Nominee
16	UBS Europe SE	898 359	0.51%	Nominee
17	Strømstangen AS	713 539	0.41%	Ordinary
18	Vineberg Invest AS	713 538	0.41%	Ordinary
19	Nian AS	685 625	0.39%	Ordinary
20	UBS AG	618 057	0.35%	Nominee
Total top 20		163 785 913	93.43%	
Total number of shares		175 297 579	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
Lars Bjørn Thoresen (LT Invest AS)	Director	378 646
Jennifer Koss	Director	4 186
Anders Odden	Worker director	8 333
Lars Olav Olaussen (R og L Invest AS)	CEO	516 164

Dividends/group contributions

The company has paid out the following dividends (group contributions):

Amounts in NOK million	2022	2021
Extraordinary dividends to A-shares	-	400



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 2022, 23 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.

No options were granted during 2022.

Total costs and social security provisions

Amounts in NOK million	2022	2021
Total IFRS cost	1.72	2.30
Total social security provisions	-	0.11

Quantity and weighted average prices

Activity	2022		2021	
	Number of instruments	Weighted average Strike price	Number of instruments	Weighted average Strike price
Outstanding options 1.1	618 025	64.43	-	-
Granted	-	-	651 107	64.43
Terminated	(217 000)	64.62	(33 082)	64.43
Outstanding options 31.12	401 025	64.32	618 025	64.43
Vested CB	92 973	61.80	-	-

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	



Outstanding Instruments Overview at 31. December 2021

Expiry/vesting date	Strike price	Number of instruments	Outstanding Instruments	
			Weighted average remaining contractual life	Weighted average strike price
2022	61.80	123 594	4.48	61.80
2023	63.65	123 594	4.48	63.65
2024	65.56	370 837	4.48	65.56
Total		618 025		

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 2021	255	-	255
Additions incl. adjustments to existing contracts	70	-	70
Amortisation	(65)	-	(65)
Foreign currency effects	(6)	-	(6)
At 31 December 2021	253	-	253
At 1 January 2022	253	-	253
Additions from acquisition of companies	336	2	339
Additions incl. adjustments to existing contracts	105	0	106
Amortisation	(140)	(1)	(141)
Foreign currency effects	3	-	3
At 31 December 2022	557	2	559

Economic life/lease term

1-9 years

Amortisation method

Straight line

Lease liabilities

Amounts in NOK million	31.12.2022	31.12.2021
Undiscounted lease payments and year of payment		
Less than 1 year	172	80
1-2 years	150	71
2-3 years	114	58
3-4 years	70	45
4-5 years	42	26
More than 5 years	51	67
Total undiscounted lease payments	599	347



Summary of the lease liabilities

Amounts in NOK million	2022	2021
At 1 January 2022	310	318
Additions	379	70
Interest expenses	18	14
Lease payments	(165)	-85
Foreign currency effects	16	-6
Total lease liabilities at 31 December	558	310

Whereof:

Current lease liabilities	167	80
Non-current lease liabilities	391	230

Total cash outflows for leases	165	85
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The lease contracts do not include any restrictions with regards to the group's dividend policy or financing opportunities.

Lease payment expensed

Amounts in NOK million	2022	2021
Summary of the right-of-use assets		
Expensed lease payment for short-term leases and low value leases	17.6	2.4
Variable lease payments	22.4	0.1

Lease receivable from finance lease

The group subleases the facilities that were used by the subsidiary Marked Gruppen AS. The sublease is for the remaining lease period and is therefore a finance lease.

