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Årsredovisning

Hemtex AB

Org.nr 556132-7056
Räkenskapsår 2022-01-01 - 2022-12-31

Fastställelseintyg

Undertecknad styrelseledamot i Hemtex AB intygar härmed, dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultaträkningen och balansräkningen fastställts på årsstämma den 29 juni 2023. Årsstämman beslöt att godkänna styrelsens förslag till behandling av den uppkomna vinsten.

Borås den 30 juni 2023

Anders Lorentzson
Verkställande direktör

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Förvaltningsberättelse

Styrelsen och verkställande direktören för Hemtex AB, organisationsnummer 556132–7056, får härmed avge årsredovisning för räkenskapsåret 1 januari - 31 december 2022. Jämförelsesiffror avser räkenskapsåret 1 januari - 31 december 2021 om inget annat anges.

Allmänt om verksamheten

Hemtexkoncernen är en ledande detaljhandelskedja inom hemtextil med totalt 130 butiker per den 31 december 2022, varav 116 i Sverige, 8 i Finland och 6 i Estland. Av kedjans butiker är 119 ägda av koncernen och 11 av franchisetagare. Hemtex butiker säljer heminredningsprodukter med tonvikt på hemtextil. Sortimentet är indelat i fyra produktområden: Sova, Bada, Äta och Umgås, Dessa kompletteras med icke-textila hemaccessoarer. Hemtex AB driver de egenägda butikerna i Sverige, svarar för konceptutveckling, marknadsföring och affärsstyrning till samtliga butiker inom kedjan tillsammans med moderbolaget Kid ASA och systerbolaget Kid Interiör. Hemtex AB bedriver butiksverksamhet i Estland genom en filial. Hemtex har även en grossist verksamhet som säljer till hypermarkets i Sverige, Finland och Danmark.

Ägarförhållanden

Hemtex AB är sedan maj 2019 ett dotterbolag till KID ASA (Org-nr 988 384 135). Vid utgången av räkenskapsåret ägde KID ASA 100 procent av aktierna, 9 090 910 st.

Väsentliga händelser

Hemtex har varit negativt påverkade av fraktsituationen i världen där fraktpriser skenat under 2021-2022. Det gäller främst frakter från Kina och periodvis var raterna ca 10 gånger högre än tidigare perioder.

Marknaden

Det råder brist på tillförlitlig information om den svenska marknaden för hemtextila produkter då undersökningsföretaget Gfk Sverige inte längre genomför undersökningar som täcker hemtextil.

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Etableringar och förvärv

Under verksamhetsåret 2022 öppnades två nya butiker, en i Sverige, i köpcentrumet Port 73 i Haninge. Den andra butiken öppnades i köpcentrumet Kristiine Keskus, Tallin, Estland.

Rationaliseringar

Under verksamhetsåret 2022 har Hemtex stängt fyra egenägda butiker. En i Nordstan, Göteborg. Ytterligare en stängdes i Karlskrona och en i Heron City, Stockholm samt en i Haparanda. En Franchise butik har stängt i Ljungby.

Miljö och hållbarhetsarbete

Hemtex har en miljöpolicy och bolagets mål är att företagets verksamhet ska påverka miljön i så liten utsträckning som möjligt. Eftersom Hemtex saknar direkt kontroll över tillverkningen av produkterna har bolaget utarbetat riktlinjer för leverantörerna i en uppförandekod, s k Code of Conduct. Uppförandekoden bygger bl a på FN:s barnkonvention och de konventioner som FN:s organ för arbetsmarknadsfrågor, ILO, ställt upp för arbetsvillkor och rättigheter i arbetslivet. KID ASA har utarbetat en hållbarhetsrapport för koncernen som omfattar Hemtex AB's hållbarhetsarbete under 2022 och syftar till att ge företagets intressenter en ökad kunskap och förståelse för Hemtex arbete kring miljö, etik, kvalitet, socialt ansvar och egna medarbetare. Hållbarhetsrapporten finns att läsa på hemsidan https://investor.kid.no/.

Väsentliga händelser efter räkenskapsårets utgång

Under 2023 har försäljningsutvecklingen varit svagare än föregående år och Hemtex upplever att det är svårare att attrahera kunder än tidigare på grund av det rådande ekonomiska läget i Sverige och omvärlden.
Bolaget har även bytt tredjepartsleverantör under våren 2023 till KID International Logistic AB, ett bolag inom koncernen samt flyttat till ny lokal i Viared utanför Borås. Hemtex hyr lokalen utav KID International Logistic AB.

Företagets framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Hemtex verksamhet är förenad med risker av olika karaktär. Risker relaterade till marknadssituationen innefattar bland annat konjunkturpåverkan, förändring i mode och trender, väder och säsongsvariationer samt konkurrenter. Risker relaterade till den operativa verksamheten innefattar bland annat ökade produktions- och distributionskostnader, leverantörsrisker, lagerrisk, uppsägning av väsentliga avtal, risker relaterade till förvärv och avyttringar samt till distributionscentralen och informationssystem. De finansiella riskerna innefattar bland annat risker relaterade till refinansieringsrisk, ogynnsamma kapital- och kreditmarknadsvillkor, valuta-, ränte- och kreditrisker.

Flerårsöversikt

	2022	2021	2020	2019	2018
Nettoomsättning, Mkr	1201,2	1163,9	1051,4	1038,1	960,7
Nettoomsättningstillväxt, %	3,2	10,7	1,3	8,0	-5,6
Bruttovinstmarginal, %	56,2	60,8	58,3	57,1	58,0
Rörelseresultat, Mkr	63,3	132,0	67,3	31,0	-0,4
Rörelsemarginal, %	5,3	11,3	6,4	3,0	-0,04
Avkastning på eget kapital, %	15,7	59,60	47,0	-78,0	-12,7
Balansomslutning	558,7	595	527,4	521,9	534,1
Soliditet, %	47,2	38	23,1	14,5	19,4
Antal årsanställda	315	351	351	409	439
Antal butiker	119	113	112	112	119

Från och med räkenskapsåret 2021 upprättas årsredovisningen med tillämpning av årsredovisningslagen och Bokföringsnämndens allmänna råd, BFNAR 2012:1 *Årsredovisning och koncernredovisning (K3)*. Tidigare tillämpades Rådet för finansiell rapportering RFR 2. Övergången har gjorts i enlighet med föreskrifterna i K3s kapitel 35, vilket bland annat innebär att jämförelsetalen för 2019 har räknats om, dock inte för tidigare år i presentationen ovan.

Förslag till disposition av vinst

Till bolagsstämmans förfogande står följande medel:

Överkursfond	185 380 575
Balanserat resultat	33 165 650
Årets resultat	38 712 000
Summa	**257 258 225**

Styrelsen och verkställande direktören föreslår att:

I ny räkning överföres	257 258 225
Summa	257 258 225

Resultaträkning

1 januari–31 december			
Tkr	Not	**2022**	**2021**
Nettoomsättning	3	1 201 234	1 163 862
Övriga rörelseintäkter	4	10 434	15 151
Summa rörelsens intäkter		**1 211 668**	**1 179 013**
Rörelsens kostnader			
Handelsvaror		-525 981	-453 335
Övriga externa kostnader	6,18	-368 422	-336 660
Personalkostnader	5	-216 376	-219 309
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar	7	-37 377	-34 618
Övriga rörelsekostnader	8	-177	-3 053
Rörelseresultat		**63 335**	**132 038**
Resultat från finansiella poster			
Finansiella intäkter		528	413
Finansiella kostnader		-3 599	-3 743
Resultat från andelar i koncernföretag		6 715	0
Finansnetto	9	**3 644**	**-3 330**
Resultat efter finansiella poster		**66 979**	**128 708**
Bokslutsdispositioner		-18 000	0
Resultat före skatt		**48 979**	**128 708**
Skatt på årets resultat	10	-10 267	-24 912
Årets resultat		**38 712**	**103 796**

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Balansräkning

Tkr	Not	2022	2021
		31 dec	31 dec
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar	11		
Balanserade utgifter för datorprogram		769	2 231
Hyresrätter		-	-
Goodwill		34 555	45 816
Summa		**35 324**	**48 047**
Materiella anläggningstillgångar			
Inventarier och installationer	12	41 966	40 404
Förbättringsutgift på annans fastighet	12	32 789	29 632
Förskott avseende materiella anläggningstillgångar	12	6 489	3 159
Summa		**81 244**	**73 195**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	13	1	51
Uppskjuten skattefordran	14	8 754	8 502
Andra långfristiga fordringar	13	6 845	7 755
Summa		**15 600**	**16 308**
Summa anläggningstillgångar		**132 168**	**137 550**
Omsättningstillgångar			
Varulager			
Handelsvaror		250 219	233 770
Kortfristiga fordringar			
Kundfordringar		6 439	14 864
Övriga fordringar		316	4 386
Aktuella skattefordringar		2269	-
Förutbetalda kostnader och upplupna intäkter	15	36 778	33 257
Summa		**45 802**	**52 508**
Kassa och bank		130 510	171 132
Summa omsättningstillgångar		**426 531**	**457 410**

Tkr	Not	2022	2021
		31 dec	31 dec
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		10 000	10 000
Fritt eget kapital			
Överkursfond		185 380	185 380
Balanserat resultat		33 166	-73 059
Årets resultat		38 712	103 796
Summa eget kapital		**267 258**	**226 117**
Obeskattade reserver			
Periodiseringsfond tax 2022		18 000	-
Summa obeskattade reserver		**18 000**	**-**
Avsättningar			
Övriga avsättningar	17, 20	8 504	9 646
Summa avsättningar		**8 504**	**9 646**
Långfristiga skulder	22		
Skulder till koncernföretag		-	83 100
Summa långfristiga skulder		**-**	**83 100**
Kortfristiga skulder			
Leverantörsskulder		54 210	107 162
Skulder till koncernföretag	21	122 844	64 026
Aktuell skatteskuld		-	9 400
Övriga skulder		42 264	44 741
Upplupna kostnader och förutbetalda intäkter	16	45 619	50 768
Summa kortfristiga skulder		**264 937**	**276 097**
Summa eget kapital och skulder		**558 699**	**594 960**

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Förändring av eget kapital

	Bundet eget kapital		Fritt eget kapital		
			Totalt		
EGET KAPITAL Tkr	Aktiekapital	Reservfond	Balanserat resultat inkl. årets resultat	Överkursfond	
Ingående eget kapital 2021-01-01	10 000	-	-73 299	185 380	122 081
Årets resultat			103 796		103 796
Årets förändring av omräkningsreserv			240		240
Utgående eget kapital 2021-12-31	10 000	-	30 737	185 380	226 117
Ingående eget kapital 2022-01-01	10 000	-	30 737	185 380	226 117
Årets resultat			38 712		38 712
Årets förändring av omräkningsreserv			2429		2429
Utgående eget kapital 2022-12-31	10 000	-	71 878	185 380	267 258

Aktiekapitalet i Hemtex AB utgörs av 9 090 910 aktier per 2022-12-31, med ett kvotvärde på 1,10 kr per aktie.
Det finns endast ett aktieslag. Varje aktie berättigar till en röst på årsstämman och samtliga aktier äger lika rätt till andel i bolagets tillgångar och vinst.

Kassaflödesanalys

1 januari–31 december			
Tkr	Not	**2022**	**2021**
DEN LÖPANDE VERKSAMHETEN			
Resultat efter finansiella poster	9	66 979	128 708
Justeringar för poster som inte ingår i kassaflödet	19	36 949	34 734
Betald skatt		-22 188	-23 268
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**81 740**	**140 174**
Förändringar av rörelsekapital			
Varulager		-16 154	-21 952
Rörelsefordringar		10 377	-6 938
Icke räntebärande skulder		-54 363	38 732
Kassaflöde från den löpande verksamheten		**21 600**	**150 016**
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-33 231	-33 890
Sålda dotterbolag		50	-
Avyttring av övriga finansiella anläggningstillgångar		910	-
Kassaflöde från investeringsverksamheten		**-32 271**	**-33 890**
Finansieringsverksamheten			
Amorterade lån		-30 240	-80 240
Kassaflöde från finansieringsverksamheten		**-30 240**	**-80 240**
Årets kassaflöde		**-40 911**	**35 886**
Likvida medel vid årets början		171 132	135 200
Valutakursdifferens i likvida medel		289	46
Likvida medel vid årets slut		**130 510**	**171 132**
Ej utnyttjade krediter			
Avtalade, ej utnyttjade krediter		50 050	50 050

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Noter till de finansiella rapporterna

Alla belopp redovisas, om inte annat anges, i tusentals kronor (Tkr)

1. Redovisningsprinciper

Hemtex AB, org nr 556132-7056, bedriver verksamhet i associationsformen aktiebolag och har sitt säte i Borås Stad, Västra Götaland. Huvudkontorets adress är Hemtex AB, Box 495, 501 13 BORÅS. Adress till hemsidan är www.hemtex.se. Hemtex AB är dotterbolag till KID ASA, org-nr 988 384 135
Hemtex är en ledande detaljhandelskedja inom hemtextil med totalt 119 butiker per 31 december 2022.

Allmänna redovisningsprinciper

Årsredovisningen upprättas med tillämpning av årsredovisningslagen och Bokföringsnämndens allmänna råd, BFNAR 2012:1 *Årsredovisning och koncernredovisning (K3).*

Förutsättningar vid upprättande av finansiella rapporter

Bolagets redovisningsvaluta är svenska kronor. Det innebär att de finansiella rapporterna presenteras i svenska kronor. Samtliga belopp, om inte annat anges, är avrundade till närmaste tusental. Tillgångar och skulder är redovisade till anskaffningsvärden. De nedan angivna redovisningsprinciperna har tillämpats konsekvent på samtliga perioder som presenteras, om inte annat framgår nedan.

Klassificering

Anläggningstillgångar och långfristiga skulder består i allt väsentligt av belopp som förväntas återvinnas eller betalas senare än tolv månader efter balansdagen. Omsättningstillgångar och kortfristiga skulder består i allt väsentligt av belopp som förväntas återvinnas eller betalas tidigare än tolv månader efter balansdagen.

Utländska verksamheters finansiella rapporter

Tillgångar och skulder i utlandsverksamheter, omräknas från utlandsverksamhetens redovisningsvaluta till företagets rapporteringsvaluta, svenska kronor, till den valutakurs som råder på balansdagen. Intäkter och kostnader i en utlandsverksamhet omräknas till svenska kronor till en genomsnittskurs som utgör en approximation av kurserna vid respektive transaktionstidpunkt. Omräkningsdifferenser som uppstår vid valutaomräkning av utlandsverksamheter redovisas över det egna kapitalet.

Transaktioner i utländsk valuta

Hemtex valutasäkrar, genom moderbolaget Kid ASA, den del av de mycket sannolika prognosticerade inköpen av av varor som sker i USD. Valutaterminskontrakten skyddar Hemtex mot förändringar i valutakurser genom att kontrakten fastställer den kurs till vilken skulden i utländsk valuta kommer att realiseras. När valutasäkring av dessa sannolika inköp sker, omvärderas inte säkringsinstrumenten vid förändrade valutakurser och valutaterminen redovisas inte i balansräkningen. Hela effekten av förändringar i valutakurserna justerar anskaffningsvärdet på det lager av varor som säkringen avsåg. Skillnaden mellan terminskurs och avistakurs (ränteelementet) i ett kontrakt periodiseras över kontraktets löptid som ränta om skillnaden är väsentlig. Skulden värderas till den säkrade kursen.

Intäkter

Nettoomsättning utgörs av varuförsäljning till konsument via egna butiker, grossistförsäljning till franchisebutiker inom Hemtexkedjan samt även business to business försäljning. Inkomst vid varuförsäljning redovisas som intäkt i resultaträkningen vid leverans. Försäljning redovisas exklusive moms och efter rabatter. Utestående bonus till kundklubbsmedlemmar beaktas löpande i intäktsredovisningen. Övriga rörelseintäkter består främst av franchiseavgifter, anslutningsavgifter för nya franchisebutiker samt provisioner. Franchiseavgifter periodiseras i resultaträkningen i takt med att de tjänats in. Anslutningsavgifter för nya franchisebutiker redovisas i den period som butiken öppnar och några förpliktelser kopplat till franchiseavtalet föreligger inte. Fakturering av marknadsföringstjänster har reducerat övriga externa kostnader.

Offentliga bidrag

Hemtex erhåller offentliga bidrag som är förenade med krav på framtida prestation. Dessa erhålls i förskott och redovisas då som skuld. I takt med att villkoren uppfylls reduceras skulden och en Övrig intäkt redovisas. Ett offentligt bidrag som inte är förenat med krav på framtida prestation redovisas som Övrig intäkt när villkoren för att få bidraget uppfylls.

Finansiella intäkter och kostnader

Finansiella intäkter och kostnader består av ränteintäkter på bankmedel och räntebärande värdepapper, räntekostnader på lån, utdelningsintäkter och valutakursdifferenser.

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Långfristiga fordringar och övriga fordringar

Långfristiga fordringar och övriga kortfristiga fordringar är fordringar som uppkommer då företaget tillhandahåller pengar utan avsikt att idka handel med fordringsrätten. Om den förväntade innehavstiden är längre än ett år utgör de långfristiga fordringar och om den är kortare övriga fordringar. Långfristiga fordringar och övriga fordringar värderas till upplupet anskaffningsvärde.

Finansiella placeringar

Finansiella placeringar utgör antingen finansiella anläggningstillgångar eller kortfristiga placeringar beroende på avsikten med innehavet. Om löptiden eller den förväntade innehavstiden är längre än ett år utgör de finansiella anläggningstillgångar och om de är kortare än ett år kortfristiga placeringar. Finansiella placeringar värderas till anskaffningsvärde med bedömning av om nedskrivningsbehov föreligger.

Kundfordringar

Kundfordringar redovisas till det belopp som förväntas inflyta efter avdrag för osäkra fordringar som bedömts genom individuella nedskrivningsprövningar. Kundfordrans förväntade löptid är kort, varför värdet redovisats till nominellt belopp utan diskontering. Nedskrivningar av kundfordringar redovisas i rörelsens kostnader.

Likvida medel

I likvida medel ingår kassa, banktillgodohavanden och "pengar på väg". Kassa och banktillgodohavanden redovisas till upplupet anskaffningsvärde. I egenskap av dotterbolag till Kid ASA, kan Hemtex utnyttja en koncerngemensam Cashpool. Det innebär att bankkontona i Hemtex ägs av moderbolaget men redovisas som kassa och bank i Hemtex, trots att det är ett mellanhavande inom koncernen. Hemtex har en intern limit hos Kid ASA om 50 MSEK.

Skulder till kreditinstitut och andra låneskulder

Samtliga låneskulder redovisas till upplupet anskaffningsvärde enligt effektivräntemetoden. Initialt redovisas lån till värdet av vad som erhållits i lån med avdrag för utgifter som hänförs till upplåningen. Utgifterna för upplåningen periodiseras över lånets löptid. Långfristiga skulder har en förväntad löptid längre än ett år medan kortfristiga har en löptid kortare än ett år.

Leverantörsskulder

Leverantörsskulder har kort förväntad löptid och värderas utan diskontering till nominellt belopp.

Långfristiga fordringar och övriga fordringar

Långfristiga fordringar och övriga kortfristiga fordringar är fordringar som uppkommer då företaget tillhandahåller pengar utan avsikt att idka handel med fordringsrätten. Om den förväntade innehavstiden är längre än ett år utgör de långfristiga fordringar och om den är kortare övriga fordringar. Dessa fordringar tillhör kategorin Lånefordringar och kundfordringar. Värdering av fordringar görs i enlighet med reglerna i K3 kapital 11.

Immateriella tillgångar

Goodwill

I Hemtex AB finns goodwill redovisat i balansräkningen som uppstått i samband med fusion av dotterbolag och vid inkråmsförvärv. Avskrivning på goodwill sker på 20 år. Skälet för den bedömda livslängden är att förvärven har varit viktiga för Hemtex uppbyggnad och geografiska täckning av marknaden. Vidare så möjliggör dessa enheter en strategisk användning av bolagets marknadspenetration och inköpsorganisation.

Balanserade utgifter avseende datorprogram

Anskaffningskostnaden avseende licenser och utveckling av större IT-system för internt bruk aktiveras i de fall de bedöms vara av värde för bolaget under ett flertal år. Direkta och indirekta externa och interna utgifter för utveckling av programvara för eget bruk aktiveras. Utgifter för förstudie, utbildning och löpande underhåll kostnadsförs löpande.

Hyresrätter

Hyresrätter som förvärvats av bolaget redovisas till anskaffningsvärde minus ackumulerade avskrivningar och eventuella nedskrivningar.

Materiella tillgångar

Materiella anläggningstillgångar redovisas som tillgång i balansräkningen om det är sannolikt att framtida ekonomiska fördelar kommer att komma bolaget till del och anskaffningsvärdet för tillgången kan beräknas på ett tillförlitligt sätt.

Materiella anläggningstillgångar redovisas i bolaget till anskaffningsvärde efter avdrag för ackumulerade avskrivningar och eventuella nedskrivningar. I anskaffningsvärdet ingår inköpspriset samt kostnader direkt hänförbara till tillgången för att bringa den på plats och i skick för att utnyttjas i enlighet med syftet med anskaffningen. Exempel på direkt hänförbara kostnader som ingår i anskaffningsvärdet är kostnader för leverans och hantering, installation, konsulttjänster och juristtjänster.

Tillkommande utgifter läggs till anskaffningsvärdet till den del tillgångens prestanda förbättras i förhållande till den nivå som gällde då den

ursprungligen anskaffades. Andra tillkommande utgifter redovisas som kostnad i den period de uppkommer.

Leasade tillgångar

Som leasingtagare har företaget ingått operationella leasingavtal. Leasingkostnaden resultatförs jämnt över avtalsperioden och inkluderar i förekommande fall variabla avgifter som är marginella i förhållande till de totala kostnaderna. Bolaget har finansiella leasingavtal avseende bilar och redovisar dessa som operationella leasingavtal i enlighet med undantagsregeln i K3 20.29. Bolagets operationella leasingavtal avser i huvudsak lokaler för kontor och butiker samt butiksinredning.

Avskrivningar

Avskrivningar på materiella och immateriella anläggningstillgångar baseras på ursprungliga anskaffningsvärden minskat med beräknat restvärde och skrivs av linjärt över den bedömda nyttjandeperioden och redovisas som kostnad i resultaträkningen. Varje del av en materiell anläggningstillgång med ett anskaffningsvärde som är betydande i förhållande till tillgångens sammanlagda anskaffningsvärde skrivs av separat. Följande nyttjandeperioder tillämpas:

Immateriella tillgångar	
Balanserade utgifter för datorprogram	5 år
Hyresrätter	10 år
Goodwill	20 år
Materiella tillgångar	
Inventarier och installationer	3-5 år
Förbättringsutgift på annans fastighet	5 år

Varulager

Varulagret är upptaget till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet. Nettoförsäljningsvärdet är det uppskattade försäljningspriset i den löpande verksamheten, efter avdrag för uppskattade kostnader för färdigställande och för att åstadkomma en försäljning. Anskaffningsvärdet beräknas enligt vägda genomsnittspriser.

Nedskrivningar

Vid varje bokslutstillfälle bedöms om det föreligger någon indikation på att bolagets tillgångar har minskat i värde. Om så är fallet beräknas en tillgångs återvinningsvärde. Nedskrivningar och återföringar av nedskrivningar redovisas i resultaträkningen.

Pensioner

Åtaganden för pensioner klassificeras antingen som avgiftsbestämda planer eller som förmånsbestämda planer. Planerna omfattar i huvudsak ålderspension, sjukpension och efterlevandepension. Förpliktelser avseende avgifter till avgiftsbestämda planer redovisas som en kostnad i resultaträkningen när de uppstår. En förmånsbestämd pensionsplans värde utgörs av nuvärdet av den förmånsbestämda förpliktelsen minus det verkliga värdet av de eventuella förvaltningstillgångar med vilka förpliktelsen ska regleras. Om detta nettovärde utgörs av en skuld redovisas denna som en avsättning i balansräkningen. Om nettovärdet utgörs av en tillgång redovisas denna, om vissa kriterier uppfylls, som en långfristig finansiell fordran. Bolagets åtagande för tjänstemän i Sverige tryggas genom en försäkring i Alecta. Alecta kan i dagsläget inte lämna sådan information som gör det möjligt att redovisa denna plan som förmånsbestämd. Pensionsplanen enligt ITP2 som tryggas genom en försäkring i Alecta redovisas därför som en avgiftsbestämd plan i enlighet med K3 28.11. Årets pensionskostnader framgår av not 5.

Ersättningar vid uppsägning

En avsättning redovisas i samband med uppsägningar av personal endast om företaget är bevisligen förpliktigat att avsluta en anställning före den normala tidpunkten eller när ersättningar lämnas som ett erbjudande för att uppmuntra frivillig avgång. I de fall företaget säger upp personal upprättas en detaljerad plan som minst innehåller arbetsplats, befattningar och ungefärligt antal berörda personer samt ersättningarna för varje personalkategori eller befattning och tiden för planens genomförande.

Avsättningar

En avsättning redovisas i balansräkningen när företaget har en befintlig legal eller informell förpliktelse som en följd av en inträffad händelse, och det är troligt att ett utflöde av ekonomiska fördelar kommer att krävas för att reglera förpliktelsen.
Där effekten av när i tiden betalning sker är väsentlig, beräknas avsättningar genom diskontering av det förväntade framtida kassaflödet till en räntesats före skatt som återspeglar aktuella marknadsbedömningar av pengars tidsvärde och, om det är tillämpligt, de risker som är förknippade med skulden.

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Skatter

Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i Årets resultat.

Aktuell skatt är skatt som ska betalas eller erhållas avseende aktuellt år. Hit hör även justering av aktuell skatt hänförlig till tidigare perioder.

Uppskjuten skatt beräknas enligt balansräkningsmetoden med utgångspunkt i temporära skillnader mellan redovisade och skattemässiga värden på tillgångar och skulder. Beloppen beräknas baserade på hur de temporära skillnaderna förväntas bli utjämnade och med tillämpning av de skattesatser och skatteregler som är beslutade eller aviserade per balansdagen.

Uppskjutna skattefordringar avseende avdragsgilla temporära skillnader och underskottsavdrag redovisas endast i den mån det är sannolikt att dessa kommer att medföra lägre skatteutbetalningar i framtiden.

Lånekostnader

Lånekostnader belastar resultatet i den period till vilken de hänför sig. Hemtex innehar inga så kallade kvalificerade tillgångar för vilka dessa utgifter ska aktiveras.

Eventualförpliktelser

En eventualförpliktelse redovisas när det finns ett möjligt åtagande som härrör från inträffade händelser och vars förekomst bekräftas endast av en eller flera osäkra framtida händelser eller när det finns ett åtagande som inte redovisas som en skuld eller avsättning på grund av att det inte är troligt att ett utflöde av resurser kommer att krävas.

Kassaflödesanalys

Kassaflödesanalysen upprättas enligt indirekt metod, vilken innebär att resultat efter finansiella poster justeras för transaktioner som inte medfört in- eller utbetalningar under perioden samt för eventuella intäkter och kostnader som hänförs till investeringsverksamhetens kassaflöden.

Dotterbolag

Andelar i dotterbolag redovisas i bolaget enligt anskaffningsvärdemetoden. Som intäkt redovisas samtliga erhållna utdelningar. Posten Aktier i dotterbolag nedskrivningstestas om det finns indikationer eller skäl att anta att återvinningsvärdet understiger det redovisade värdet.

Koncernförhållanden

Företaget är moderföretag men med hänvisning till undantagsreglerna i årsredovisningslagen 7 kap 2 § upprättas ingen koncernredovisning. Närmast överordnade moderföretag som upprättar koncernredovisning i vilken företaget ingår är KID ASA (org-nr 988 384 135), med säte i Gullaug, Norge.

Nyckeltalsdefinitioner

Antal årsanställda	Totala antalet närvarotimmar dividerade med normal årsarbetstid i respektive land.
Avkastning på eget kapital	Resultat efter skatt i procent av genomsnittligt eget kapital.
Bruttovinstmarginal	Nettoomsättning minus kostnader för sålda varor i procent av försäljningen.
Genomsnittligt eget kapital	Eget kapital vid verksamhetsårets ingång och utgång dividerat med två.
Nettoskuld	Räntebärande skulder minus likvida medel.
Rörelsemarginal	Rörelseresultat i procent av periodens nettoomsättning.
Soliditet	*Eget kapital i procent av balansomslutningen.*
Nettoskuldssättningsgraden	*Räntebärande skulder subtraherat med likvida medel dividerat med eget kapital.*

2. Viktiga uppskattningar och bedömningar

Enligt företagsledningen är kritiska bedömningar avseende tillämpade redovisningsprinciper, samt källor till osäkerheter i uppskattningar, främst relaterade till värdering av varulager. Varulagret har värderats till det lägsta av anskaffningsvärde och nettoförsäljningsvärde. Storleken av nettoförsäljningsvärde omfattar beräkningar bland annat utifrån bedömningar av framtida försäljningspriser, där bedömda prisnedsättningar beaktats. Verkligt utfall av framtida försäljningspriser kan komma att avvika från gjorda bedömningar.

3. Nettoomsättningens fördelning

Nettoomsättning per geografisk marknad	2022	2021
Sverige	1 149 864	1 126 296
Estland	51 370	37 566
Summa	**1 201 234**	**1 163 862**

Nettoomsättning	2022	2021
Försäljning till franchisebutiker	26 015	23 421
Försäljning till butiker i dotterbolag	34 692	32 856
Försäljning till konsument i egna butiker samt grossistförsäljning	1 140 527	1 107 585
Summa	**1 201 234**	1 163 862

Försäljning till franchisebutiker innehåller förutom varuförsäljning avseende Hemtex egna sortiment även genomfakturering av varor från avtalsleverantörer vilka ej marginalbeläggs samt vidarefakturering av butiksinventarier och datautrustning.

4. Övriga rörelseintäkter

	2022	2021
Franchiseavgifter	3 532	3 702
Provision	83	94
Management Fee	5 158	5 038
Statliga bidrag	0	1 264
Försäkringsersättning	571	0
Övrigt	1 090	5 053
Summa	**10 434**	**15 151**

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5. Anställda och personalkostnader

Medelantalet anställda

Medelantal anställda samt löner och ersättningar framgår av nedanstående sammanställning. Medelantalet anställda har beräknats genom att antalet närvarotimmar ställts i relation till normal årsarbetstid i respektive land. Uppgifterna om antalet årsanställda samt löner och ersättningar avser perioden 1 januari–31 december för respektive år.

	2022		2021	
	Medelantal anställda	Varav män	Medelantal anställda	Varav män
Sverige	297	12	340	16
Estland	18	0	28	1
Totalt	**315**	**12**	**368**	**17**

Redovisning av könsfördelning i företagsledningen

	2022		2021	
	Antal män	Antal kvinnor	Antal män	Antal kvinnor
Styrelse	3	0	3	0
Övriga ledande befattningshavare	2	2	1	3

Löner, andra ersättningar och sociala kostnader

	2022	**2021**
Löner och andra ersättningar	155 866	157 230
Sociala kostnader	59 612	60 700
varav pensionskostnader	13 275	13 404

Pensionskostnader för bolagets ledning, 5 personer (4 personer), uppgår till 999 (1 414) Tkr. För styrelsen, 3 personer (3 personer), uppgår pensionskostnaden till 0 Tkr (0 Tkr).

Ersättningar till ledande befattningshavare och övriga anställda

	2022		2021	
	Styrelse och ledande befattningshavare (7 personer)	Övriga anställda	Styrelse och ledande befattningshavare (7 personer)	Övriga anställda
Hemtex AB	7 787	148 079	11 004	146 226

Förmåner till styrelse och ledande befattningshavare

Styrelsen

Till styrelsens ordförande och ledamöter valda av årsstämman utgår inget arvode enligt årsstämmans beslut.

Företagsledningen

Grundlön till företagsledningen, 5[1] (6) personer, har utgått med 5 294 (6 577) Tkr. Bonus har utgått med 1 282 (2 719) Tkr. Pensionskostnaden för verksamhetsåret uppgick till 999 (1 414) Tkr. Pensionsförmånerna bygger på allmän pensionsplan. Pensionsgrundande lön utgörs av grundlön samt ett genomsnitt av de tre senaste årens rörliga ersättning. Samtliga i företagsledningen har tjänstebil. Pensionsålder uppgår till 65 år.

6. Arvode till revisorer

Ersättning till bolagets revisionsbolag har utgått med följande belopp. Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförande av sådana övriga uppgifter.

Med revisionsverksamhet utöver revisionsuppdraget avses olika typer av kvalitetssäkringstjänster som ska utmynna i en rapport, intyg eller liknande. Med skatterådgivning avses rådgivning relaterat till skatter, moms och personalbeskattning. Allt annat är övriga tjänster.

	2022	2021
Öhrlings PwC AB		
Revisionsuppdraget	625	689
Revisionsverksamhet utöver revisionsuppdraget	26	27
Skatterådgivning	160	30
Övriga tjänster	46	2
Summa	**857**	**747**

7. Av- och nedskrivningar av materiella och immateriella anläggningstillgångar

	2022	**2021**
Balanserade utgifter för datorprogram	- 1 462	- 1 843
Hyresrätter	0	- 27
Goodwill	-11 261	-11 496
Inventarier och installationer	-14 125	-12 541
Förbättringsutgifter på annans fastighet	-10 529	-8 711
Summa	**-37 377**	**-34 618**

I Hemtex AB skrivs goodwill av på 20 år. Goodwill i uppkommer i samband med fusion av dotterbolag och i samband med inkråmsförvärv. Skälet för den bedömda livslängden är att förvärven har varit viktiga för Hemtex uppbyggnad och geografiska täckning av marknaden. Vidare möjliggör dessa enheter en strategisk användning av marknadspenetration och inköpsorganisation.

[1] Företagsledningen 2022: Anders Lorentzson, Jerker Lind , Veronica Petersson, Magnus Axelsson, Maria Bjerner

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8. Övriga rörelsekostnader

	2022	2021
Valutaeffekter	- 177	- 3 053
Summa	**-177**	**-3 053**

Transaktionsexponering

Inköp görs främst i utländska valutor, framförallt i USD och EUR, medan försäljningen sker i respektive dotterbolags valuta. Det innebär att försäljning och resultat påverkas av valutaförändringar. Bolaget använder sig i huvudsak av valutaterminer för att begränsa effekten av kortsiktiga valutakursförändringar.

9. Finansnetto

	2022	2021
Ränteintäkter, koncernföretag	528	413
Ränteintäkter, övriga	-	-
Summa finansiella intäkter	528	413
Resultat från andelar i dotterbolag	6 715	-
Räntekostnader, koncernföretag	-3 571	-3 743
Räntekostnader, övriga	-28	-
Summa finansiella kostnader	**3 116**	**-3 743**
Finansnetto	**3 644**	**-3 330**

10. Skatt

	2022	2021
Aktuell skatt		
Aktuell skatt på årets resultat	-10 519	-29 211
Justering av aktuell skatt från tidigare år	-	660
Summa aktuell skatt	**-10 519**	**-28 551**
Uppskjuten skatt		
Uppskjuten skatt avseende temporära skillnader	252	3 639
Uppskjuten skatteintäkt i under året aktiverat skattevärde i underskottsavdrag	-	-
Uppskjuten skattekostnad till följd av nyttjat underskottsavdrag	-	-
Omprövade underskottsavdrag samt övriga poster	-	-

Effekt av ändrad skattesats[2]	-	-
Summa uppskjuten skatt	**252**	**3 639**
Summa redovisad effektiv skatt	**-10 267**	**-24 912**

Av årets uppskjutna skatter är 0 tkr hänförligt till förändring i obeskattade reserver..

	2022	2021
Redovisat resultat före skatt	48 979	129 980
Skatt enligt gällande skattesats för moderbolaget	-10 090	-26 776
Skatteeffekt av:		
Ej avdragsgilla kostnader	-1 853	-2 911
Omprövade underskottsavdrag samt övriga poster	-	214
Förändring av uppskjuten skatt avseende temporära skillnader	252	3 639
Justering av aktuell skatt hänförligt till tidigare år	214	922
Redovisad effektiv skatt	**-10 267**	**-24 912**

Skattesatser

	2022	2021
Sverige	20,6%	20,6%

11. Immateriella anläggningstillgångar

Balanserade utgifter för datorprogram

	2022	**2021**
	31 dec	**31 dec**
Ingående anskaffningsvärde	81 492	81 322
Årets aktiverade utgifter	-	170
Avyttringar och utrangeringar	-	-
Utgående ackumulerade anskaffningsvärden	**81 492**	**81 492**
Ingående avskrivningar enligt plan	-79 261	-77 418
Avyttringar och utrangeringar	-	-

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Årets avskrivningar	-1 462	-1 843
Utgående ackumulerade avskrivningar enligt plan	**-80 723**	**-79 261**
Redovisat värde	**769**	**2 231**

Hyresrätter

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	55 791	55 791
Årets anskaffningar	-	-
Avyttringar och utrangeringar	-	-
Utgående ackumulerade anskaffningsvärden	**55 791**	**55 791**
Ingående avskrivningar enligt plan	-55 791	-55 764
Avyttringar och utrangeringar	-	-
Årets avskrivningar	-	-27
Utgående ackumulerade avskrivningar enligt plan	**-55 791**	**-55 791**
Redovisat värde	**-**	**-**

Goodwill

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	253 359	253 359
Årets anskaffningar	-	-
Avyttringar och utrangeringar	-	-
Utgående ackumulerade anskaffningsvärden	**253 359**	**253 359**
Ingående avskrivningar enligt plan	-188 209	-176 713
Avyttringar och utrangeringar	-	-
Årets avskrivningar	-11 261	-11 496
Utgående ackumulerade avskrivningar enligt plan	**-199 470**	**-188 209**
Ingående nedskrivningar	-19 334	-19 334
Årets nedskrivningar	-	-
Utgående ackumulerade nedskrivningar	**-19 334**	**-19 334**

Redovisat värde	**34 555**	**45 816**

Förskott avseende immateriella anläggningstillgångar

	2022	2021
	31 dec	**31 dec**
Ingående anskaffningsvärde	-	-
Årets aktiverade utgifter	-	-
Avyttringar och utrangeringar	-	-
Utgående ackumulerade anskaffningsvärden	-	-
Redovisat värde	-	-

Vid bedömning av övriga immateriella tillgångar har företagsledningen inte haft några indikationer på att nedskrivningsbehov förelegat.