Amounts in NOK million	2022	2021
At 1 January 2020		-
Additions		60
Interest income		2
Lease payments received		(11)
Total lease receivable at 31 December 2020		51

At 1 January	43	51
Additions	(31)	2
Interest income	0	2
Lease payments received	(13)	(12)
Total lease receivable at 31 December	-	-

Whereof:

Current lease receivable	-	12
Non-current lease receivable	-	32



NOTE 20 OTHER CURRENT LIABILITIES AND LONG-TERM DEBT

other current liabilities

Amounts in NOK million	2022	2021
Provision for service and guarantee obligations	30	17
Accrued employee benefit expenses	89	62
Provision from contract with customer (cf. note 6)	86	46
Other short term liabilities	132	86
Total other current liabilities	337	212

Long term debt

Amounts in NOK million	2022	2021
Long-term loans	400	400
Lease liabilities	391	230
Total long term debt	791	630

NOTE 21 PROVISION FOR SERVICE AND GUARANTEE OBLIGATIONS

Amounts in NOK million	2022	2021
At 1 January	17	15
Additions from acquisition of companies	15	-
Utilised during the year	(29)	(3)
Additions services and guarantee obligations for the year	27	5
At 31 December	30	17

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.

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)	(1 071)



2021

Amounts in NOK million	Non-current loans and borrowings	Current loans and borrowings	Other non-current financial liabilities	Total
At 1 January 2021	-	(48)	-	(48)
Cash flows	(400)	(160)	-	(560)
Non-cash flows:				
- Fair value adjustments of issued put liability	-	-	(49)	(49)
At 31 December 2021	(400)	(207)	(49)	(656)

NOTE 23 PLEDGES AND GUARANTEES

Amounts in NOK million	Classification	Total facility	Covenants (C)/Pledge (P)	Utilised 31.12.2022	Utilised 31.12.2021
Type					
Revolving credit facility	Long-term loans	NOK 500 million	C - leverage ratio < 3.00	400	400
Overdraft facility	Bank overdraft	NOK 500 million	C - acc. receivable/ Inventory > 500	-	162
Credit facility	Bank overdraft	SEK 100 million	P - sales agreements eligible of financing > 0	49	45
Revolving Credit facility	Short-term loans	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				1025	607

On 31 May 2021, Komplett ASA entered into a NOK 500 million unsecured revolving credit facility agreement with Skandinaviska Enskilda Banken AB (publ), with a three years' duration and 1 + 1 year renewal option. At 31 December 2022, NOK 400 million were utilised. The group has a Cash pool with a multi-currency overdraft limit of NOK 500 million, at 31 December 2022. This has not been utilised at 31 December 2022. Komplett Services AS is the principal in the cash pool arrangement. In addition, there is a credit facility secured by collateral in Webhallen's Swedish receivables from deferred payment arrangements. The agreement is limited up to SEK 100 million, at 31 December 2022, SEK 52 million were utilised. NetOnNet AB has a revolving credit facility of SEK 650 million, as at 31 December 2022, SEK 80 million were utilised.

The bridge loan is linked to the acquisition of the shares in NetOnNet AB and was initially of NOK 1500 million, as at 31

December 2022 the bridge loan was NOK 500 million. Covenants are measured and reported quarterly. The group was in compliance with financial covenants in 2022.

In December 2022, the company has secured a new revolving credit facility in the amount of NOK 1300 million and an overdraft facility in the amount of NOK 400 million (increased to NOK 500 million in Q4 each year). These will be effect in Q1 2023 and replace all the beforementioned facilities except the bank overdraft of SEK 100 million which will continue as before.

In 2022, the company entered into a factoring agreement with Resurs Bank and at 31 December 2022, there is a pledge in trade receivables in Komplett Services AS and Komplett Distribusjon AS of NOK 900 million respectively.



Financial guarantees

Amounts in NOK million	2022	2021
Guarantees related to leases	24	6
The tax collector	12	12
Total	36	18
Total mortgage-backed liabilities and financial guarantees	161	64

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		2022	2021
Kullerød Eiendom AS ¹	Lease of office and warehouse	26	25
F&H Asia Limited ¹	Purchase of products	66	108
Resurs & Solid ²	Sales of products	7	-
Resurs & Solid ²	Sale of services and profit sharing	103	-
SIBA Fastigheter AB ²	Lease of office and warehouse	13	-
Total		215	133

1) Related entities owned by the company's ultimate parent company in the greater Canica group of companies.

2) Related entities owned by the company's ultimate parent company in the greater Siba group of companies.



NOTE 25 CONSOLIDATED COMPANIES

The following companies are included in the consolidated financial statement for 2022

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	72.15%
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 AND DISCONTINUED OPERATIONS

Business combinations in 2022

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.