12. Materiella anläggningstillgångar

Inventarier och installationer

	2022	2021
	31 dec	**31 dec**
Ingående anskaffningsvärde	194 363	176 740
Årets anskaffningar	16 265	19 102
Avyttringar och utrangeringar	-7 751	- 1 599
Årets omräkningsdifferenser	135	120
Utgående ackumulerade anskaffningsvärden	**203 012**	**194 363**
Ingående avskrivningar enligt plan	-153 958	-142 899
Avyttringar och utrangeringar	7 037	1 537
Årets avskrivningar	-14 125	-12 501
Årets omräkningsdifferenser	0	-96
Utgående ackumulerade avskrivningar enligt plan	**-161 046**	**-153 958**
Redovisat värde	**41 966**	**40 404**

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Förbättringsutgifter på annans fastighet

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	77 688	67 496
Årets anskaffningar	13 608	11 209
Avyttringar och utrangeringar	-1 580	-1 017
Årets omräkningsdifferenser	78	-
Utgående ackumulerade anskaffningsvärden	**89 794**	**77 688**
Ingående avskrivningar enligt plan	-48 055	-40 277
Årets avskrivningar	-10 530	-8 748
Avyttringar och utrangeringar	1 580	969
Årets omräkningsdifferenser	-	-
Utgående ackumulerade avskrivningar enligt plan	**-57 005**	**-48 055**
Redovisat värde	**32 789**	**29 632**

Förskott avseende materiella anläggningstillgångar

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	3 159	-
Under året nedlagda kostnader	3 330	3 159
Avyttringar och utrangeringar	-	-
Utgående ackumulerade anskaffningsvärden	**6 489**	**3 159**
Redovisat värde	**6 489**	**3 159**

13. Finansiella anläggningstillgångar

Andelar i koncernföretag

	2022	2021
Ingående anskaffningsvärde	73 325	73 325
Årets anskaffningar	-	-
Försäljningar	-50	-
Utgående ackumulerade anskaffningsvärden	**73 275**	**73 325**
Ingående nedskrivningar	-73 274	-73 274
Årets nedskrivningar	-	-
Utgående ackumulerade nedskrivningar	**-73 324**	**-73 274**
Utgående planenligt restvärde	**1**	**51**

Moderbolagets direkta innehav i dotterbolag

	Kapital-andel, %	Rösträtts-andel, %	Antal aktier	Bokfört värde
Hemtex Oy, Finland	100	100	3 000	1
Summa				**1**

Koncernföretag

	Organisationsnummer	Säte
Hemtex Oy, Finland	1650251-5	Helsingfors

Andra långfristiga fordringar

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	7 755	7 755
Tillkommande fordringar	-	-
Reglerade fordringar	-910	-
Utgående ackumulerade anskaffningsvärden	**6 845**	**7 755**

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14. Uppskjuten skattefordran

	2022			2021		
	Tillgångar	Skulder	Netto	Tillgångar	Skulder	Netto
Inventarier och installationer	688	-	-	688	-	-
Förbättringsutgifter på annans fastighet	5 827	-	-	5 827	-	-
Övriga avsättningar	2 239	-	-	1 987	-	-
Summa	**8 754**	-	-	**8 502**	-	-

15. Förutbetalda kostnader och upplupna intäkter

	2022	2021
	31 dec	31 dec
Förutbetalda hyror	35 288	31 034
Förutbetalda kostnader	79	79
Upplupna intäkter	1 411	2 144
Summa	**36 778**	**33 257**

16. Upplupna kostnader och förutbetalda intäkter

	2022	2021
	31 dec	31 dec
Semester- och löneskulder	28 081	26 729
Upplupna sociala avgifter	11 811	16 092
Övriga poster	5 727	7 947
Summa	**45 619**	**50 768**

17. Ställda säkerheter och eventualförpliktelser

	2022	2021
	31 dec	31 dec
För egna skulder och avsättningar		
Företagsinteckningar	40 000	40 000
Aktier i koncernföretag	-	-
Summa ställda säkerheter	**40 000**	**40 000**

	2022	2021
Eventualförpliktelser	31 dec	31 dec
Tullgaranti	4 475	4 475
Moderbolagsgarantier	8 611	4 019
Kapitalförsäkring	-	39
Summa eventualförpliktelser	**13 086**	**8 533**

18. Leasingavgifter avseende operationell leasing

Bolaget har ingått leasingavtal avseende egna butiker och kontor med följande leasingåtaganden. Hemtex AB vidareuthyr ett mindre antal leasingobjekt till ett fåtal franchisetagare. Dessa uppgår inte till några väsentliga belopp varför någon information ej lämnas om dessa. I nedanstående uppgifter ingår inte leasingavtal där Hemtex AB endast vidarefakturerar erlagd hyra. För de leasingavtal som är omsättningsbaserade anges endast avtalad bashyra. Dessutom har bolaget leasingavtal för datasystem, inventarier och tjänstebilar.

	2022	2021
	31 dec	31 dec
Räkenskapsårets kostnadsförda leasingavgifter (inkl. variabla avgifter)	126 114	119 284

Avtalade framtida minimileasingavgifter	2022	2021
Förfaller till betalning inom 1 år	107 452	94 571
Förfaller till betalning senare än 1 år men inom 5 år	167 776	137 953
Förfaller till betalning senare än 5 år	15 538	13 670

Variabla avgifter i form av omsättningshyra är ej med i avtalade framtida minileasingavgifter enligt ovan. Baserat på historik är de variabla avgifterna marginella i förhållande till den totala kostnaden. För 2022 var de variabla avgifterna 0 procent av räkenskapsårets kostnadsförda leasingavgifter. Avtalen är uppsägningsbara med en uppsägningstid om mellan 6 - 12 månader före avtalens utgång.
Möjlighet till omförhandling finns normalt ej under avtalens löptid. Någon option att förvärva objekten finns ej.

ank=20230703;20230706019630

19. Justering för poster som inte ingår i kassaflödet

	2022	2021
Av- och nedskrivningar av tillgångar	37 377	34 618
Avsatt till pensioner mm	-	-
Övriga avsättningar	-	-
Andra ej likviditetspåverkande resultatposter	-428	116
Summa	**36 949**	**34 734**

20. Övriga avsättningar för pension

	2022 31 dec	2021 31 dec
Ingående anskaffningsvärde	9 646	9 636
Reglering	-1 142	10
Utgående ackumulerade anskaffningsvärden	**8 504**	**9 646**

I beloppet för inbetalt ingår avsättning för löneskatt

21. Kortfristiga skulder

Skulder koncernföretag

	2022	2021
Föfaller senare än 1 år men inom 5 år	0	83 100

22. Förslag till disposition av vinst

Till bolagsstämmans förfogande står följande medel, tkr:

Överkursfond	185 380
Balanserat resultat	33 166
Årets resultat	38 712
Summa	**257 258**

Styrelsen och verkställande direktören föreslår att:

I ny räkning överföres	257 258
Summa	**257 258**

23. Transaktioner med närstående

Inköp och försäljning mellan koncernföretag

Hemtex AB:s försäljning till dotterbolaget uppgick till 34,7 (32,9) Mkr. Några inköp från dotterbolaget har inte skett.
Moderbolagets innehav av aktier och andelar i dotterföretag framgår av not 13.
Inköp av övriga tjänster från moderbolaget uppgick till 18,1 (22,3) Mkr.

Transaktioner med nyckelpersoner i ledande ställning

Beträffande löner och ersättningar till styrelsen och ledande befattningshavare, se not 5. Bolaget har inga fordringar på nyckelpersoner.
Skulder till nyckelpersoner utgörs av sedvanliga personalrelaterade skulder.

24. Väsentliga händelser efter räkenskapsårets utgång

Under 2023 har försäljningsutvecklingen varit svagare än föregående år och Hemtex upplever att det är svårare att attrahera kunder än tidigare på grund av det rådande ekonomiska läget i Sverige och omvärlden.
Bolaget har även bytt tredjepartsleverantör under våren 2023 till KID International Logistic AB, ett bolag inom koncernen samt flyttat till ny lokal i Viared utanför Borås. Hemtex hyr lokalen utav KID International Logistic AB.

Underskrifter

Styrelsen och verkställande direktören försäkrar att årsredovisningen har upprättats i enlighet med god redovisningssed, ger en rättvisande bild av bolagets ställning och resultat samt att förvaltningsberättelsen ger en rättvisande översikt över utvecklingen av bolagets verksamhet, ställning och resultat och dessutom beskriver väsentliga risker och osäkerhetsfaktorer som bolaget står inför

Borås den 2023-06-05

Anders Fjeld
Styrelseordförande

Anders Lorentzon
Verkställande direktör

Vår revisionsberättelse har avlämnats den 2023-06-28
Öhrlings PricewaterhouseCoopers AB

Mattias Palmqvist
Auktoriserad revisor

ank=20230705;20230706019054

ank=20230705;20230706019055

pwc

Revisionsberättelse

Till bolagsstämman i Hemtex AB, org.nr 556132-7056

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Hemtex AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Hemtex ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för Hemtex AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Hemtex AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Hemtex AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

ank=20230703-20230706t601966

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Hemtex AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Borås den 28 juni 2023

Öhrlings PricewaterhouseCoopers AB

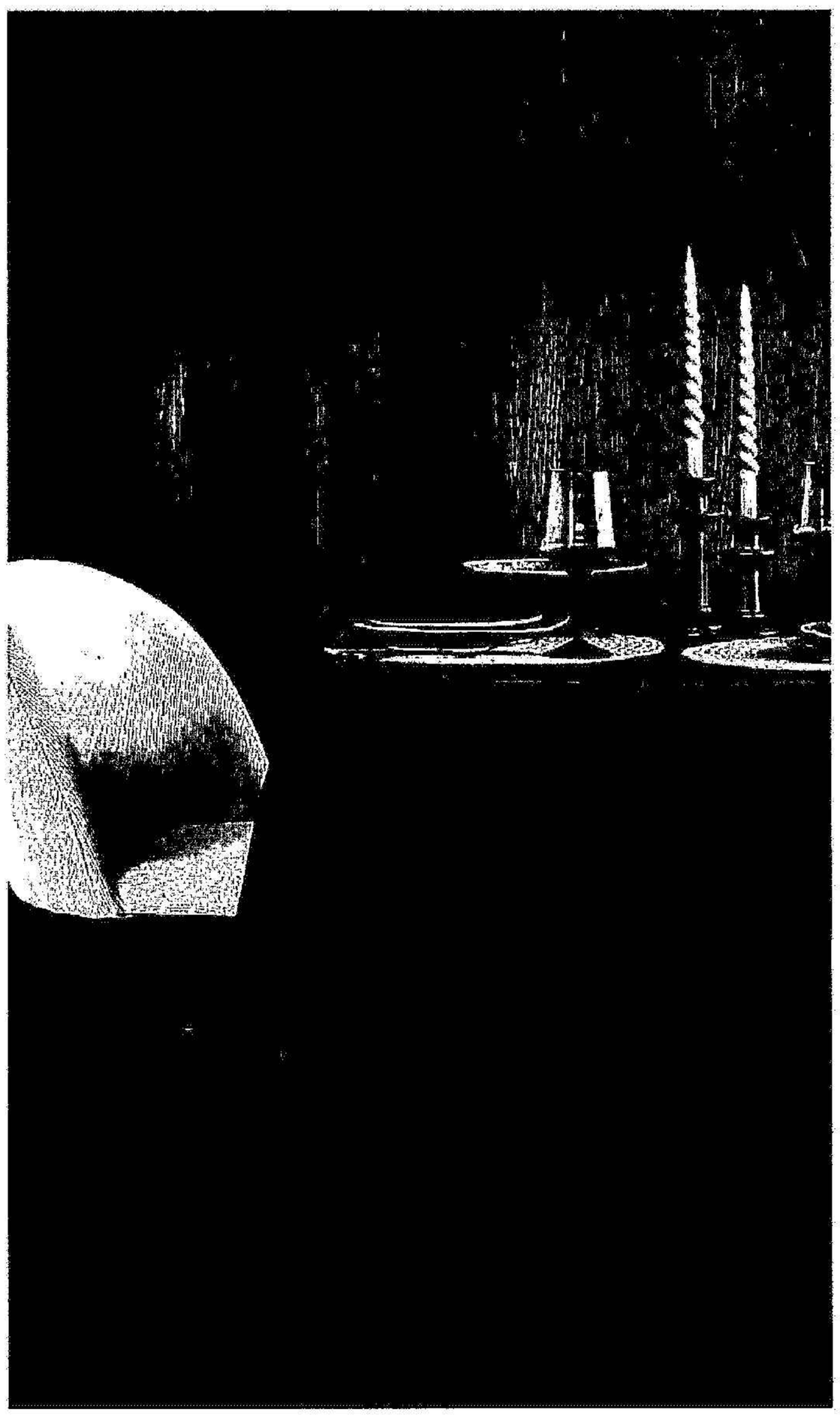
Mattias Palmqvist
Auktoriserad revisor


KiO
Financial statements for
2022

KID ASA ANNUAL REPORT



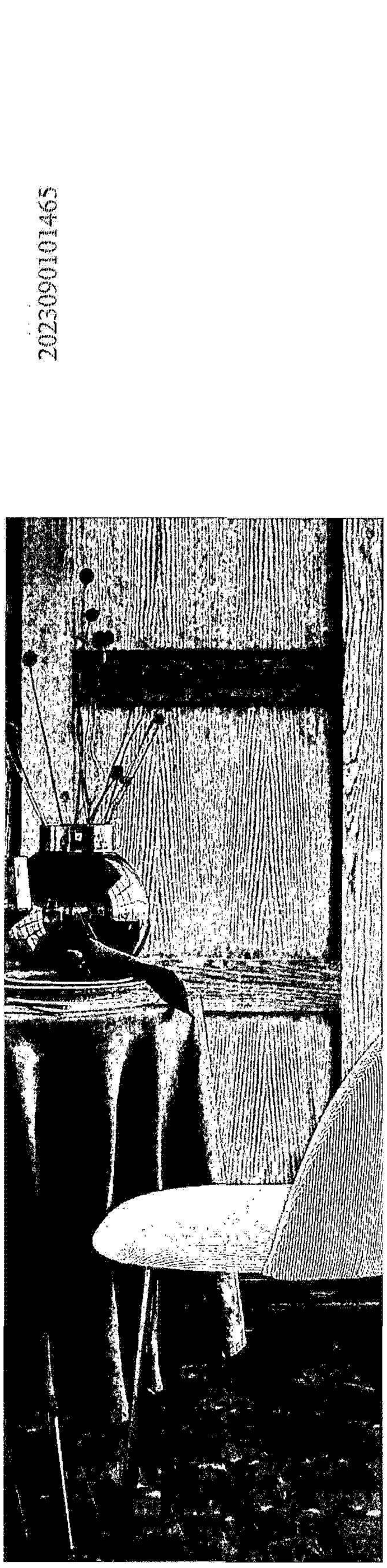




Kid

DISCLAIMER. This report includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this report, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as "believe", expect", "anticipate", "may", "assume", "plan", "intend", "will", "should", "estimate", "risk" and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.
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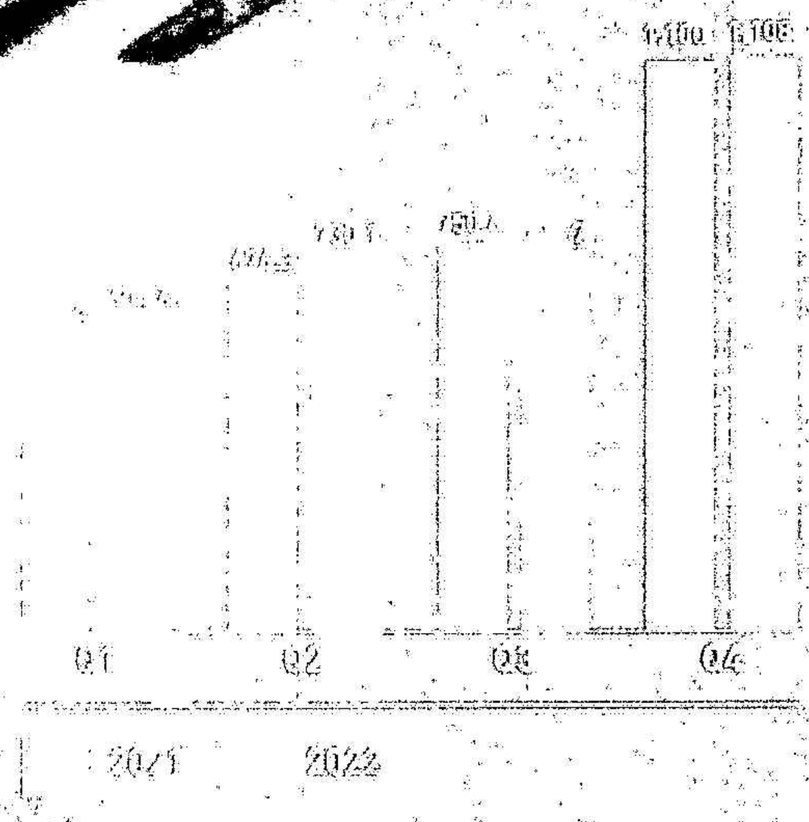
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FINANCIAL STATEMENTS KID ASA 2022

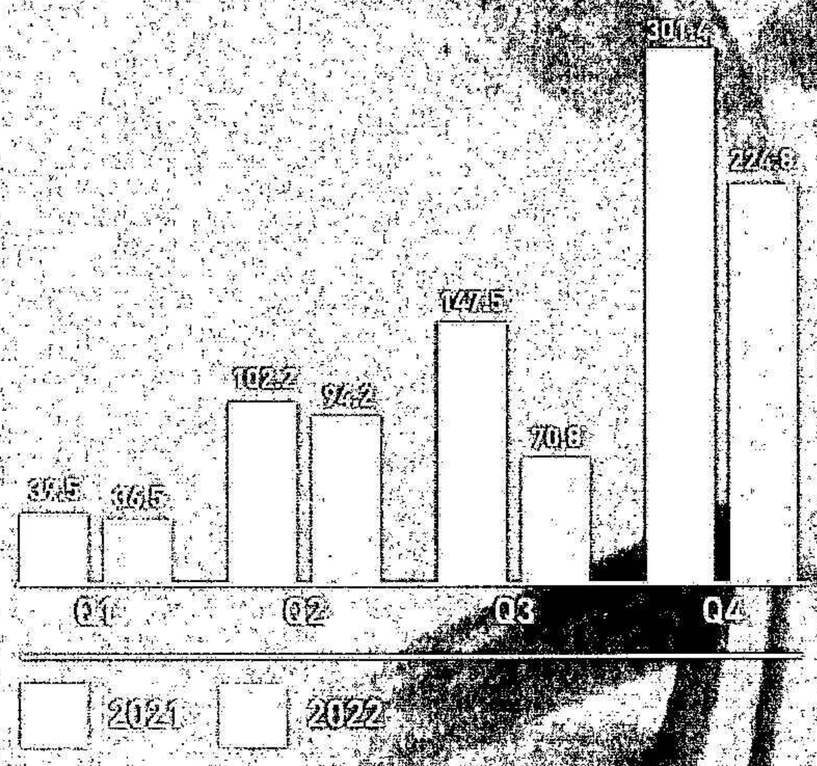
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FINANCIAL
HIGHLIGHTS 2022

Revenues
(MNOK)



EBITDA
(MNOK)
Excluding IFRS 16 effects



Number of physical stores
(Period end)

Like-for-like growth
(%)

ABOUT KID

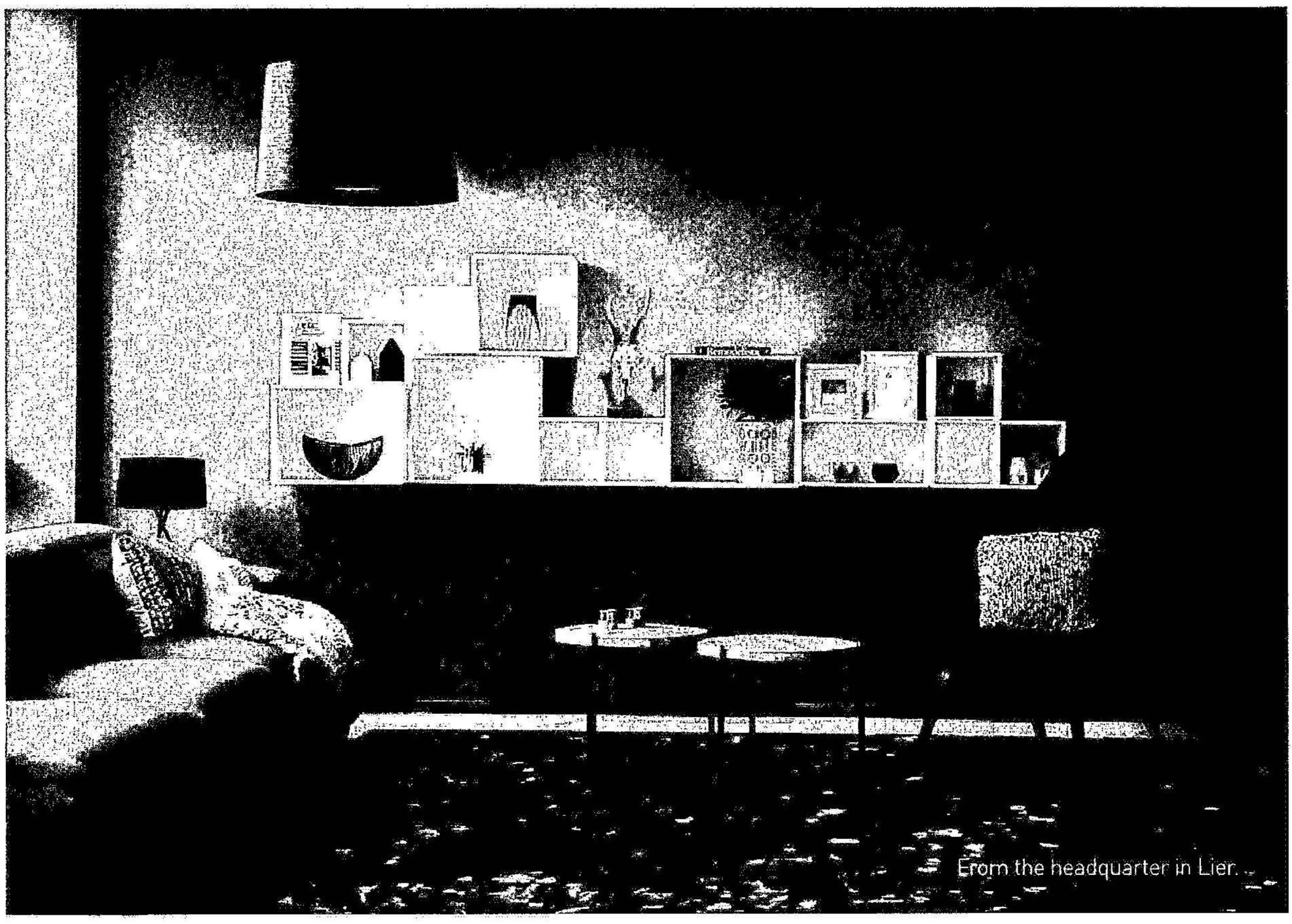
Kid ASA (listed on the Oslo Stock Exchange under the ticker symbol KID) operates as a home textile retailer through Kid Interior in Norway with 156 stores, and under the Hemtex brand in Sweden, Finland and Estonia with 130 stores. The Kid Group offers a full range of home and interior products, including textiles, curtains, bed linens, furniture, accessories and other interior products. We design, source, market and sell these products through our stores as well as through our online sales platforms. At the end of 2022 the Kid Group had 2.298 employees.

Kid and Hemtex is the leading pure-play specialist within home textile and interior market in Norway and Sweden, respectively. Both brands are benefiting from unbeatable brand recognition and top-of-mind awareness. Hemtex is also present in Finland and Estonia.

Through in-depth market analysis, monitoring and adapting to underlying consumer trends and demands, supported by in-house design and sourcing competence, we bring high quality, yet value for money, products to our customers. Practically all our products are Kid branded, while some premium products are marketed as sub-brands such as Dekosol, Nordun and Premium Collection.

The Kid spirit is based on commitment to our values of **entrepreneurial spirit, inspiration and dedication.**

Kid is headquartered in Lier, Norway where the group head office and central warehouse for the Norwegian market is located, while Hemtex' offices and warehouse facilities are located in Borås, Sweden.



From the headquarter in Lier.

20230901107467



COMPANY FACTS

1937 Establishment

Kid Interior was established by Jul Andrew Gundersen as JAG shoe factory

1953 The first shop

The first shop was opened in Drammen in 1953, called "Fabrikkutsalget" (Factory Outlet). At first, the store sold just shoes, but moved into interior products, including sale of the first woollen versions of its duvet

1970s Own production

An increased focus on interior textiles and the start of its own production

Change of name

...s name to ...egan using the ...ndonselected products

1997 Growing

The third generation of the Gundersen family takes over the business, which has now grown to 24 stores

2005 Shares sold

The Gundersen family relinquishes control of Kid as its majority shareholding is sold to IK Capital Partners. The Kid store network has grown to 92

2008 DNB Bank

DNB Bank takes control of Kid Interior following a long-term debt default

2012 Successful turnaround

Gjelsten Holding takes 100 percent ownership of the company, which ... now comprises 111 stor... successful turn...

2015 Oslo Stock Exchange

The company turns public as its shares are listed on the Oslo Stock Exchange. Kid registers a strong financial performance and central warehouse and administration functions are relocated to new facilities in Lier

2019 Acquisition of Hemtex

Hemtex was aquired May 2019

20230901014G8

2.8%
(Hemtex)

LIKE-FOR-LIKE
GROWTH

3.2%
(Kid)

MILL NOK
IN REVENUES

10.8%
ONLINE
SHARE

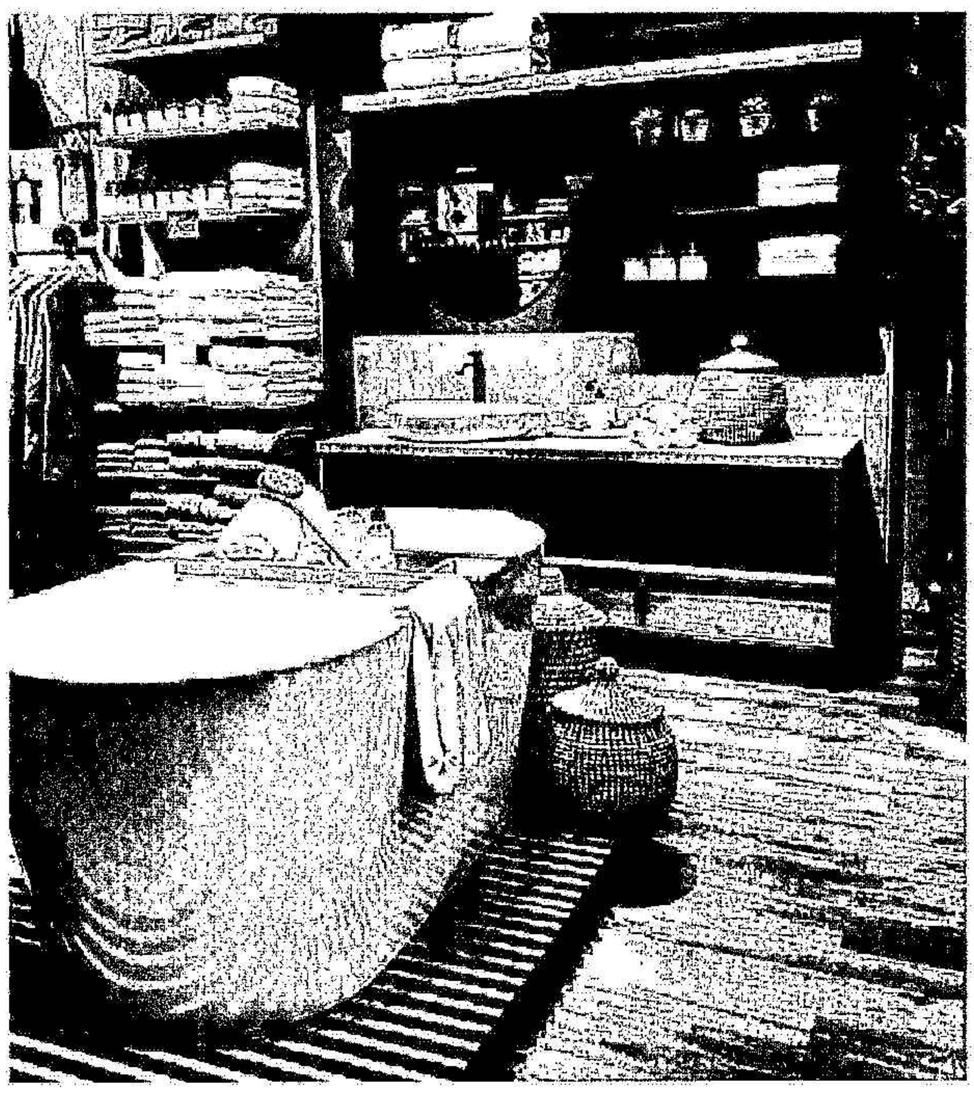
ONLINE SHARE
of total revenue
(Kid)

ONLINE SHARE
of total revenue
(Hemtex)

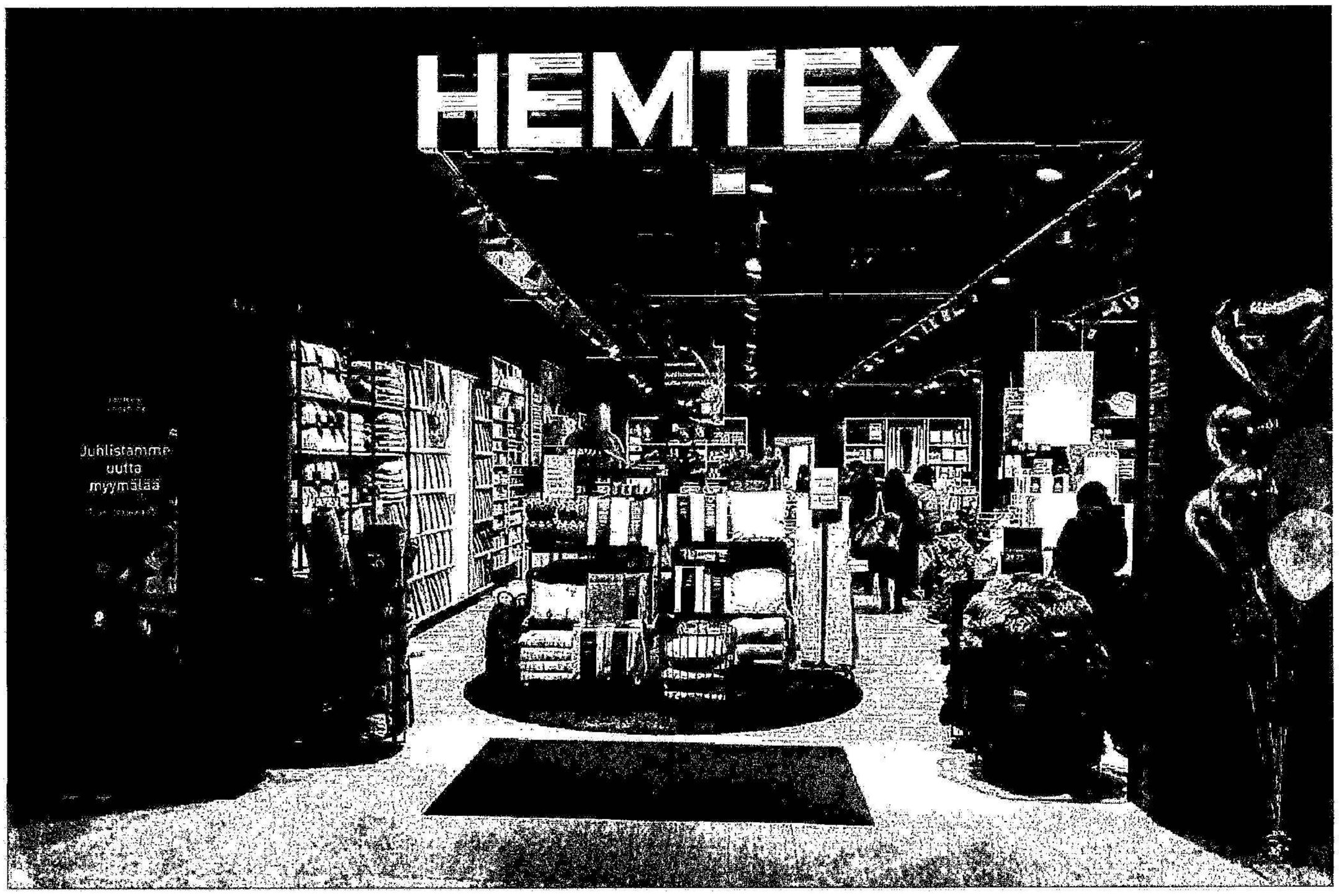
6.13
EPS



Kid, Sartor in Bergen



Kid, Sartor in Bergen



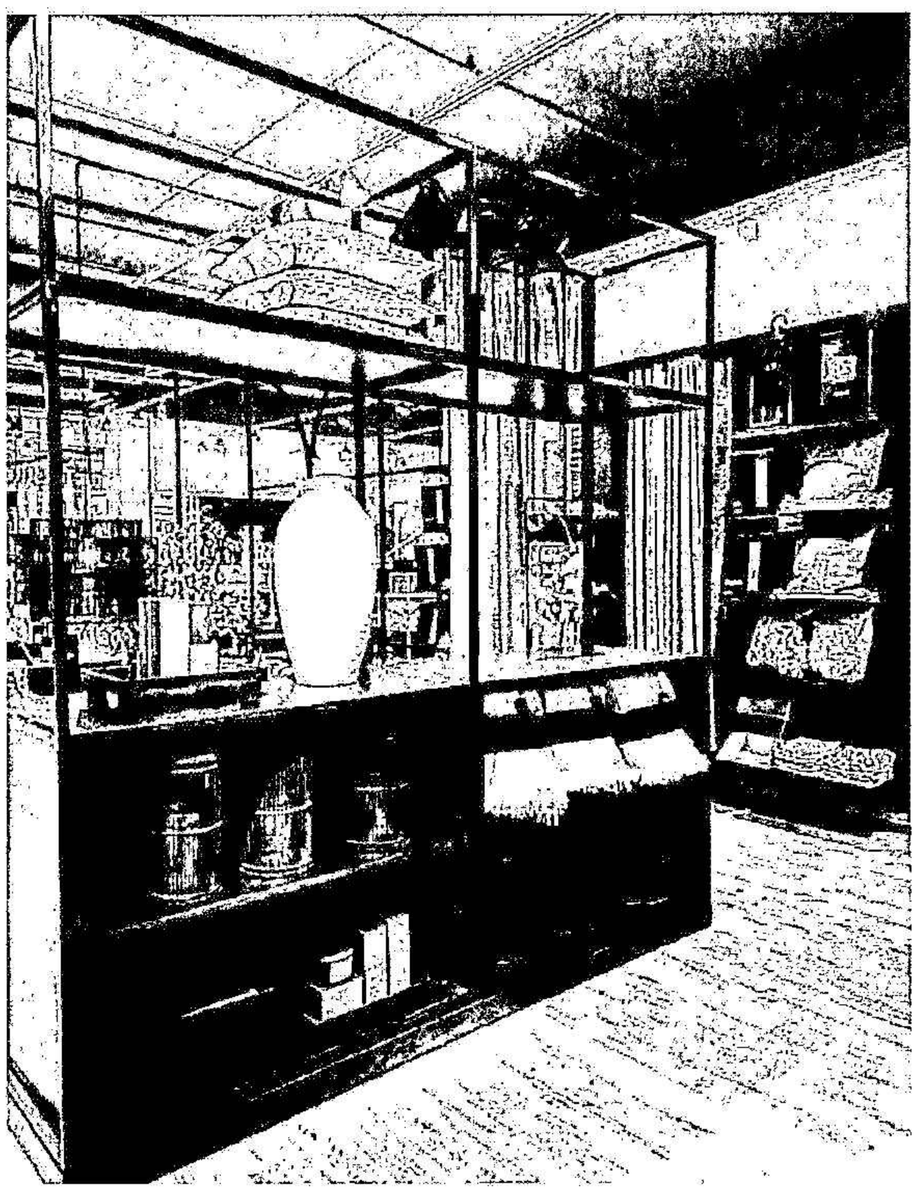
Hemtex Lippulaiva Finland

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Kid, Storgata in Oslo



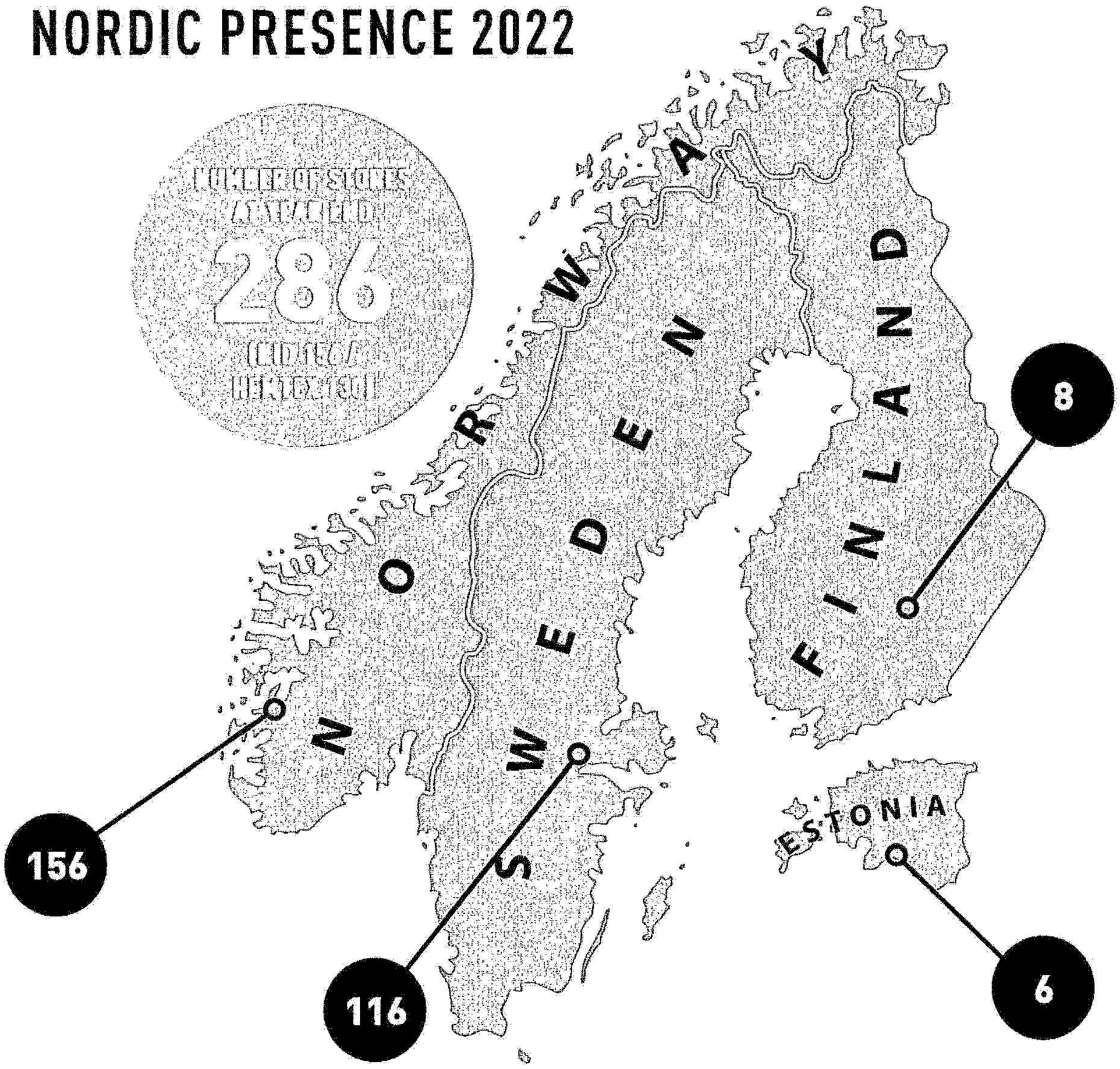


Kid, Sartor in Bergen



Kid

NORDIC PRESENCE 2022



CHANGES DURING THE YEAR

5 NEW STORES
(Kid 3 / Hemtex 2)

18 REFURBISHED STORES
(Kid 9 / Hemtex 9)

14 RELOCATED STORES
(Kid 6 / Hemtex 8)

4 CLOSED STORES
(Kid 0 / Hemtex 4)

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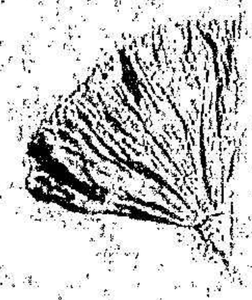
AT A GLANCE 2022

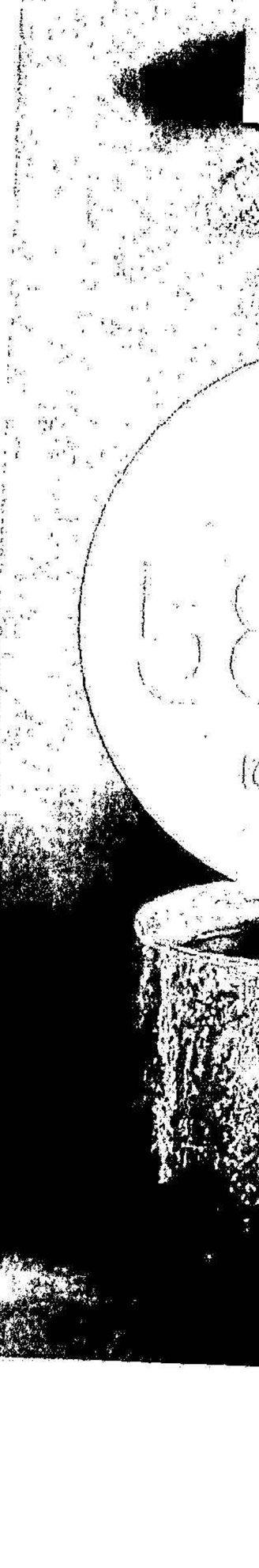
PROPOSED DIVIDEND PER SHARE **3.00**

2.50 PAID DIVIDEND IN DECEMBER 2022

AGGREGATED DIVIDEND OF **5.50**

DIVIDEND % OF ADJ. NET PROFIT **90%**





GROSS MARGIN OF

68.1%

(62.6% in 2021)

2.7

MILLION CUSTOMER CLUB MEMBERS

(Norway: 1.3 million / Sweden: 1.4 million)

EBITDA OF MNOK

426.2

*Exclusive of IFRS 16 effects

(MNOK 590.6 in 2021)

DEAR SHAREHOLDERS,

In a challenging retail environment, we are satisfied with presenting a revenue growth of 2.6% and deliver all-time-high revenue of NOK 3.2 billion. The main growth drivers were new product categories, in addition to continued investments in physical stores and our e-commerce platform. The historically high freight costs seen in 2022 affected margins negatively. However, as freight costs have come down significantly for shipments arriving in the beginning of 2023 onwards, we expect margins to improve throughout 2023.