NetOnNet Group was founded in 1999, and believes it is a leading online-first electronics platform that offers both well-known third party brands and private label products. Sales are generally generated online, as well as through complementary service centres in Sweden and Norway. NetOnNet Group is known for low prices and a passion for making electronics accessible in the most convenient way possible. The customer loyalty club, "Klubbhyllan", has over one million members and represents a majority of NetOnNet Group's revenue. NetOnNet Group is headquartered in Viared, outside Borås, Sweden.

Based on the purchase price allocation the fair value of identifiable assets acquired and liabilities assumed at the acquisition date are 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 Komplett B2C and NOK 70 million to CGU Komplett B2B. Total acquisition costs amounted to NOK 39 million and are classified under other operating expenses.

In the period between the acquisition date and 31 December 2022, NetOnNet contributed with NOK 4 784 million to the group's total revenue and a profit of NOK 42.8 million to the group's operating result (EBIT).

If the acquisition had occurred at the beginning of 2022, revenues for 2022 and profit before taxes for 2022 for the group would have been NOK 6 252 million and NOK 31 million respectively.

Changes in business combinations prior periods

During 2022, the purchase obligation identified in the acquisition of Ironstone has been revalued. On 31 December 2022 the obligation is NOK 37 million and the revaluation effect of NOK 4 million has been recognised as Other operating expenses in the statement of comprehensive income.

Business combinations in 2021

On 26 August 2021, Komplett ASA entered into an agreement to acquire 65 per cent of the shares in Ironstone Holding AS, a leading supplier of cloud-based IT solutions and services for a cash settlement of NOK 62 million. Komplett will acquire 54.3 per cent of the shares from the current shareholders, and as part of the transaction, Komplett will inject NOK 35 million in new equity, giving Komplett a total

ownership of 65.1 per cent. The capital injection will be divided into two equally sized tranches, of which the first will be paid immediately after closing and the second will be paid in 2022. At 31 December 2021, Komplett has a total ownership of 60.42 per cent. Komplett ASA has entered into a sales and purchase option agreement with the minority interest in Ironstone AS for the remaining 35 per cent of the shares. The purchase will thus be accounted for as an acquisition of 100 per cent of the shares in Ironstone AS. An obligation of NOK 52 million which reflects the fair value of the remaining obligation was recognised at the acquisition date. Subsequent changes in the purchase obligation will be recognised in the statement of profit or loss. The transaction costs related to the acquisition were approximately NOK 5 million, and have been recognised as other operating expenses.

This acquisition meets the growing demand from corporate customers for basic IT services to complement traditional hardware purchases. The pure cloud technology and IT service offered by Ironstone makes a strategically good fit with Komplett's wide-ranging customer base. Ironstone leverages the Microsoft Cloud technology platform to provide IT services to both large corporations and small and medium-sized enterprises. The core offering comprises cutting edge innovative managed services, built on top of Microsoft technologies such as Microsoft Azure, Microsoft 365 and security, as well as consulting and migration. Its experienced team of ~20 employees generated revenues of NOK ~68 million in 2020 and a positive EBITDA contribution. Since its foundation in 2016, they have grown its customer base to count ~100 and receive excellent customer satisfaction scores.

Based on the purchase price allocation, the fair value of identifiable assets acquired and liabilities assumed at the acquisition date are as follows:

Identifiable assets acquired and liabilities assumed

Amounts in NOK million	Fair value
Brand name	5
Customer relations	14
Fixed assets	0
Other assets	13
Total assets	32
Deferred tax liabilities	4
Long-term debt	4
Short-term debt	14
Total liabilities	23
Net identifiable assets	9
Goodwill	78
Prepaid payroll element on option	26
Acquisition cost	114
Hereby by cash settlement	62
Hereby by future obligations	52



Total goodwill recognised from the acquisition amounts to NOK 78 million. Goodwill includes the value of expected synergies from the acquisition and the competence and intellectual property from employees. The prepaid payroll element of the option part is recognised as per the sales and purchase option agreement, according to which the purchase price for the remaining shares held by employees involves a lock-up period of 42 months. The prepaid payroll element will be recognised as employee benefits expenses over the lock-up period.