Category development remain a key growth driver. Based on constant currency calculation, revenues from new categories launched since 2017 increased by 30% in 2022 to MNOK 360, with the highest growth coming from 'Outdoor range', 'Homewear' and 'Kitchen accessories', in addition to new initiatives under the 'Moment's concept'. During 2022, we decided to increase the targeted store size for our normal stores to make room for the full category range. Hence, we expect to drive growth from store expansions going forward.



Over the past years we have been developing a retail concept called "Kid Extended" which includes an extension of our current categories as well as new categories. The new categories include European manufactured furniture like beds and sofas. The concept was launched in one pilot store and on our Norwegian e-commerce platform before Christmas and has had a promising start. The gross margin for these new categories is expected to be 35-40% including logistics and last-mile distribution. We will continue to roll out Kid Extended pilots and expect to have launched a total of five pilot stores in Norway by the end of Q2 2023. The piloting phase will be closely monitored during 2023 before we will decide on any further ramp-up of the concept.

Online sales grew by 12.1% compared to last year, ending at MNOK 343.5 in 2022 which is equivalent to an online share of 10,8%. Additionally, 'Click & Collect' represented MNOK 168.2 in store revenues and makes our online platform directly involved in 16,1% of total revenues during the year. We expect our omni channel strategy to be an important growth driver going forward.

Based on our CO2 roadmap, we have submitted both our near-term and long-term CO2 reduction targets to the Science Based Target Initiative. With an ambition and commitment to reduce the absolute CO2 emissions in scope 1-3 with 50% from 2020 to 2030, we are aligned with the 1,5 °C goal in the Paris Agreement.

In 2022 we experienced a more challenging retail market as energy prices rocketed and higher prices on food and other household items impacted consumer confidence. However, based on our solid market position and retail experience, we nonetheless managed to deliver yet another year with growth.

Looking into 2023, we will continue to strengthen our market position and drive growth through our initiatives related to Kid Extended, expansion of current stores, new omnichannel functionality and expanding functuinality and expansion of the store network in Finland and Estonia. Moreover, we look forward to opening our new warehouse in Sweden in May 2023.

A huge 'thank you' to all Kid and Hemtex employees for all your efforts and commitment in 2022, and of course to our customers, suppliers, partners, and shareholders for supporting the Kid Group to keep on growing.

Yours sincerely,



Anders Fjeld
CEO, Kid Interior AS

20230901471



GROUP MANAGEMENT



Anders Fjeld
(CEO)

Fjeld has been the Chief Executive Officer at Kid since November 2018. Prior to joining Kid, he held senior and executive positions in Elkjøp and XXL. His most recent position was Chief Operating Officer and Concept Development Director in XXL. Fjeld has a bachelor's degree from BI Norwegian Business School. He is a Norwegian citizen, and resides in Norway.



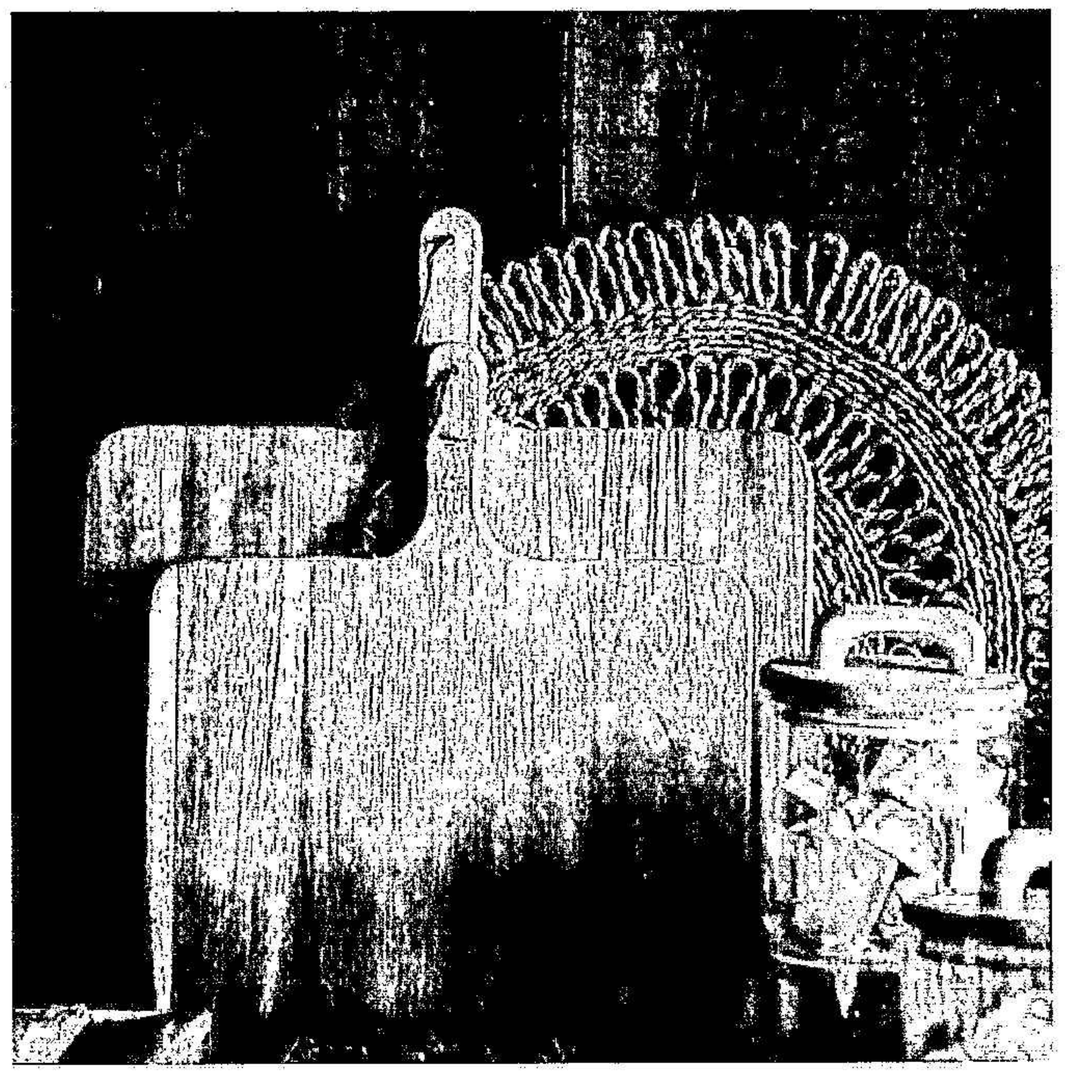
Anders Lorentzson
(MD Hemtex)

Anders Lorentzson was appointed Chief Executive Officer of Hemtex in May 2018. He started his Hemtex career as Commercial Director back in 2016 and, prior to joining the company, held senior and executive positions at the ICA-Group in Sweden and Estonia. Lorentzson has a solid background in the omnichannel retail business, with more than 20 years of experience. He is a Swedish citizen, and resides in Sweden.



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CORPORATE GOVERNANCE AT KID ASA

1. IMPLEMENTATION AND REPORTING OF CORPORATE GOVERNANCE PRINCIPLES

Kid ASA (Kid or the company) consider good corporate governance key to create shareholder value through transparency, fairness and trustworthiness. The company has developed these principles in compliance with laws, regulations and ethical standards. The Norwegian Corporate Governance Board has, for companies listed on the Oslo Stock Exchange, issued the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"). Kid complies with this Code of Practice and it is detailed in this report with section numbers that refer to the Code of Practice's articles. The Code of Practise is available at **www.nues.no**

2. BUSINESS

Kid's objectives are defined in the company's articles of association and state that: "The business activities of the company are commercial activities, mainly based on the purchase and sale of interior textiles through import, wholesale, retail, franchise and other related activities, including investments in other enterprises and relevant real property". (Articles of association are made available at **investor.kid.no**)

The company's strategy is to ensure growth while maintaining cost control to ensure a continued strong cashflow through:

a. Concept development and category expansion to ensure like-for-like sales growth
b. Inspirational stores through continuous upgrading the store portfolio
c. Opening of new stores
d. Digital footprint and e-commerce

The company's risk profile is deemed to be low considering the nature of the business and the geographical span. Kid has a risk program which continuously identifies and assesses current risks.

3. EQUITY AND DIVIDENDS

Kid considers its equity ratio sufficient considering the group's strategy and risk profile. The dividend policy is to pay out 80-100 percent of adjusted net profit, where adjustments are made for significant one-off events.

The Annual General Meeting approved the proposed dividend of NOK 4.00 per share in May 2022. The board of directors were also given the authority to approve and distribute a half-year dividend considering the third quarter results in 2022. A halfyear dividend of NOK 2.50 was distributed in December 2022. A dividend of NOK 3.00 has been proposed by the Board for 2022 year end. The dividend is subject to approval at the annual general meeting in May 2023.

The board of directors has a mandate to increase the company's share capital by up to NOK 4,877,419. The authority may only be used to issue shares as consideration and to raise new equity in order to strengthen the company's financing. The authority remains in force until the annual general meeting in 2023, but in no event later than 30 June 2023.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH RELATED PARTIES

Kid has one class of shares.

Any purchase or sale by the company of its own shares will either be carried out through the Oslo Stock Exchange or at prices quoted on the Oslo Stock Exchange.

5. FREELY NEGOTIABLE SHARES

All shares in the company have equal rights and are freely tradeable.

6. GENERAL MEETINGS

The general meeting is the arena in which all investors can exercise their right to make fundamental decisions for the company.

The company's goal is to ensure that as many shareholders as possible may exercise their rights by participating in general meetings of the company, and that the meetings are an efficient forum for shareholders and the board to express their views. The policy is to facilitate shareholder participation through video conference at the general meetings.

Notices of general meetings are made available at investor.kid.no and a separate notice to the Oslo Stock Exchange no later than 21 days prior to the AGM. The date of the meeting is made available in the financial calendar. The notice clearly states deadlines for shareholders to give notice of attendance and provides information on the procedure for casting their votes by proxy.

All supporting documentation for the AGM is sufficiently comprehensive and detailed to allow shareholders to form a view on all matters to be considered at the meeting. The information will be accessible on the company's website. In accordance with the Norwegian Public Act a shareholder can demand that documents concerning matters that are to be dealt with at a general meeting be sent to him or her by ordinary mail.

The board of directors and the person chairing the meeting will make appropriate arrangements for the general meeting to vote separately on each candidate nominated for election to the company's corporate bodies.

Members of the board, chairman of the nomination committee and the auditor will attend the general meeting.

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7. NOMINATION COMMITTEE

The general meeting has elected a nomination committee and approved a set of guidelines for the committee's work. The nomination committee is also laid down in the articles of association. The nomination committee's main purpose is to propose candidates for election to the board and their respective remuneration. In order to achieve this, the committee has contact with shareholders, the board of directors and the company's executive management.

The nomination committee consists of two members, who are independent of the board and the company's executive management. The current members are Sten-Arthur Sælør and Geir Moe.

8. CORPORATE ASSEMBLY AND BOARD OF DIRECTORS: COMPOSITIONS AND INDEPENDENCE

In accordance with the articles of association, the board of directors of Kid shall consist of a minimum of three and a maximum of nine members, as decided by the general meeting.

Kid ASA does not have a corporate assembly, but instead has three employee representatives on the board of Kid Interiør AS, which is 100% owned by Kid ASA, and the six board members of Kid ASA are also members of the board of Kid Interiør AS. Board meetings for both companies are held concurrently, at which the board of directors of Kid Interiør AS is responsible for reporting day-to-day operations, while the board of directors of Kid ASA, as the listed parent company, is responsible for equity, long-term debt and the incentive programme for executive management. The board of directors at Hemtex AB consists of Group Executive Management.

The composition of the board of directors ensures that the board can attend to the common interests of all shareholders and meets the company's need for expertise, capacity and diversity. The board members have a combined experience and competence in the fields of retail and consumer goods, as well as finance, property and experience from other listed companies.

50 percent of the board members are women, and no member of the executive management team is a member of the board of directors. The shareholder-elected members of the board of directors have a term of one or two years, and the chairman is elected by the general meeting.

9. WORK OF THE BOARD OF DIRECTORS

The board of directors produces an annual plan for its work, with particular emphasis on objectives, strategy and implementation. The chairman of the board of directors and CEO have regular contact between the meetings to evaluate the business and they keep the board updated on any matters that need to be addressed. In an event where the chairman has been personally involved in consideration of any material matter, another board member will chair the board's consideration of this particular matter. Board meetings always include the CEO's perspective on current events and progress of business plans, while the CFO provides the board with an overview of the company's financial development and forecasted earnings and cashflow.

The board evaluates its performance and expertise annually.

The board has established an audit committee consisting of three board members.

Any transaction between the company and a related party will be based on arm's length terms. If relevant, the transaction will be supported with a valuation obtained from an independent third party. The company has guidelines to ensure that board members and senior management disclose any material interest to the board of directors in transactions where the company is a party.

10. RISK MANAGEMENT AND INTERNAL CONTROL

Kid is exposed to financial risks related to foreign exchange (FX) and interest rates. FX risks are managed by hedging nine to eleven months forward. Interest rate risks are managed by a MNOK 395 interest SWAP and a MNOK 55 cross currency interest SWAP. Other operational risk areas are reported to the board on a regular basis.

The company provides the board with monthly reports on the group's financial performance and prepares quarterly reports that are made public. The audit committee and the auditor together review the quarterly and annual reports as well as the sustainability report before they are approved by the board.

The board of directors, with assistance from the audit committee, carries out regular reviews of the company's most significant areas of risk exposure and its internal control arrangements.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The board of directors are presented separately in the annual report.

The nomination committee proposes the remuneration of the board of directors at the annual meeting. The proposition takes into account the board's responsibility, expertise, time commitment and the complexity of the company's activities. The board has one sub-committee in the audit committee.

The remuneration of the board in 2022 is disclosed in the notes to the consolidated accounts as well as the Remuneration report for 2022.

Members of the board of directors and/or companies with which they are associated do not, as a general rule, take on specific assignments for the company in addition to those as members of the board. If, however, they do take on such assignments these will be disclosed immediately to the entire board and the remuneration for such additional duties will be agreed by the board.

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12. REMUNERATION OF EXECUTIVE MANAGEMENT

The board of directors has a set of guidelines for the remuneration of executive personnel. The board also directly determines the remuneration for the CEO. The CEO is, in consultation with the chairman of the board, responsible for determining the remuneration of other members of the executive management.

The board of directors and GM have approved an incentive programme for executive management which aims to align the financial interests of Kid's senior management and its shareholders. The incentive programme is based on EBITDA budget achievement with a capped maximum level. The program includes no share options or rights, but a portion of the incentive program is paid out over a period of three years and is dependent on the share price development.

The board of directors prepare guidelines on the remuneration of executive personnel and prepare a yearly remuneration report as a separate appendix to the agenda for the AGM which is approved by the GM. The remuneration for the executive management is also disclosed in the notes to the consolidated accounts in the annual report.

13. INFORMATION AND COMMUNICATIONS

Kid has established an investor relation policy (available at investor.kid.no) that clearly states that any communication with shareholders outside the company's general meeting will take place in accordance with applicable equal treatment requirements and applicable legislation regarding inside information.

The company publishes a financial calendar for the upcoming year in the fourth quarter. The calendar includes an overview of major events such as its AGM, publication of interim reports, publication of revenue reports and any planned public presentations.

All information distributed to shareholders is made available simultaneously on the company's web page. All information which the company is required to disclose will be given in English.

14. TAKEOVERS

Kid has guidelines for how it will act in the event of a takeover bid in accordance with its code of conduct. These guidelines clearly state that the board will not take any obstructive action unless it is agreed upon at the general meeting. In the event of a takeover bid, the board will act in the best interests of the shareholders and ensure that the company's operations are affected as little as possible.

The shareholders will be provided with timely and sufficient information in the case of a takeover bid, with the intention to enable the investors to have an informed view of the situation. The board of directors will also issue a statement making a recommendation as to whether shareholders should or should not accept the offer.

15. AUDITOR

The auditor annually submits to the audit committee the main features of its plan for the audit of the company. The auditor participates in meetings of the board of directors that deal with the annual accounts. At these meetings the auditor reviews any material changes in the company's accounting principles, comments on any material estimated accounting figures and reports all material matters on which there has been disagreement between the auditor and the executive management of the company.

The auditor presents annually to the audit committee a review of the company's internal control procedures, including identified weaknesses and proposals for improvement.

The CEO and CFO of Kid are present at all board meetings. Once a year the board of directors has a meeting with the auditor at which neither the chief executive nor any other member of the executive management is present.

Kid has clear guidelines for the use of the auditor by the company's executive management for services other than the audit. The board of directors reports the remuneration paid to the auditor at the AGM, including details of the fee paid for audit work and any fees paid for other specific assignments.







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BOARD OF DIRECTORS' REPORT

The Kid group consists of Kid ASA, the parent company for Kid Interior AS, Kid Logistikk AS, Hemtex AB, Hemtex OY, Kid Eiendom AS and Kid International Logistic AB, together defined as "the group".

The business activity of the Group is mainly purchase and sale of interior textiles through import, wholesale and retail, along with other related activities, including investments in other enterprises and relevant real estate.

Kid Interiør is the leading specialist home textile retailer in Norway, with 156 directly owned stores across Norway. Hemtex is the leading specialist home textile retailer in Sweden, with 105 directly owned stores and 11 franchise stores across Sweden. Hemtex also have a presence in Finland and Estonia, with 8 and 6 directly owned stores respectively. All products sold by Kid Interiør and Hemtex are also available through online platforms.

The product assortment ranges from curtains and bed linens to home accessories, decorations, and furniture. Kid's strategy is to provide an attractive value proposition to customers through an inspirational assortment, and quality Kid- and Hemtex-branded products offered at affordable prices both online and through stores located in major population centres. The group's head office is located in the municipality of Lier, Norway.

SUMMARY OF THE YEAR

2022 was a strong year for the Group. Despite challenging market conditions, we continued the positive revenue development on top of strong performance in 2020 and 2021. Our profits were negatively impacted by volatility in freight cost that was not incorporated in our price calculation model. During the past year we have made several operational improvements and have launched several new growth initiatives.

Hemtex was acquired in May 2019, and we continue to capitalize on integrating our concepts, organizations, and market approach. The gradual introduction of the Kid assortment in Hemtex has successfully renewed and expanded our categories across Sweden, Finland and Estonia. Our key focus in these markets is to expand stores size to drive growth through our full category range.

Our priority is to offer our customers a seamless omnichannel experience by connecting inspirational physical stores with our online platform. In late 2021, we launched a new group e-commerce platform in all markets. In 2022, our e-commerce team has been established to operate and further develop our omnichannel across the group. Our online growth was 12.1% during 2022 and accounted for 10.8% of revenues.

Assortment renewal and expansion remain key growth drivers. During 2022, we decided to increase the standard store size in all segments to make room for our full category range. Our physical store network is an important part of our growth potential, and during 2022 we opened net one new store, relocated 14 stores and refurbished/expanded 18 stores.

Kid Extended was launched as a new concept during Q4. The concept includes extension of current categories and new categories (e.g. European manufactured furniture like beds and sofas). The concept was launched in one pilot store in addition to our Norwegian e-commerce platform and has shown a promising start. We will open four additional pilot stores in Norway by the end of Q2 2023.

The global freight markets have been challenging due to lock down and higher oversea freight costs over the past year. To mitigate uncertain delivery times we decided to increase our inventory level during the year. However, the volatility in freight cost was not incorporated in our price calculation model at a satisfactory level, which resulted in an unexpected and temporary gross margin drop. Necessary actions have been taken to secure a normalised margin on future goods purchases, and we expect the gross margin to normalise during 2023.

FINANCIAL RESULTS

(Figures from last year are in brackets, unless otherwise specified)

INCOME STATEMENT FOR THE GROUP

Revenues for 2022 were MNOK 3 178.0 (MNOK 3 097.1). The like-for-like sales growth[1] was 3.2% and 2.8% for Kid Interiør and Hemtex, respectively. Online sales[2] grew by 12.1% in 2022, accounting for 10.8% of total revenues.

Gross margin was 58.1% (62.6%) for 2022. Other operating expenses including and employee benefit expenses, ended at 35.7% of revenues up from 34.6% in 2021.

Due to decreased gross margins and higher operating expenses, operating profit (EBIT) was reduced to MNOK 369.2 (MNOK 541.2).

Net financial expenses amounted to MNOK 47.5 (MNOK 56.0).