No change in the purchase obligation was identified at 31 December 2022.

In the period between the acquisition date and 31 December 2021, Ironstone contributed with NOK 27 million to the

group's total revenue and a loss before taxes of NOK 2 million to the group's profit before tax.

If the acquisition had occurred at the beginning of 2021, revenues for 2021 and loss before taxes for 2021 for the group would have been NOK 79 million and NOK 3 million respectively.

Discontinued operations 2022

Profit from discontinued operations of NOK 10 million net of tax is related to the repayment and reversal of provision of a supplier guarantee from the bankruptcy estate of the former subsidiary Comtech GmbH and JES Computer GmbH both in the former Comtech Group back to 2019.

NOTE 27 EVENTS AFTER THE REPORTING DATE

On 6 January 2023, the company launched a subsequent offering of up to 3 390 000 new shares at a subscription price of NOK 14.75. The company received subscriptions for a total of 43 582 shares. Following the issuance of these 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.

In December 2022, the company secured a revolving credit facility of NOK 1 300 million and an overdraft facility of NOK 400 million (increased to NOK 500 million in Q4). The new facilities include covenants for a minimum equity ratio of 30 per cent and a ratio of net debt to EBITDA. The net debt to

EBITDA covenants are set at 4.0x and 3.75x for Q1 and Q2 of 2023 (adjusted for certain exceptional items) and will reduce to 3.0x thereafter (3.5x in Q3). The new facilities will become effective in Q1 2023.

Jaan Ivar Semlitsch was appointed new chief executive officer (CEO) of Komplett ASA effective from 10 February 2023. Mr. Semlitsch takes over the role from Lars Olav Olaussen, who has been the CEO of Komplett since 2018.

Thomas Røkke has been appointed chief financial officer (CFO) of Komplett ASA, effective from 1 March 2023.



STATEMENT OF PROFIT AND LOSS – KOMPLETT ASA

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2022	2021
Operating revenues			
Revenues from sale of goods		-	-
Total operating income		-	-
Operating expenses			
Employee benefit expenses	9	(5)	(3)
Other operating expenses	9	(23)	(16)
Total operating expenses		(28)	(19)
OPERATING PROFIT		(28)	(19)
Finance income and expenses			
Income from investments in subsidiaries		2	1
Finance income	10	111	242
Finance expenses	10	(65)	(5)
Net finance		48	238
PROFIT BEFORE TAX		19	219
Tax expense	7	47	(51)
PROFIT FOR THE YEAR		67	168
Attributable to:			
Ordinary dividends		-	210
Other equity	6	67	(41)
TOTAL		67	168



STATEMENT OF FINANCIAL POSITION – KOMPLETT ASA

AT 31 DECEMBER (ASSETS)

Amounts in NOK million	Note	31 December 2022	31 December 2021
NON-CURRENT ASSETS			
Intangible assets			
Deferred tax asset	7	2	2
Total intangible assets		2	2
Non-current financial assets			
Investments in subsidiaries	2, 3	4 412	1 079
Investments in associates	3	5	5
Total other non-current assets		4 417	1 083
TOTAL NON-CURRENT ASSETS		4 418	1 085
CURRENT ASSETS			
Current receivables			
Current receivables from group companies	5	106	242
Other current receivables		1	2
Total current receivables		107	244
Cash and cash equivalents			
Cash and cash equivalents	4	-	-
Total cash and cash equivalents		-	-
TOTAL CURRENT ASSETS		107	244
TOTAL ASSETS		4 525	1 329



STATEMENT OF FINANCIAL POSITION – KOMPLETT ASA

AT 31 DECEMBER (EQUITY AND LIABILITIES)

Amounts in NOK million	Note	31 December 2022	31 December 2021
EQUITY			
Paid in equity			
Share capital		70	29
Share premium		3 741	1 075
Other paid in equity		32	30
Total paid in equity	6	3 843	1 134
Retained earnings			
Other equity		(301)	(577)
Total retained earnings	6	(301)	(577)
TOTAL EQUITY	6	3 542	558
LIABILITIES			
Non-current provisions			
Provisions	2	37	49
Total non-current provision		37	49
Non-current liabilities			
Long-term loans	8	400	400
Total non-current liabilities		400	400
Current liabilities			
Short-term loans	8	500	-
Current payables to group companies	5	24	58
Trade payables		5	0
Income tax payable	7	-	47
Provision for group contribution	5	-	210
Other current liabilities	5	17	8
Total current liabilities		545	322
TOTAL LIABILITIES		983	771
TOTAL EQUITY AND LIABILITIES		4 525	1 329

Sandefjord, 22 March 2023
Board of directors, Komplett ASA

Jo Olav Lunder
Chair

Jennifer Geun Koss
Director

Lars Bjørn Thoresen
Director

Fabian Bengtsson
Director

Sarah Willand
Director

Anders Odden
Worker director

Nora Elin Eldås
Worker director

Jaan Ivar Semlitsch
CEO



STATEMENT OF CASH FLOWS – KOMPLETT ASA

FOR THE YEAR ENDED 31 DECEMBER

Amounts in NOK million	Note	2022	2021
Cash flows from operating activities			
Profit before tax		19	219
Change in fair value of financial liabilities		(12)	-
Group contribution received		(84)	(241)
Changes in trade payables		5	(0)
Other changes in accruals		11	(7)
Net cash flows from operating activities		(61)	(29)
Investing activities			
Investments in subsidiaries	2, 3	(1 587)	(82)
Net cash used in investing activities		(1 587)	(82)
Financing activities			
Proceeds from loans and borrowings	8	500	400
Changes in bank overdrafts		(80)	112
Group contributions received		241	-
Issue of share capital		987	-
Dividend paid to equity holders of the parent		-	(400)
Net cash (used in)/from financing activities		1 649	112
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-



I 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 contribution 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.

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 percent 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 includes 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

On 4 April 2022, Komplet ASA acquired 100 per cent of the shares in NetOnNet AB, a leading online first electronics retailer. On 26 August 2021, Komplet ASA acquired 60.4 per

cent of the shares in Ironstone Holding AS, a leading supplier of cloud-based IT solutions and services. See note 26 to the consolidated financial statement for additional information.

NOTE 03 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Amounts in NOK	Share capital	Currency	Number of shares	Face value	Ownership= voting rights	Carrying amount
						(in NOK million)
Subsidiary						
Komplett Services AS	900 000	NOK	900	1 000	100.0%	503
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%	3 287
Webhallen Sverige AB	210 000	SEK	210	1 000	100.0%	200
Ironstone Holding AS	410 400	NOK	3 623	113	72.15%	152
Marked Gruppen AS	1 000 000	NOK	1 000 000	1	100.0%	-
Total						4 412

Amounts in NOK	Share capital	Currency	Number of shares	Face value	Ownership= Voting rights	Carrying amount
						(in NOK million)
Associated company						
Fabres Sp. z o.o.	950 000	PLN	19 000	50	40.0%	5
Total						5

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	320	77
Komplett Distribusjon AS	Sandefjord	193	45
Komplett Services Sweden AB	Solna in Sweden	38	2
Komplett Distribution Sweden AB	Göteborg in Sweden	14	0
NetOnNet AB	Borås in Sweden	490	32
Webhallen Sverige AB	Solna in Sweden	39	(79)
Ironstone Holding AS	Oslo	21	(6)
Marked Gruppen AS	Sandefjord	(225)	(0)



NOTE 04 CASH AND CASH EQUIVALENTS

The company has no restricted bank deposits at 31 December 2022 (or at 31 December 2021).