Net income for 2022 was MNOK 249.2 (MNOK 384.4).

[1] Like-for-like revenue are revenue from stores that were in operation from the start of last fiscal year all through the end of the current reporting period.

[2] Calculated in constant currency

BALANCE SHEET FOR THE GROUP

Total assets were MNOK 3.485.9, a decrease of MNOK 48.9 from 2021. Fixed and intangible assets increased by MNOK 50.4 due to investments in stores and new online platform, the new warehouse in Sweden and technical infrastructure and back-office systems. Inventories amounted to MNOK 668.8 at the end of the year, an increase of MNOK 22.0 as a result of an increased number of stores and new categories. Inventory levels have been reduced during the last half of 2022 according to plan and are now at a more normalised level. Total receivables were MNOK 106.8, an increase of MNOK 42.3 from 2021, mainly driven by increased value of derivative financial instruments.

Net interest-bearing debt was MNOK 1 257.7 of which MNOK 781.8 is related to financial leases. Net interest-bearing debt excluding financial leases as defined by IFRS 16 was MNOK 475.9 (MNOK 307.3). Long-term interest-bearing debt excluding leases was MNOK 521.6 (MNOK 451.6) at the end of 2022, short-term interest-bearing debt was MNOK 30.0 (MNOK 95.0), and cash and bank deposits were MNOK 75.7 (MNOK 239.3). The group has an additional overdraft facility of MNOK 247, a revolving credit facility of MNOK 130 and a short-term credit facility of MNOK 100, of which MNOK 0 was drawn at year end.

The equity ratio at the end of the year was 36.5 % compared to 35.7% in 2021.

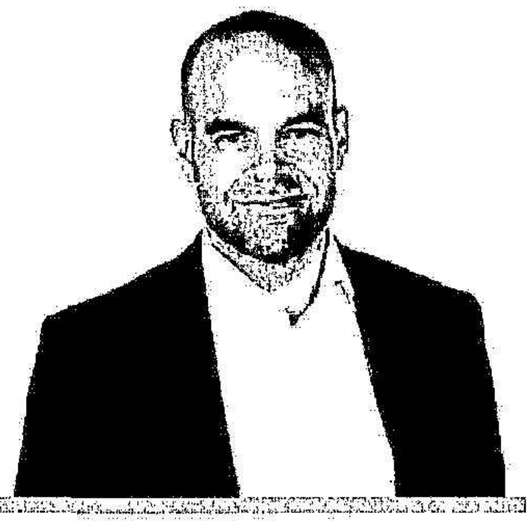
CASH FLOW FOR THE GROUP

Cash flow from operations was MNOK 547.8 (MNOK 673.7). The inventory level increased by MNOK 29.2 (MNOK 180.3) due to an increased number of stores and new categories. Other significant changes from 2021 included decreased trade creditors following delayed and reduced goods purchases, and lower bonus provisions.

Cash flow from investments was MNOK -143.1 (MNOK -92.6). The investment level in 2022 reflects opening, relocation, and refurbishment of stores as well as investments in the new warehouse in Sweden and technical infrastructure and back-office systems.

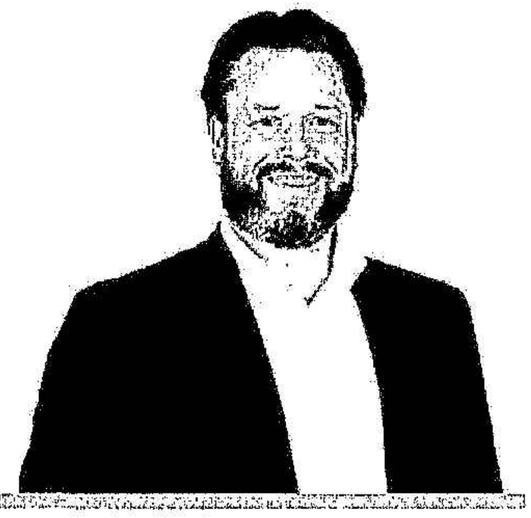
Cash flow from financing was MNOK -569.1 (MNOK -643.7), negatively affected by dividend payments of MNOK -264.2 (MNOK -365.8) and lease payments of MNOK -263.4 (MNOK -264.9). During the year, the revolving credit facility have been drawn and subsequently repaid, and we have repaid MNOK 30 of the long-term loan.

Net change in cash and cash equivalents was MNOK -164.3 (MNOK -62.6), mainly driven by decreased profit, investments and dividend payments. The board of directors finds that the group had a solid liquidity position as of 31. December 2022.



Petter Schouw-Hansen
Chairman
Appointed: May 2019

Petter Schouw-Hansen (1982) is currently Director with Gjelsten Holding AS, the majority shareholder in KID ASA. He was the Chief Financial and Strategic Officer at Kid from 2011 to 2018. Prior to this, he served as senior consultant at Bearing Point. Schouw-Hansen is currently on the board of directors of various companies and is the chairperson of the board in Sport Holding AS and Bergans Fritid AS. Schouw-Hansen has experience from operationalizing strategy, performance management, M&A and management coaching within several industries, including retail. Schouw-Hansen holds a M.SC from the Norwegian School of economics, specialized in Finance. He is a Norwegian citizen, and resides in Norway.



Rune Marsdal
Board Member
Appointed: May 2019

Rune Marsdal (1971) is currently CFO and member of the board of directors of Gjelsten Holding AS. Marsdal has previously worked as a financial analyst in Danske Securities and as an analyst in Schøyen Finans Forvaltning and Norway Seafoods. Marsdal holds a Master of Business and Economics degree from BI Norwegian Business School, as well as a Certified Financial Analyst degree from Norwegian School of Economics. Marsdal is currently on the board of directors of various companies, including Sport Holding AS and Bergans Fritid AS. Marsdal has previously served on the board of directors of Kid Interiør AS and Nordisk Tekstil Holding AS (later Kid ASA), both as a director (2012-2015) and as special advisor to the board of directors (2015-2019), and BEWiSynbra Group AB (publ). Marsdal is a Norwegian citizen and resides in Norway.

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ANNUAL RESULT ALLOCATION

Earnings per share was NOK 6.13 in 2022. The board of directors proposes a dividend of NOK 3.00 per share to be paid in May 2023. Including the prepayment of NOK 2.50 per share paid in December 2022, the total dividend of NOK 5.50 represents 90% of Group net income for 2022.

KID ASA 2022 profit was distributed as follows:

Dividend pay-out	TNOK	121,935
Dividend prepayment	TNOK	101,613
Transferred to other equity	TNOK	-26,957
Total allocated	**TNOK**	**196,591**

GOING CONCERN

The board of directors has made appropriate enquiries and formed a judgement at the time of approving the financial statements that there is a reasonable expectation that Kid ASA has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of directors continues to adopt the going concern basis in preparing the financial statements in accordance with the Norwegian Accounting Act and the Norwegian Company Act. This is further supported by the group's budget and strategy.

As of the end of the accounting year 2022, the equity ratio of the parent company was 43.6%. The board of directors believes the equity and liquidity are sufficient, given the company's operational commitments, future plans and achieved results. This is further supported by the results of the Group as a whole.

CORPORATE GOVERNANCE, ORGANISATION, WORKING CONDITIONS AND ENVIRONMENT

The group had a total of 2,298 employees, which corresponded to 958 full-time equivalents at the end of 2022. The parent company had no employees.

The group keep records of total absence due to sickness, in accordance with laws and regulations. Total sick leave was 7.13% in 2022 (6.42% in 2021). Sick leave is monitored on a monthly basis at store and department level, and appropriate actions are taken in relation to the sick leave that the company is able to influence. The working environment is monitored continuously and is considered to be good.

During the year, no severe workplace accidents or other accidents occurred or were reported that resulted in serious personal injury or material losses. All divisions of the group operate with a dedicated focus on occupational health, environment and safety.

Kid ASA has a Directors and Officers liability insurance with AIG Europe S.A. covering pure financial loss claims against the Board of Directors and Executive Management as a consequence of compensatory acts and/or omissions in their respective duties, with an adequate insurance limit.



Karin Bing Orgland
Board Member
Appointed: August 2015

Karin Bing Orgland (1959) is currently a professional board member in various companies including Eksfin, Storebrand ASA and Entur AS . She has extensive experience from various management and board member positions within the DNB Group between 1985 and 2013. Bing Orgland resides in Oslo, Norway and holds a Master of Business and Economics degree from the Norwegian School of Economics.



Liv Berstad
Board Member
Appointed: May 2020

Liv Berstad (1961) is currently the Retail Manager for the clothing company KappAhl in Sweden, Norway, Finland, Poland and UK. Berstad has extensive experience from the aviation industry and retail trade in the Nordic region, mainly from construction material, fashion and cosmetics. She is a Business Economist from BI Norwegian School of Management. Berstad has had several board appointments the last twenty years for companies both in Norway and Scandinavia. She is a Norwegian citizen and resides in Norway.

For information on remuneration, please refer to Remuneration report 2022 as approved by the Board of Directors. The Remuneration report is subject to approval by the General Meeting in 2023, and published as part of the appendices to the Notice of Annual General Meeting at investor.kid.no

For information on corporate governance policies, please refer to separate section in the annual report.

GENDER EQUALITY, DISCRIMINATION, AND HARASSMENT

The group encourages diversity and pursues a non-discrimination policy, with full gender equality. Furthermore, the group promotes 'equal pay for equal work', whereby the most qualified candidate shall hold a position, regardless of gender, religion or sexual orientation. The group promotes the objective of laws against discrimination through recruitment, salary and employment conditions, promotion, development possibilities and protection against harassment.

The group prohibits harassment of any kind, and will take appropriate and immediate action in response to complaints or knowledge of violations of this policy.

Despite an average, acceptable gender equality balance, there are still some traditional patterns of employment within the retail division where more than 97% of in-store employees are women. At the warehouse, the gender equality balance has shifted from traditional patterns previous years, and per year-end 2022 approximately 37% of the employees in the warehouse were women. By year-end 2022, approximately 80% of employees at the head office are women and the management team consisted of three men. The board of directors of the parent company consists of three women and three men.

The group aims to be a workplace in which no discrimination occurs based on disabilities. As far as possible, individual adjustments are made to adapt the workplace and work tasks for employees or job applicants with disabilities.

ENVIRONMENTAL REPORTING

Kid believes that environmental and financial performance often go hand-in-hand and is constantly striving to identify and implement measures that support this. The group is working on several initiatives to reduce carbon dioxide emissions in the value chain, increase sustainable materials and production, supporting a more circular economy, and more.

Climate change affects us all and climate emission issues are material for the Kid Group. The Group is calculating its green-house gas (GHG) emissions and has started to implement actions to mitigate the climate related risks.

In 2022 Kid ASA submitted both near-term and long-term CO2e reduction targets for validation to the Science Based Target Initiative. The Kid Group commits* to reduce absolute scope



Gyrid Skalleberg Ingerø
Board Member
Appointed: May 2020

Gyrid Skalleberg Ingerø (1967) is currently EVP & Group CFO in Kongsberg Gruppen ASA. Her previous experience includes Bank experience from Nordea, CFO / Investor Relation of Komplett Group ASA, Financial restructuring and turnaround of Expert and 1881, SVP & CFO of Telenor Norge AS and CFO at Telenor Digital Businesses AS. Prior to her CFO positions, Ingerø worked for 8 years in KPMG. She holds a Master in Accounting and Auditing from Norwegian School of Economics. Skalleberg Ingerø is currently on the board of Flytoget AS, Itera ASA and various companies within Kongsberg Gruppen. Skalleberg Ingerø is a Norwegian citizen and resides in Norway.



Espen Gundersen
Board Member
Appointed: May 2022

Espen Gundersen was born in 1964 and is a Norwegian citizen. He has had several positions within Tomra Systems ASA in the period 1999 to 2022, including CFO from 2003 and deputy CEO from 2009. Prior to joining Tomra, he served as VP Business Development of Selmer ASA for five years. He started his career with Arthur Andersen in 1989. He holds an MBA from the Norwegian School of Management in Oslo and a CPA from the Norwegian School of Economics and Business Administration in Bergen.

Espen Gundersen is also Board member in Scatec ASA, Hexagon Purus ASA (including head of audit committee and head of compensation committee) and Kitron ASA (including head of audit committee).

*Target yet to be validated by Science Based target

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1, 2 as well as scope 3 category 1, 3, 4 GHG emissions 50% by 2030 from a 2020 base year. In addition, the Group shall reduce absolute GHG emissions with 90% by 2045 from a 2020 base year within the same scopes. With the ambition and commitment to reduce the GHG emissions, Kid ASA is aligned with the 1,5 °C goal in the Paris Agreement. Throughout 2022 the focus has been to create a CO2e reduction roadmap and to evolve the work with CO2e reduction for the coming years.

The group works actively to prevent adverse environmental- and ethics-related issues, human rights and anti-corruption. It works with suppliers to ensure that Kid's products are produced in clean and safe environments, that workers are treated with respect, earn a reasonable wage and that suppliers work within the relevant local laws and regulations. As a member of Ethical Trade Norway, the group commits to working actively with due diligence for responsible business conduct as described by Guiding Principles on Business and Human Rights (UNGP) and the OECD guidelines for responsible business conduct.

More information about organisation, working environment, sustainability and the environment is provided in our separate sustainability report and can be downloaded at investor.kid.no.

The sustainability report also includes the Group's reporting adhering to the Transparency Act, a Norwegian legislation, which requires companies to promote respect for human rights and decent working conditions. Kid ASA will also publish a statement of due diligence assessments in accordance with the Transparency Act on www.investor.kid.no under Corporate Governance before June 30, 2023.

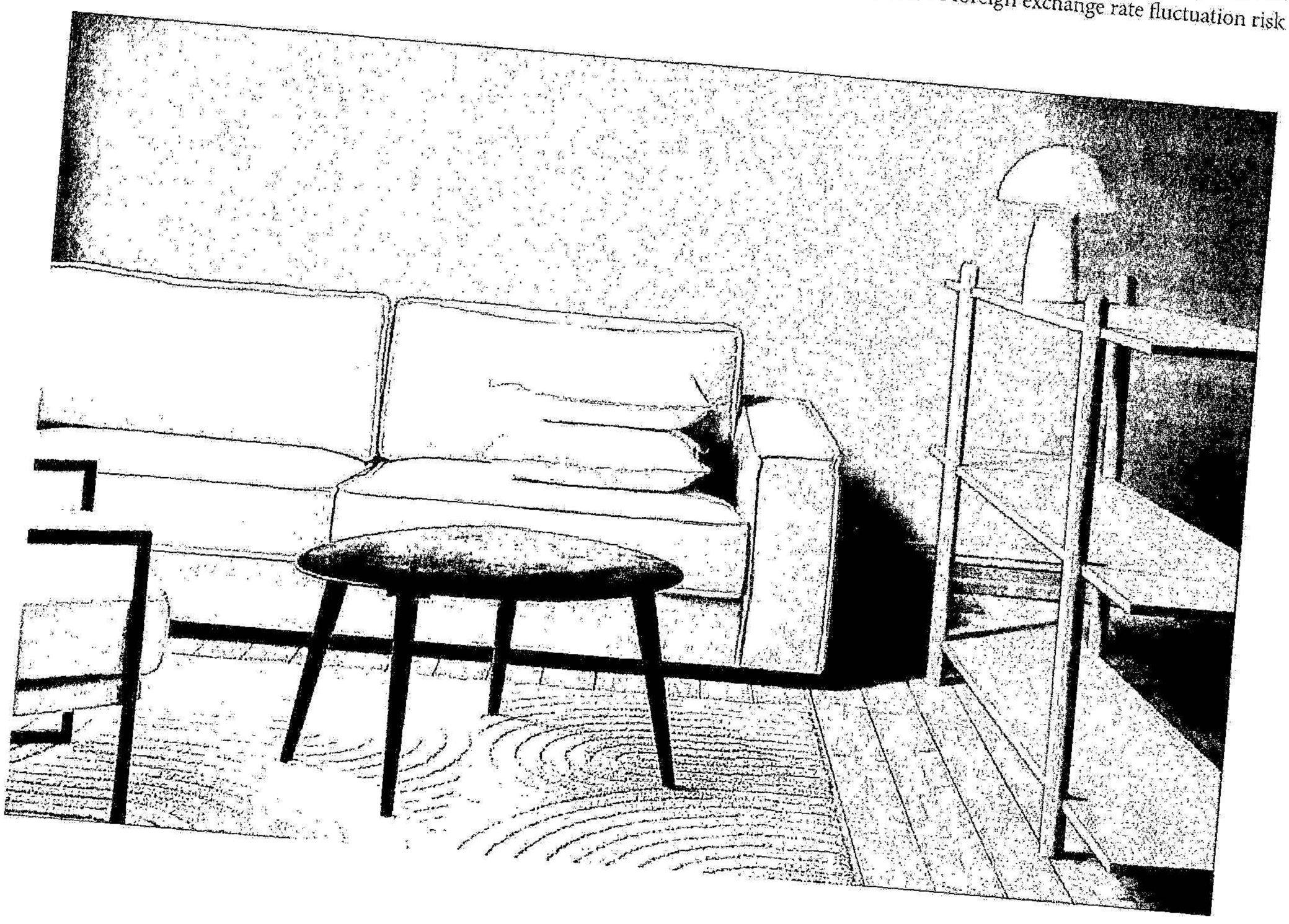
FINANCIAL RISKS

CURRENCY RISK

To reduce foreign currency risks, Kid hedges net foreign currency cash flows by entering into futures contracts. This is done in order to mitigate the currency risk for approximately 100 % of goods sourced.

In order to mitigate currency risk, future contracts must be entered into at least nine months before payment of goods, as prices and quantities are set with a long lead-time. The company has a policy to hedge 100 % of USD and EUR currency goods purchases for 9-11 months forward. The policy has been formally approved by the board of directors.

Exchange rate fluctuations may impact Kids income statement, balance sheet and/or cash flows as a result of the reporting currency being different from the functional currency of the foreign subsidiaries in Hemtex. The Group mainly operates in the Nordic markets and its foreign exchange rate fluctuation risk



is therefore limited. Both revenue and operating expenses are incurred in local currency, reducing the exposure to foreign exchange rate fluctuations in the statement of profit or loss.

CREDIT AND LIQUIDITY RISK

Kid has limited exposure to credit risk. The clear majority of revenue transactions are settled in cash or by debit card. Trade receivables relate mainly to the B2B customers which are still a relatively small part of total revenues and historically involve limited losses.

Projected cash flow is updated regularly, and the group has sufficient cash and credit facilities available.

INTEREST RATE RISK

Kid has a floating interest rate for MNOK 551.6 of outstanding long-term debt. Of this amount, MNOK 395 have been hedged through an interest rate swap agreement at a fixed interest rate of 1.876% maturing August 2029 and MSEK 55 has been hedged through a cross-currency interest swap agreement securing a fixed interest rate of 1.460 % and the exposure to SEK maturing November 2024.

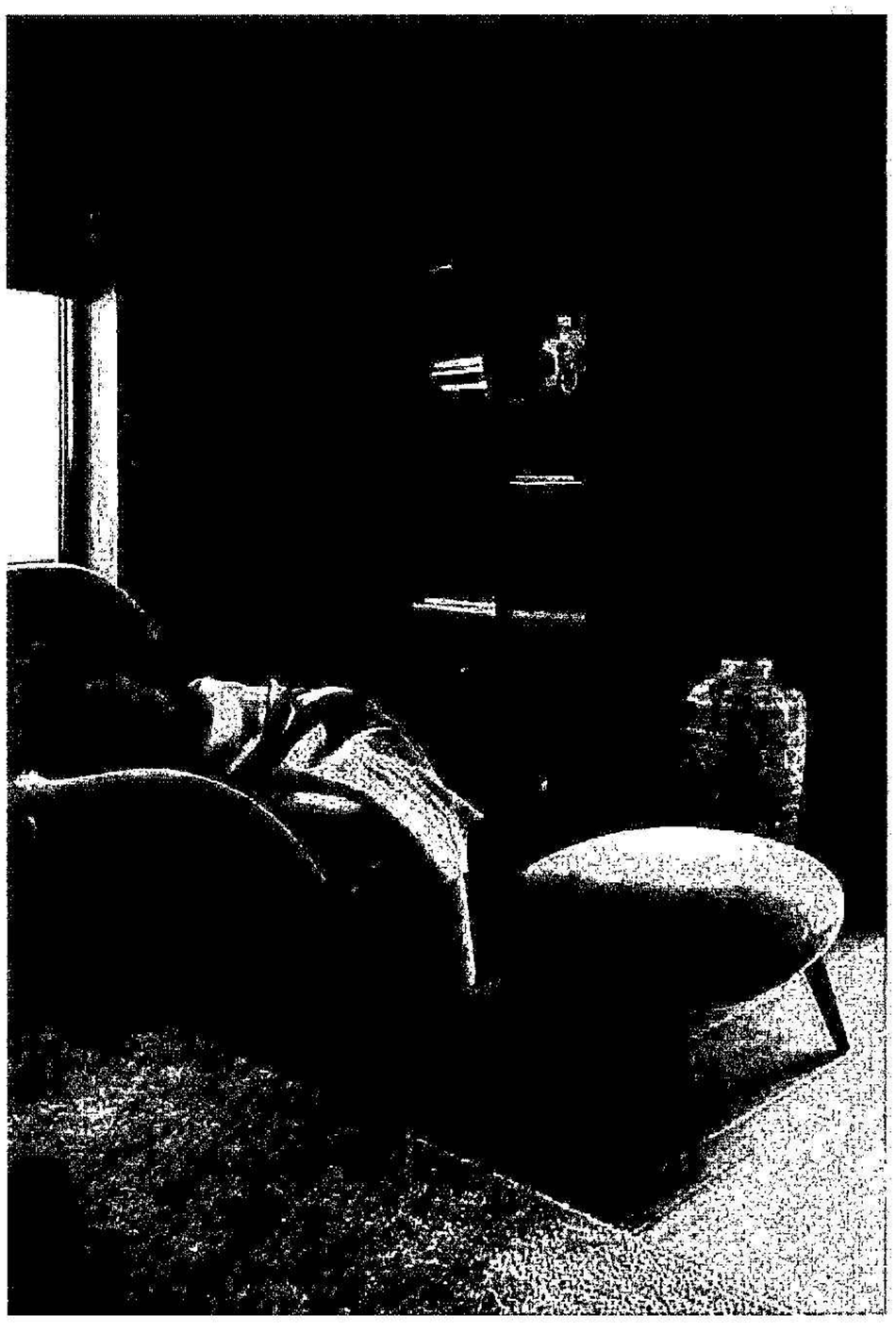
To the extent of the board of directors' knowledge, the above-mentioned risk factors represent the most material financial risk factors that may be of importance in order to evaluate the company's assets, liabilities, financial position and profits.

OUTLOOK FOR 2023

Our combination of unique and continually renewed assortment, inspirational stores and e-commerce platform, friendly and knowledgeable customer service, and a responsible brand makes customers return to Kid Interior and Hemtex as their preferred home textile and furnishing retailer.

Kid will continue to optimise, refurbish and grow the store portfolio. Expansion of store square meters in a large portion of the stores, especially for Hemtex, remains a high priority as this enables the stores to offer our full assortment range and maintain growth. In 2020, the board of directors approved a strategic profitable decision to increase the footprint of Hemtex in Finland and Estonia with an ambition to reach twenty stores in Finland and eight in Estonia within the next five years, with a potential revenue of NOK 100 million.

We are currently piloting the "Kid Extended" concept which includes a new range of products as extension of current categories as well as new categories (e.g. furniture). During Q2 a total of five pilot stores will be operational in Norway, all of which are approximately three times as large in floor space compared





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to our current average store. The extended assortment is also available in our Norwegian online store, which is expected to be the most important sales channel. The concept has shown a promising start, and during 2023 we will monitor the progress and results closely before deciding on a further roll-out of the concept.

In order to secure logistics capacity for further growth, Kid entered into an agreement in 2021 to build a new warehouse and headquarter facility in Borås, Sweden. The construction of the warehouse is progressing as planned and we expect to be fully operative in May. We are confident that Hemtex will operate more cost efficiently, reduce operational risk and better serve its customers by operating its own in-house logistics organization in the same way as Kid Interior does in Norway. Furthermore, the warehouse provides capacity for further growth for the Group.

The integration of the Kid and Hemtex concepts has been successful so far. We still see a potential to increase earnings by further integrating the market approach, organisations and IT systems. During 2023 we expect to have an integrated IT platform which will enable us to operate more seamlessly and cost efficiently across segments.

The historically high freight costs affected the Q4 margin negatively. However, as freight costs have been materially reduced on shipments arriving in the beginning of 2023 onwards, we expect a gradual margin improvement during 2023.

The group paid a total of MNOK 291 in 2022 related to fixed store- and warehouse rent. The rent is subject to an annual index regulation. Due to unusual high inflation in all our markets in 2022, the index regulation for 2023 will be in the range of 8-10%. Cost effectiveness remains a high priority for the Group.

The board of directors remains confident in Kid's solid financial situation and liquidity.

The objectives for Kid ASA in the medium-term are:

- A continued, strong financial performance driven by like-for-like growth of 3-4 % in a normalised market, stable gross margins in line with the past 10 years, and operating expenses relative to sales below 45%.
- An optimized store portfolio of approximately 320 fully owned stores. Capital expenditures related to maintenance is expected to run at a normalised annual level of MNOK 80-90, with an additional MNOK 2.0 per new store opening.
- To maintain moderate leverage and an efficient balance sheet.
- A target dividend pay-out ratio of 80-100% of adjusted net profit with semi-annual payments. The distribution policy is dynamic, and any excess capital will be returned to shareholders.

Lier, 13 April 2023

The board of directors, KID ASA

Petter Schouw-Hansen
Chairperson

Rune Marsdal
Board member

Liv Berstad
Board member

Gyrid Skalleberg Ingerø
Board member

Karin Bing Orgland
Board member

Espen Gundersen
Board member

Anders Fjeld
Chief Executive Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All amounts in NOK 1000 unless otherwise stated)

The notes are an integral part of these financial statements.	Note	Year ended 31st December **2022**	2021
Revenue	4	3,177,991	3,097,096
Other operating income		5,236	10,010
Total revenue		**3,183,227**	**3,107,106**
Cost of goods sold	15	1,331,613	1,159,506
Employee benefits expense	6, 20	629,892	617,303
Depreciation and amortisation expense	11, 12, 24	348,296	336,376
Other operating expenses	19	504,198	452,730
Total operating expenses		**2,813,999**	**2,565,916**
Operating profit		**369,228**	541,190
Financial income	7	4,948	7,361
Financial expense	7	52,476	63,384
Net financial income (+) / expense (-)		**-47,528**	**-56,023**
Share of result from joint ventures	8	**-2,787**	**0**
Profit before tax		**318,912**	**485,167**
Income tax expense	9	69,668	100,741
Net profit		**249,244**	**384,426**
Other comprehensive income			
Items that may be reclassified to P&L			
Cash flow hedges	22	163,076	54,662
Tax effect from cash flow hedges	22	-35,877	-12,026
Currency translation differences	22	-8,924	-12,041
Total other comprehensive income net of tax		**118,275**	**30,595**
Total comprehensive income		**367,520**	**415,021**
Basic and diluted Earnings per share (EPS):	10	**6.13**	**9.46**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in NOK 1000 unless otherwise stated)

The notes are an integral part of these financial statements.

		Group	
	Note	**31st December 2022**	31st December 2021
ASSETS			
Goodwill	12	65,479	70,286
Trademark	12	1,510,224	1,511,788
Other intangible assets	12	35,326	19,096
Deferred tax asset	9	1,859	22,968
Total intangible assets		**1,612,888**	**1,624,140**
Right of use asset	24	760,734	756,940
Property, plant and equipment	11	237,245	203,159
Total fixed assets		**997,979**	**960,099**
Investments in joint ventures	8	0	30
Loans to associated companies and joint ventures	21	23,795	0
Total financial fixed assets		23,795	30
TOTAL TANGIBLE ASSETS		2,634,663	2,584,268
Inventories	15	668,753	646,764
Trade receivables	13, 14	12,094	21,999
Other receivables	14	35,241	25,023
Derivative financial instruments	3, 13, 22	59,449	17,439
Total receivables		106,784	64,461
Cash and cash equivalents	13, 16, 23	75,721	239,331
TOTAL CURRENT ASSETS		851,259	950,556
TOTAL ASSETS		3,485,922	3,534,824

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in NOK 1000 unless otherwise stated)

The notes are an integral part of these financial statements		Group	
	Note	**31st December 2022**	31st December 2021
EQUITY AND LIABILITIES			
Share capital	17	48,770	48,774
Share premium	17	321,050	321,050
Other paid-in equity		64,617	64,617
Total paid-in-equity		**434,436**	**434,440**
Other reserves	22	30,645	4,975
Retained earnings		808,296	823,248
TOTAL EQUITY		**1,273,380**	1,262,663
Deferred tax liability	20	322,723	332,280
Long term lease liabilities	24	523,528	517,550
Long term liabilities to financial institutions	3, 13, 18, 23	521,646	451,628
Total long-term liabilities		**1,367,898**	**1,301,458**
Short term lease liabilities	24	258,257	249,737
Short term liabilities to financial institutions	3, 13, 18, 23	30,000	95,000
Trade creditors	13	122,459	159,751
Taxes payable	9	57,745	90,335
Public duties payable		167,139	172,851
Derivatives	3, 13, 22	7,229	5,166
Other short-term liabilities	19	201,815	197,865
Total short-term liabilities		**844,644**	**970,705**
TOTAL LIABILITIES		**2,212,542**	**2,272,162**
TOTAL EQUITY AND LIABILITIES		**3,485,922**	**3,534,824**

Lier, 13 April 2023

The board of directors, KID ASA

Petter Schouw-Hansen
Chairperson

Rune Marsdal
Board member

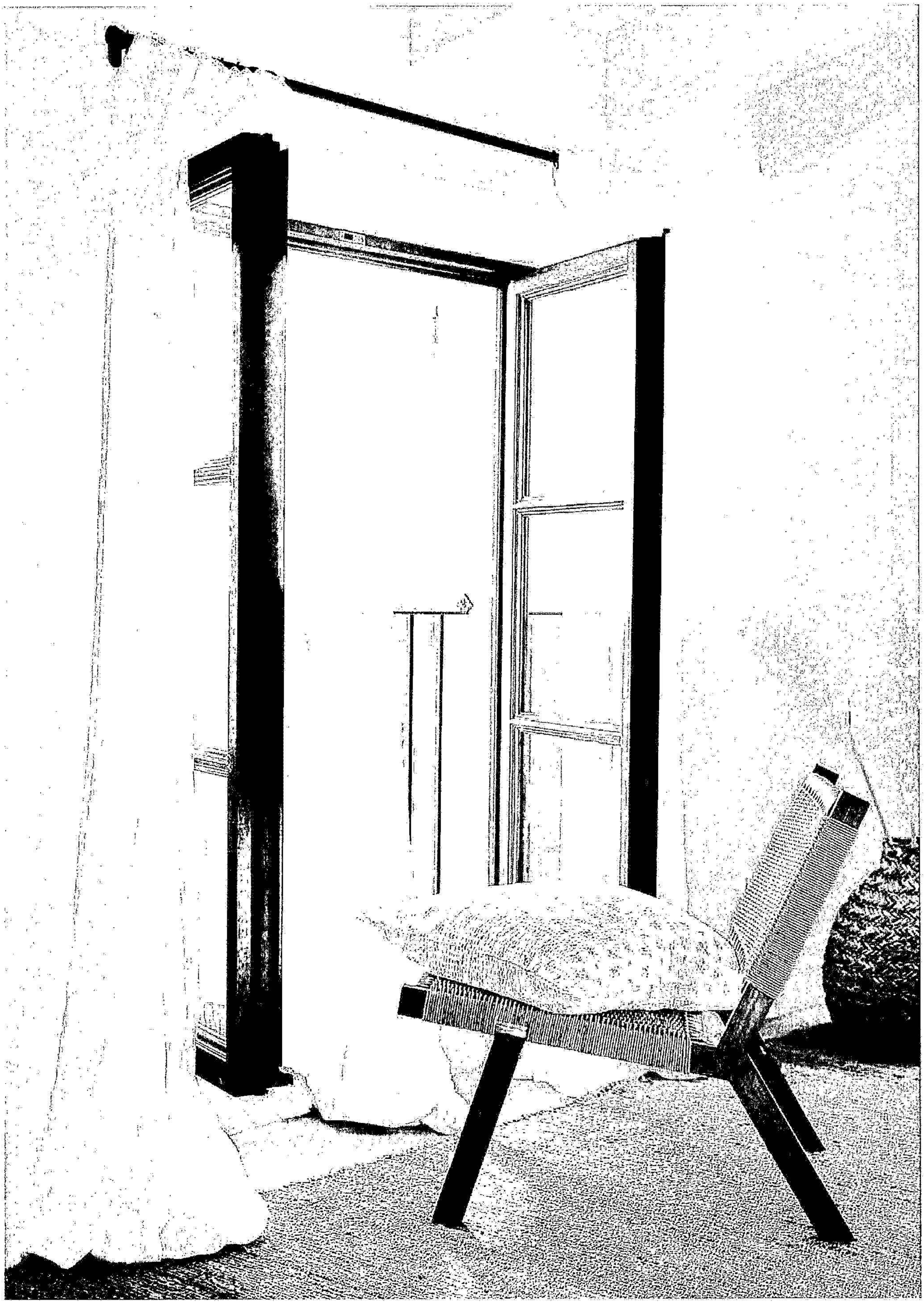
Liv Berstad
Board member

Gyrid Skalleberg Ingerø
Board member

Karin Bing Orgland
Board member

Espen Gundersen
Board member

Anders Fjeld
Chief Executive Officer



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in NOK 1000 unless otherwise stated)

The notes are an integral part of these financial statements.

	Group					
	As at 31st December					
	Share capital	**Share premium**	**Other paid - in equity**	**Other reserves**	**Retained earnings**	**Total equity**
Balance at 1 January 2021	48,774	321,050	64,617	-54,466	804,614	1,184,589
Profit for the year	-	-	-	-	384,426	384,426
Realized cash flow hedges	-	-	-	28,846	-	28,846
Other comprehensive income	-	-	-	30,595	-	30,595
Total comprehensive income for the year	-	-	-	30,595	384,426	415,021
Transactions with owners - Dividends	-	-	-	-	-365,807	-365,807
Balance as at 31 December 2021	**48,774**	**321,050**	**64,617**	**4,975**	**823,248**	**1,262,663**
Balance at 1 January 2022	48,770	321,050	64,617	4,975	823,248	1,262,663
Profit for the year	-	-	-	-	249,244	249,244
Realized cash flow hedges	-	-	-	-92,609	-	-92,609
Other comprehensive income	-	-	-	118,275	-	118,275
Total comprehensive income for the year	-	-	-	118,275	249,244	367,520
Transactions with owners - Dividends	-	-	-	-	-264,194	-264,194
Balance as at 31 December 2022	**48,770**	**321,050**	**64,617**	**30,645**	**808,296**	**1,273,380**

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CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in NOK 1000 unless otherwise stated)

The notes are an integral part of these financial statements.

		Group	
		Year ended 31st December	
	Note	**2022**	2021
Cash flow from operations			
Profit before income taxes		318,912	485,167
Taxes paid in the period	9	-105,571	-105,964
Depreciation & impairment	11, 12, 24	348,296	336,376
Effect of exchange fluctuations		1,341	16,861
Change in working capital			
Change in inventory	15	-29,170	-180,317
Change in trade receivables	14	9,135	-4,448
Change in trade creditors		-34,347	71,228
Change in other short-term liabilities		-7,176	15,515
Net interest		46,435	39,283
Net cash flow from operations		**547,855**	**673,701**
Cash flow from investments			
Purchase of fixed assets	11, 12	-119,264	-92,614
Loans to associated companies and joint ventures	22	-23,795	
Net cash flow from investments		**-143,059**	**-92,614**
Cash flow from financing			
Proceeds from long term borrowings	18, 23	230,000	130,000
Repayment of revolving credit facility	18, 23	-195,119	-65,000
Repayment of Term loans	18, 23	-30,000	-38,678
Net interest	7	-46,435	-39,283
Lease payments for the principal portion of lease liability	24	-263,350	-264,951
Dividend payments to shareholders		-264,194	-365,807
Net cash flow from financing		**-569,098**	**-643,719**
Cash and cash equivalents at the beginning of the period	16	**239,331**	**301,276**
Net change in cash and cash equivalents		-164,302	-62,631
Exchange gains / (losses) on cash and cash equivalents		690	683
Cash and cash equivalents at the end of the period	16	**75,721**	**239,331**


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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 | GENERAL INFORMATION

Kid ASA and its subsidiaries (together, `the group') sell interior products through wholly owned stores. The group has 156 stores in Norway under the brand name Kid. Hemtex has 116 stores in Sweden, 8 in Finland and 6 in Estonia. Out of the 130 Hemtex stores, 119 is owned by Hemtex and 11 is operated through franchise. The group also has online stores, under both Kid and Hemtex. The domicile of the group is Lier, Norway.

Group's head office is at Gilhusveien 1, 3426 Gullaug.

NOTE 2 | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of Kid ASA have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and the Norwegian Companies Act 1998 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The accounts were approved and authorized for issue by the Board 13. April 2023.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity or where the assumptions and estimates are significant for the consolidated financial statements are disclosed in note 5.

2.1.1 New and amended standards adopted by the Group

There are no new or amended standards adopted by the Group during the year with impact on the amounts recognised in prior periods or that would significantly affect the current or future periods.

2.1.2 Standards issued but not yet effective

Several amended standards and interpretations are effective for annual periods beginning after January 1. The group has not early adopted any new or amended standards and they are not expected to have a significant impact on the group's consolidated financial statements.

2.2 Consolidation and equity accounting

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Further information on entities included in the consolidated financial statements is presented in note 8.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity-accounted investments is tested for impairment. Further information on joint ventures is presented in note 8.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which is the group' Board of Directors (BoD). The group sells home textiles across Norway, Sweden, Finland and Estonia under the name KID Interiør and Hemtex. Within the Group, segment Kid relates to all operations in Norway and segment Hemtex relates to Sweden, Estonia and Finland. The Group also sells home interior products through the Group's online websites which is considered part of the operating segments Kid and Hemtex respectively as the online platforms are considered supplements to the stores and not separate segments.

2.4 Foreign currency translation

(a) Functional and presentation currency

Each entity in the group determines its functional currency based on the economic environment in which it operates, and items included in the financial statements of each entity are measured using that functional currency. When preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency are recognised in the functional currency, using the transaction date's currency rate. The consolidated financial statements are presented in NOK, which is the group's presentation and functional currency.



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(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within `finance income or costs'.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Leased movables and shop fittings	5 years
Fixtures	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within ' Other (losses)/gains – net' in the income statement.

Property, plant and equipment classified as facilities under construction is held at cost less any recognised provision for impairment. Depreciation is not initiated until the assets are brought into use on store opening.

2.6 Intangible assets

Goodwill
Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments KID and Hemtex.

Trademarks and licences
Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives of 9 to 10 years. Trademarks ("Kid Interior" brand name) have an indefinite useful life.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised over their estimated useful lives of four to seven years.

2.7 Impairment of non-financial assets
Goodwill and intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.





2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories: at fair value (either through OCI or profit or loss) or amortised cost. The classification is based on the SPPI model (Solely payments of principal and interest) in IFRS 9 and based on the Groups business model.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are derivative instruments not designated as hedging instruments. The Group currently have one cross currency interest swap contract defined as financial asset at fair value through profit or loss.

(b) Financial assets at amortised cost

Trade receivables, based on the classification model SPPI are held at amortized cost. All trade receivables are classified as current assets.

(c) Financial assets at fair value through other comprehensive income

Financial assets at fair value through OCI are derivative instruments designated as hedging instruments. The Group currently have one interest swap contract and several currency forward contracts defined as financial asset at fair value through OCI.

2.8.2 Recognition and measurement

Trade receivables are initially recognised at their fair value and subsequently measured at amortised cost. Trade receivables are evaluated for possible impairment each reporting period using the simplified credit loss model. See section 2.11. Trade receivables are derecognised when the right to receive cash flows has expired.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

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2.10 Impairment of financial assets

Financial assets carried at amortised cost - trade receivables
The majority of the Group's sales are "over the counter" in the KID and Hemtex stores to individuals, where payment is received from the customer at the time of the sale. Therefore in the majority of sales transactions, a trade receivable is not recognised. Sales to businesses or government institutions, for example schools or hospitals, a trade receivables is recognised at delivery of the inventory to the customer. These receivables have low credit risk and the majority of receivables over the past several years have been collected in full and on time. The group applies the simplified approach, whereby expected lifetime losses are recognised from initial recognition of the receivables is used.