NOTE 05 GROUP BALANCES (RECEIVABLES AND PAYABLES)

Receivables

Amounts in NOK million	2022	2021
Group contribution	84	241
Current receivables from group companies	22	-
Total	106	241

Liabilities

Amounts in NOK million	2022	2021
Current payables to group companies	24	58
Other current liabilities	-	2
Total	24	60

NOTE 06 EQUITY

Receivables

Amounts in NOK million	Share capital	Share premium	Other equity	Total
Equity at 31 December 2021	29	1 075	(546)	558
Profit for the year	-	-	67	67
Long-term incentive programme	-	-	2	2
Issue of share capital	41	2 679	-	2 720
Transaction costs	-	(13)	-	(13)
Reversal of dividends	-	-	210	210
Equity at 31 December 2022	70	3 741	(269)	3 542



NOTE 07 INCOME TAX

Basis for current income tax

Amounts in NOK million	2022	2021
Profit before tax	19	219
Non-deductible income and expenses	(15)	(1)
Changes in temporary differences	(5)	(3)
Use of tax loss carried forward	(215)	-
Basis for current income tax	(215)	215

Income tax expense

Current income tax (22%)	(47)	47
Changes in deferred tax	-	3
Income tax expense	(47)	51

Temporary differences and tax positions

Amounts in NOK million	2022	2021
Provision	-	(5)
Interest deductions carried forward	(8)	(8)
Total	(8)	(13)
Differences not included in the basis for deferred tax	-	5
Basis for deferred tax	(8)	(8)
Deferred tax asset	(2)	(2)

Reconciliation of effective tax rate

Amounts in NOK million	2022	2021
Profit before tax	19	219
Income tax based on applicable tax rate (22%)	4	48
Income tax expense	(47)	51
Deviation	51	(2)

Reconciliation

Non-deductible expenses	3	0
Tax loss not included in deferred tax asset	1	44
No use of tax loss carried forward	47	(47)
Total	51	(2)



NOTE 08 PLEDGES AND GUARANTEES

Amounts in NOK million	Classification	Total facility	Covenants (C)/ pledge (P)	Utilised 31.12.2022	Utilised 31.12.2021
Type					
Revolving credit facility	Long-term loans	NOK 500 million	C - Leverage Ratio < 3.00	400	400
Bridge loan	Short-term loans	NOK 500 million		500	-
Total				900	400

On 31 May 2021, Komplet ASA entered into a NOK 500 million unsecured revolving credit facility agreement with Skandinaviska Enskilda Banken AB (publ), with a three years' duration and 1 + 1 year renewal option. At 31 December 2022, NOK 400 were utilised.

Covenants are measured and reported quarterly. The group was in compliance with financial covenants in 2022.

Financial guarantees

Amounts in NOK million	2022	2021
The tax collector	12	12
Warranty for account payables (parent company guarantees)	396	105
Total	408	117

Komplet ASA guarantees for an additional amount of NOK 1 339 million related to loans in subsidiaries.

NOTE 09 EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses

Amounts in NOK million	2022	2021
Compensations to board members	1.78	1.48
Social security expenses	0.25	0.21
Total	2.03	1.69

There are no employees in the company. Members of the group management are employed by either Komplet Services AS, NetOnNet AB or Webhallen AB. For additional information see note 7 to the consolidated financial statement.

Audit fees

Audit fees to the auditors in the group entities is as follows (excluding VAT)

Amounts in NOK million	2022	2021
Statutory audit	1.87	0.39
Other assurance services	0.03	0.12
Other non-assurance services	0.22	1.36
Total	2.13	1.87



NOTE 10 ITEMS THAT ARE AGGREGATED IN THE FINANCIAL STATEMENT

Finance income

Amounts in NOK million	2022	2021
Interest received from group companies	1.6	-
Group contribution received	84.3	241.4
Changes in financial liabilities	12.0	-
Income related to guarantees	12.4	-
Other financial income	0.7	0.4
Total	111.0	241.8

Finance expenses

Amounts in NOK million	2022	2021
Interest paid to group companies	-	0.1
Other interest expenses	64.9	5.0
Other financial expenses	-	(0.2)
Total	64.9	4.8

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.



ALTERNATIVE PERFORMANCE MEASURES (APM)

The APMs used by Komplett Group are set out below (presented in alphabetical order):

EBIT adjusted: Derived from the 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 2022	FY 2021
Total operating revenue	14 618	11 043
EBIT	6	369
+ One-off cost	80	19
= EBIT adjusted	87	388
EBIT margin adjusted	0.6%	3.5%

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 2022	FY 2021
Total operating revenue	14 618	11 043
EBIT	6	369
EBIT margin	0.0%	3.3%

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.

Reconciliation - see above under EBIT adjusted.

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 2022	FY 2021
EBIT	6	369
- EBIT - IFRS 16	(12)	(9)
+ Dep B2C, B2B, Distribution, Other	115	64
= EBITDA excl IFRS 16	109	424

Gross margin: Gross profit (as defined below) 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 - see below under gross profit.

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.

Reconciliation

	FY 2022	FY 2021
Total operating revenue	14 618	11 043
- Cost of goods sold	(12 824)	(9 581)
= Gross profit	1 794	1 462
Gross margin	12.3%	13.2%

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. The net interest-bearing debt incl. IFRS 16 is a useful measure as indebtedness, included the lease liabilities from IFRS 16, is relevant for the covenants of the groups credit facilities.

Reconciliation

	FY 2022	FY 2021
Long-term loans	400	400
+ Bank overdraft	625	207
- Cash/cash equivalents	(149)	(41)
= Net interest bearing debt	876	566
+ IFRS 16	558	310
= Net interest bearing debt including IFRS 16	1 434	876



Net working capital: Working capital assets, comprising inventories plus total current receivables less trade receivables from deferred payment arrangements less current lease receivables, less working capital liabilities, comprising total current liabilities less current lease liabilities less bank overdraft. The management considers it to be a useful indicator of the group's capital efficiency in its day-to-day operational activities.

Reconciliation

	FY 2022	FY 2021
Inventories	1928	1305
+ Total current receivables	968	1152
- Deferred payment	(91)	(130)
- Current lease receivables	-	(12)
- Total current liabilities	(2953)	(1984)
+ Current lease liabilities	167	80
+ Bank overdraft	625	207
= Net working capital	644	619

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 2022	FY 2021
Total operating revenue	14 618	11 043
Total operating expenses	14 612	10 674
- Cost of goods sold	(12 824)	(9 581)
- One-off cost	(80)	(19)
= Total operating expenses (adj.)	1707	1074
Operating costs percentage (adj.)	11.7%	9.7%

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 2022	FY 2021
EBITDA excl IFRS 16	109	424
- Investments	(177)	(56)
+/- Change in net working capital	750	(455)
+/- Change in deferred payment	39	22
= Operating free cash flow	721	(65)

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.

Reconciliation - see above under operating cost percentage



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Independent Auditor's Report

To the Annual Shareholders meeting of Komplet AS

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Komplet AS.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2022, income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2022, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements comply with applicable statutory requirements,
- The accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Penneo Dokumentnøkkel: 4UTDK-XLD8i-5XX64-1EX8E-VPECT-SQV5O

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 as required by 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.

During 2022, after we issued our audit report for Komplet AS for 2021, we provided services in connection with the preparation of the financial statements for 2021 for Komplet Services AS, Komplet Distribusjon AS and Marked Gruppen AS, subsidiaries of Komplet AS, for a total fee of NOK 45 125. These services fall within the definition of prohibited non-assurance services in the



Audit Regulation (537/2014) Article 5.1. Having discussed the matter with the Audit Committee, we believe that these service deliveries have not compromised our objectivity and independence. To the best of our knowledge and belief, no other prohibited non-assurance services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided. In our opinion we are independent of Komplett ASA.

We have been the auditor of Komplett ASA for 10 years from the election by the general meeting of the shareholders in 2013 for the accounting year 2013.

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 of the current period. 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.

Description of the key audit matter	How the key audit matter was addressed in the audit
Valuation of goodwill and other intangible assets The goodwill and other intangible assets with balances of NOK 2 131 million and NOK 1 424 million respectively, is subject to annual impairment review. We refer to notes 03 and 11 where management explains key assumptions for each segment and how changes may lead to impairment. No impairment was recognized in 2022. We consider goodwill and other intangible assets to be a key audit matter due to the significance to the financial statements and the necessary level of management judgement when performing an impairment review. Valuation of goodwill and other intangible assets and the corresponding impairment tests are complex and require judgment related to estimates for future performance, the asset's revenue generating capacity as well as assumptions about future market conditions.	We obtained management's impairment review. The review includes documentation related to management's allocation of goodwill to segments. We challenged management's key assumptions used in the cash flow forecasts included in the impairment model. We specifically challenged the future revenues and margins. Further, we tested the mathematical accuracy of the cash flow models, and compared relevant data to historical financial data, future budgets and long-term plans approved by management. We evaluated the discount rates used by management by comparing to empirical data for future interest rates, relevant risk premium and debt ratio. Key assumptions used were benchmarked against external data, and management's sensitivity analysis was examined. Internal specialists have assisted us in this process. Finally, we considered the adequacy of financial statements disclosures in note 11.

Permeo Dokumentnøkkel: AUTDK-XLD8I-SXX64-1EX8E-VPECT-SQV50



Acquisition of NetOnNet

Komplett ASA acquired 100% of the shares in NetOnNet AB on 9 February 2022. The total purchase price amounts NOK 3 248 million. We refer to note 26 for further information.

Under IFRS, the Group is required to allocate the purchase price to the identified assets and liabilities acquired.

The purchase price allocation was considered a key audit matter due to the complexity involved in identifying all relevant assets and liabilities, and the significant judgements and assumptions in measuring the fair value of assets at the acquisition date.

Our audit procedures included, among others, reviewing management's documentation of the purchase price allocation.

We have reviewed the methodology used and assessed the purchase price allocation against the criteria in IFRS 3. We have reviewed the identification of intangible assets, the valuation methods, and the weighted average cost of capital (WACC) used in calculations of fair value. We have also tested the arithmetical accuracy of the calculations in the purchase price allocation.

We have involved our internal valuation specialists to assist us in evaluating the assumptions and methodologies used.

Valuation of inventory

Inventory amounts to NOK 1 928 million in the Financial Statements of the Group. We refer to notes 03 and 15 for further information on provisions for impairment on inventory

The complexity and judgements involved has led us to define this as a key audit matter.

Inventory is measured at the lower of cost and net realizable value. When determining the provisions for impairment on inventory, judgements are applied to assess the items which may ultimately be sold below cost due to reduced customer demand, and in estimating the net realizable value of these items.

Different inventory categories are assessed individually and are subject to specific provisions for impairment based on information of historical and statistical sales data as well as the age distribution of inventory categories per 31.12.2022.

We have reviewed management's policy for assessing the impairment of inventory and considered whether management applies the impairment policies consistently year on year. Further, we have reviewed the documentation for obsolescence for inventory and tested the assumptions applied for reasonableness.

Our audit procedures also included observing the stocktaking in a selection of stores and the central warehouse and reviewing internal controls and procedures as well as performing re-counts. We have also tested internal controls and procedures related to stocktaking, as well as procedures and controls when the group receive goods into the warehouse.

In addition, we have tested internal controls related to the calculation of cost of goods sold.

Investments in subsidiaries

The company has significant investments in subsidiaries that are measured at cost.

Investments in subsidiaries are tested for impairment if indications of impairment are present. An impairment loss is recognized if the carrying amount exceeds the recoverable

Our audit procedures included a detailed review, testing, and assessment of management's impairment tests, including the calculation of recoverable amounts. We have also assessed management's assumptions underlying the valuation and taken into

Pennao Dokumentnr: 4UTDK-XI.DBI-SXX64-1E38E-VPECT-SQV50



amount. No impairment was recognized in 2022.
The significant amounts involved, and the complexity of the valuation of the assets, lead us to classify the valuation of investments in subsidiaries as a key audit matter.

consideration the historical accuracy in determining the estimates. Internal specialists have assisted us in this process.

Other information

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Director's report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly for the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view, for in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by the EU, and 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

Report on compliance with Requirement 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 kompl-2022-12-31-en, 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.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Tønsberg, 22 March 2023
BDO AS

Trond Vidar Vettestad
State Authorised Public Accountant
(This document is signed electronically)

Independent auditor's report Komplett ASA - 2022

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BDO AS, a Norwegian liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. The Register of Business Enterprises: NO 993 606 650 VAT.

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