2.11 Derivative financial instruments and hedge accounting policies

The Group enters into certain derivative contracts to provide economic hedges for parts of the Group's exposure to currency rate risk and interest rate risk. These contracts meet the criteria of hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. Derivatives that are designated as hedging instruments for cash flow hedges are measured at fair value over Other comprehensive income as long as the hedge meets IFRS 9 hedge criteria. The Group does not designate any derivatives as fair value hedges.

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

2.12 Inventories, purchased goods and changes in inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses. The cost of purchased goods sold comprises the direct costs (purchase price), import duties and freight as well as the hedging reserve. A significant part of the inventory purchases are denominated in USD and hedged to Norwegian and Swedish kroner with currency derivatives designated as cash flow hedges. Cost of purchased goods sold is determined using a combination of specific identification and weighted-average costing. Changes in inventory also includes a provision for obsolescence and lost goods.

2.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. As of year-end 2021 and 2022 the Group did not have any outstanding bank overdrafts.

Cash is initially recognised at fair value and subsequently measured at amortised cost.

2.14 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Liabilities from financial institutions

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees and commission costs paid on the establishment and maintenance of short-term bank borrowing facilities are recognised as bank transaction costs in the accounting period when the costs are paid. These costs are not amortised and deferred as the loans are usually re-paid within a few months.

2.17 Current and deferred income tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only were there is an agreement in place that gives the group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Provisions
Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The group recognises revenue when control of a good or service transfers to a customer. The group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

a) Sales of goods
The group operates a chain of retail outlets for selling interior products. Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by debit/credit card.

It is the group's policy to sell its products to the retail customer with a right to return within 14 days in Kid and 30 days in Hemtex. Accumulated experience is used to estimate and provide for such returns at the time of sale. Revenue is adjusted for the value of expected returns. Kid does not operate any loyalty programmes. Hemtex has a royalty program where customers receive points based on the consideration paid. When 2 000 points is earned during half a year the customer receive av bonus check of 50 kroner and revenue is adjusted accordingly.

(b) Internet revenue
Revenue from the sale of goods over the internet is recognised at the point that control of the inventory have passed to the customer, which is the point of delivery to the carrier. Revenue is adjusted for the value of expected returns. The return policy for products sold over the internet is the same as for products sold in the stores. Transactions are settled by credit or payment card.

2.20 Interest income
Interest income arises primarily from interest received on short-term bank deposits, and is recognised as earned.

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2.21 Dividend distribution
Dividend distributions to the shareholders is recognised as a liability in the Group financial statements in the period in which the dividends are approved by the shareholders at the annual shareholder meeting.

2.22 Employee benefits
The company has various pension schemes. The pension schemes are financed through payments to insurance companies, with the exception of the early retirement pension scheme (AFP). The company has both defined contribution plans and the AFP scheme.

(a) Pension obligations
For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans *on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have* been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The company also has an agreed early retirement scheme (AFP). The new AFP-scheme, in force from 1 January 2011, is a defined benefit multi-employer scheme, but is recognised in the accounts as a defined contribution scheme until reliable and sufficient information is available for the group to recognise its proportional share of pension cost, pension liability and pension funds in the scheme. The company's liabilities are therefore not recognised as debt in the balance sheet.

2.23 Lease contracts
The group leases various offices, warehouses, retail stores, equipment and vehicles. Rental contracts for the retail stores represent a significant part of the number of contracts and values, and are typically made for fixed periods of 6 months to 8 years. The contracts may include extension options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option
- and payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The incremental borrowing rate used takes into consideration the lenght of the contract as well as whether the location of the store is central or not.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability any lease payments made at or before the commencement date less any lease incentives received any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Some property leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension and termination options are included in a number of store leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

NOTE 3 | FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures. The company applies hedge accounting in accordance with IFRS 9.

The group's risk management is predominantly controlled by a central finance department under policies approved by the board of directors. Group Finance identifies, evaluates and hedges financial risks in close cooperation with the group's operating units in KID and Hemtex. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

Exposures to currency exchange rates arise from the group's international purchases, which are primarily denominated in USD. The group uses foreign currency derivative contracts to hedge foreign exchange risk which are recorded at fair value over OCI.

At 31. December 2022, the group had future contracts for 100% of the anticipated USD cash flow for a period of 11 months. The Group has adopted IFRS 9 and uses hedge accounting, see note 22 for further information.

The following table illustrates the sensitivity on the company's financial instruments of a 10% change in USD against the Norwegian and Swedish kroner based on the year-end fair value of the instruments with all other variables (e.g. changes of prices on products sold) held constant. Due to the Groups hedging strategy, the change in fair value on unrealized forward contracts are recognised through OCI, and any gain/loss in P&L upon realization is offset against currency effects on the the hedged object. Se note 22 for more information.

At 31 December 2022	+10% change	-10% change
Effect on OCI (FX derivatives NOK/USD)	40,109	-40,109
Effect on OCI (FX derivatives SEK/USD)	21,637	-21,637

At 31 December 2021	+10% change	-10% change
Effect on OCI (FX derivatives NOK/USD)	29,136	-29,136
Effect on OCI (FX derivatives SEK/USD)	16,169	-16,169

The Group is exposed to currency risk related to the operations in Sweden, Finland and Estonia as these entities have a different functional currency than the Group reporting currency. This translation exposure do not result in an immediate cash flow effect, however it is closely monitored since it may have an impact on the covenants for the Group. The net profit from the foreign subsidiaries in 2022 was MNOK 53.9 and total assets at year end was MNOK 910.4.

(ii) Interest risk

The group's interest rate risk arises from long-term borrowings and bank deposits. Borrowings issued at variable rates expose the group to cash flow interest rate risk which is partially offset by cash held at variable rates and hedging contracts. As NIBOR and STIBOR will not be replaced in the near future, we have considered that the Group is not effected by the IBOR-reform as per 31 December 2022. The company is also subject to interest rate risk related to short term bank overdraft drawn during the financial year. Borrowings at variable rates expose the Group to cash flow interest rate risk. Fixed-interest contracts are used to reduce this risk.

The following tables illustrate the sensitivity on the company's financial instruments of a +/- 1% change in interest based on the year-end fair value of the instruments with all other variables held constant with the effect over OCI. Due to the Groups hedging strategy, the change in fair value on unrealized interest contracts are recognised through OCI, and any gain/loss in P&L upon realization is offset against interest effects on the the hedged object. Se note 22 for more information.

The sensitivity of the unhedged part of the long term loan is presented illustrating a +/- 1% change in interest based on the floating interest rate at year end and the outstanding unhedged part of the loan.

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	Interest swap	
At 31 December 2022	**+1% change**	**-1% change**
Effect on OCI	15,847	-15,847
At 31 December 2021	**+1% change**	**-1% change**
Effect on OCI	1,799	-1,799

	Cross currency interest swap	
At 31 December 2022	**+1% change**	**-1% change**
Effect on interest cost	10,064	-10,064
At 31 December 2021	**+1% change**	**-1% change**
Effect on interest cost	2,170	-2,170

	Unhedged part of interest bearing loans	
At 31 December 2022	**+1% change**	**-1% change**
Effect on interest cost	1,016	-1,016
At 31 December 2021	**+1% change**	**-1% change**
Effect on interest cost	336	-336

(b) Credit risk

The group's turnover comes mainly from cash sales or debit/credit card based sales where settlement in cash takes place within a few days of the sales transaction. As such, the group has limited exposure to credit risk relating to accounts receivable balances. Credit risk also arises from derivative financial instruments and deposits with banks and financial institutions. However, counterparts are limited to financial institutions with high creditworthiness. Historically, default and losses related to credit risk have been low.

(c) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group has capital-intensive inventory in central warehouse and stores and has fluctuations related to working capital due to seasonality and the timing of the deliveries and payments.

Cash flow forecasting is performed in the operating entities of the group and aggregated by group finance. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed loan facilities (note 18) at all times so that the group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.

Surplus cash is used to pay out dividends and reduce long term borrowings.

The table below analyses the group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Over 4 years
Borrowings (ex finance lease liabilities)	40,067	39,505	38,942	465,042	-
Lease liabilities	273,020	212,366	153,213	106,496	126,741
Trade and other payables	324,275	-	-	-	-
	637,362	251,871	192,155	571,538	126,741

At 31 December 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Over 4 years
Borrowings (ex finance lease liabilities)	104,365	38,192	37,630	37,067	365,023
Lease liabilities	259,278	206,871	149,997	96,301	138,602
Trade and other payables	357,615	-	-	-	-
	721,258	**245,063**	**187,627**	**133,368**	**503,625**

Loans consist of one long term loan to Nordea refinanced during the year. Refer to note 18 for information on the external loan.

3.2 Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, reduce excess loan repayments, exploit available credit facilities or sell financial assets. Kid's dividend policy is a pay-out ratio of 80-100% of adjusted net profit, with semi-annual payments. The company will deploy a dynamic distribution policy, and any excess capital will be returned to shareholders.

The group monitors capital on the basis of the gearing ratio. This ratio is calculated as net interest bearing debt divided by EBITDA. Net interest bearing debt is calculated as total borrowings (including `current and non-current borrowings' as shown in the consolidated balance sheet excluded financial derivatives) less cash and cash equivalents. EBITDA is calculated as earnings before interest, tax, depreciation and amortisation.

The company has had a strategic focus to reduced long term borrowings and reach and maintain a sustainable quarterly gearing ratio below 2,5. The gearing ratios at 31 December 2022 and 2021 were as follows:

	2022	2021
Total external borrowings (note 18)	551,646	546,628
Less: cash and cash equivalents (note 16)	(75,721)	(239,331)
Net interest bearing debt	475,925	307,297
EBITDA	717,524	877,567
Gearing ratio	**0.66**	**0.35**

The Group has covenants limits related to gearing ratio and EBITDA. For more information about covenant-limits, refer note 18.

The board of directors has proposed a dividend of NOK 3.00 per share to be paid in May 2023. Including the prepayment of NOK 2.50 per share paid in December 2022, the total dividend of NOK 5.50 represents 90 % of Group net income for 2022.

3.3 Fair value estimation

The Group has financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The financial instruments carried at fair value relates to derivative instruments. These instruments are included in level 2. Refer to note 23 for further information on derivative instruments

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NOTE 4 | SEGMENT INFORMATION

The operating segments are identified on the basis of the reports which Group management (the chief decision-maker) uses to assess performance and profitability at a strategic level. The Group sells interior products mainly through wholly owned stores. Within the Group, Kid Interior relates to Norway and Hemtex relates to Sweden, Estonia and Finland. The Group also sells home interior products through the Group's online websites which is considered part of the operating segments Kid and Hemtex respectively. Over 99% of the products are sold under own brands.

Group management evaluates the results from the segments based on EBITDA. The method of measurement excludes the effect of non-recurring costs, such as restructuring costs and legal costs on acquisition.

Geographical information

Kid Group sells home interior products in 156 fully owned stores across Norway and 130 stores across EU, of which 116 were in Sweden, 8 in Finland and 6 in Estonia. Of the stores in EU, 119 are owned by Hemtex and 11 are franchises.

Revenue

	2022	2021
Norway	1,983,602	1,883,498
Sweden	1,062,366	1,096,695
Finland	83,024	80,771
Estonia	48,999	36,132
Total	**3,177,991**	**3,097,096**

Information reported to Group management from the reporting segments.



2022

	KID Interior	Hemtex	Total
Revenue	1,983,602	1,194,389	3,177,991
Cost of goods sold	-827,978	-503,635	-1,331,613
Gross profit	1,155,624	690,754	1,846,378
Other operating revenue	106	5,130	5,236
Operating expense (OPEX)	-657,867	-476,227	-1,134,093
EBITDA	497,863	219,657	717,521
Operating profit	296,485	72,740	369,225
	-	-	-
Gross margin (%)	58.3%	57.8%	58.1%
OPEX to sales margin (%)	-33.2%	-39.9%	-35.7%
EBITDA margin (%)	25.1%	18.4%	22.6%
	-	-	-
Inventory	421,992	246,762	668,753
Total assets	2,575,552	910,368	3,485,919

2021

	KID Interior	Hemtex	Total
Revenue	1,883,498	1,213,598	3,097,096
Purchased goods and change in inventory	-702,266	-457,240	-1,159,506
Gross profit	1,181,232	756,358	1,937,590
Other operating revenue	503	9,507	10,010
Operating expense (OPEX)	-603,282	-466,751	-1,070,033
EBITDA	578,453	299,114	877,567
Operating profit	391,442	149,749	541,190
	-	-	-
Gross margin (%)	62.7%	62.3%	62.6%
OPEX to sales margin (%)	-32.0%	-38.5%	-34.6%
EBITDA margin (%)	30.7%	24.6%	28.3%
	-	-	-
Inventory	413,016	233,748	646,764
Total assets	2,632,304	902,520	3,534,824

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NOTE 5 | CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Critical accounting estimates and assumptions

Group management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

5.1.1 Estimated value-in-use to support the value of trademark and goodwill

The Group tests annually whether the Group's trademark and goodwill has suffered any impairment in accordance with IAS 36. The recoverable amounts of the defined cash-generating units, KID Interiør and Hemtex, have been determined based on value-in-use calculations. These calculations require use of estimates, and included considerations of sustainability topics with possible financial materiality. The impairment tests are especially sensitive for negative changes in long-term revenue growth and gross margin.

See note 12 – Intangible assets for more information.

5.1.2 Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Most extension options in store leases have not been included in the lease liability, because the group has the market power to renegotiate rental terms rather than exercising options and also has the financial power to replace the stores without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

5.2 Critical judgements in applying the entity's accounting policies

There has not been identified any other critical judgements in applying the entity's accounting policies.



NOTE 6 | EMPLOYEE REMUNERATION AND AUDIT FEES

6a Employee benefit expense

	2022	2021
Wages and salaries	505,913	497,468
Social security costs	97,328	99,191
Pension costs - defined contribution plans (note 20)	18,289	12,517
Other benefits	8,362	8,128
Total employee benefit expense	**629,892**	**617,304**
Average number of full-time employees	958	930

There has not been any loans to employees or guarantees granted to employees for either 2022 or 2021. Refer to note 19 for specification of salary-related accruals included in Other short term liabilities.

6b Benefits key management personnel and board of directors

	2022				
Key Management Personnel	**Salary**	**Pension**	**Accrued bonus**	**Other Benefits**	**Total**
CEO, CFO, VD Hemtex	8,611	605	-892	377	**8,702**
Board of directors				2,128	**2,128**

	2021				
Key Management Personnel	**Salary**	**Pension**	**Accrued bonus**	**Other Benefits**	**Total**
CEO, CFO, VD Hemtex	8,315	657	5,925	331	**15,229**
Board of directors				1,948	**1,948**

There has not been any loans or guarantees granted to key management personnel for either 2021 or 2022.

CEO have 6 months salary as termination benefit.

There are no share based payments.

For more information on remuneration, please refer to Remuneration report 2022 as approved by the Board of Directors. The Remuneration report is subject to an advisory vote by the General Meeting in 2023, and published as part of the appendices to the Notice of Annual General Meeting at investor.kid.no.

6c Audit fees

	2022	2021
Statutory audit	2,245	1,967
Other assurance services	48	68
Tax related services	137	44
Other assistance	0	7
Total fees	2,430	2,086

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NOTE 7 | FINANCE INCOME AND COSTS

	2022	2021
Finance costs		
Bank interest cost	18,137	15,690
Bank charges	3,845	2,933
Other finance costs*	1,998	17,853
Interest on lease liability	28,497	26,908
Total finance costs	**52,477**	**63,384**
Finance income		
Interest income on short-term bank deposits	1,178	3
Other finance income*	3,770	7,359
Total finance income	**4,948**	**7,361**
Net finance costs	**-47,528**	**-56,023**

* Realized and unrealized currency gain/loss and change in fair value of cross currency interest swap are included in other finance costs and other finance income.

NOTE 8 | INVESTMENTS IN JOINT VENTURES AND SUBSIDIARIES

The group had the following subsidiaries at 31 December 2022:

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

All subsidiary undertakings are included in the consolidation.

The group had the following joint ventures at 31 December 2022.

Name	Place of business	Nature of relationship	Measurement method	Ownership share	Carrying amount
Prognosgatan Holding AS	Norway	Joint venture	Equity method	50%	30

As per year-end the the joint venture is reflected in the statement of financial position. Per 31 December 2022, the share of result from joint ventures is MNOK -2.8 (MNOK 0). The carrying amount is TNOK 0 (TNOK 0.3) and MNOK -2,7 has been classified as other short term liabilities related to the investment. Refer to note 21 for infomation for loans to JV.

In November 2021 Kid ASA entered into a commercial cooperation through its Norwegian wholly owned subsidiary Hemtex Logistikk AS with Fabritius Gruppen AS establishing a joint venture,"Prognosgatan Holding AS", for the purpose of a plot and for constructing a new warehouse facility in Sweden. The Joint Venture is controlled by Kid (through Hemtex Logistikk AS, renamed Kid Eiendom AS) and Fabritius on a 50/50% basis. Fabritius is wholly owned by Gjelsten Holding AS, which currently also holds 10.24% of the shares in Kid ASA.

Commitments and contingent liabilities in respect of joint ventures
An agreement with the construction entrepreneur was signed in December 2021. Kid Eiendom AS has provided a guarantee equal to 5% of the total contracted amount MNOK 147.5.

An updated lease agreement has been signed between Prognosgatan Fastights AB (lessor) and Kid International Logistic AB (lessee) for the use of the planned central warehouse and offices in the warehouse. Kid ASA will place a customary parent company guarantee in favour of the lessor for an amount equal to 12 months of rent inclusive VAT under the lease agreement.

NOTE 9 | INCOME TAX EXPENSE

	2022	2021
Current tax		
Current tax on profits for the year Norway	57,997	81,174
Current tax on profits for the year Sweden*	12,360	25,968
Total current tax in income tax expense	**70,357**	107,142

*Of which is prepaid during the year. Refer to reconciliation of payable tax below.

Changes in deferred tax related to income tax expense	-689	-6,402
Income tax expense	**69,668**	100,740

Reconciliation between tax expense and product of accounting profit, multiplied by the applicable tax rate:

	2022	2021
Profit before tax	318,912	485,167
Tax calculated at domestic tax rate (22%) applicable to profits	70,161	106,737
Tax effects of:		
Expenses not deductible for tax purposes/(Income not subject to tax)	-4	-530
Effect of different tax rates	-488	-5,466
Income tax expense	**69,669**	**100,741**
Tax charge in percent of profit before tax	22 %	21 %

Reconciliation of payable tax

	Norway	Sweden	Total
Payable tax 31.12.21	81,174	9,161	90,335
Paid taxes during the year	-81,565	-24,006	-105,571
Payable tax on this years result	58,136	12,360	70,496
Tax receivable classified as other receiveables per 31.12.22		2,485	2,485
Payable tax 31.12.22	57,745	-0	57,744

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The movement in deferred income tax assets and liabilities during the year, taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Specification of deferred tax/deferred tax asset

31.12.2022	PP&E	Trademark and other intangible assets	Right of use asset	Derivatives	Other	Sum
Deferred tax liability (Norway)	2,218	-321,109	7,450	-10,935	-348	-322,723
Deferred tax asset (Sweden)	6,619	-10,837	3,862	-2,117	4,331	1,859
Net deferred tax	8,838	-331,946	11,312	-13,052	3,983	-320,865

31.12.2021	PP&E	Trademark and other intangible assets	Right of use asset	Derivatives	Other	Sum
Deferred tax liability (Norway)		-332,280				-332,280
Deferred tax asset (Norway)	310		5,996	-786	1,525	7,046
Deferred tax asset (Sweden)	11,343		3,082	-2,039	3,531	15,918
Net deferred tax	11,653	-332,280	9,079	-2,825	5,056	-309,317

The change in net deferred tax was:

Net deferred tax per 31.12.21	-309,317
Recognized in P&L	-689
Recognized in OCI	22
Recognized directly in equity	-35,877
Translation differences	26,121
Net deferred tax per 31.12.22	-1,103
	-320,865

NOTE 10 | EARNINGS PER SHARE

There exists only one class of shares.

	2022	2021
Weighted average number of shares	40,645,162	40,645,162
Net profit for the year	249,244	384,426
Earnings per share (basic and diluted) (Expressed in NOK per share)	*6.13*	*9.46*
Dividends per share paid in May	4.0	4.4
Dividends per share paid in December (November)	2.5	4.6

Refer to note 3.2 for proposed dividend at year end.

NOTE 11 | PROPERTY, PLANT AND EQUIPMENT

	Assets under construction	Fixtures and fittings	Autostore	Total
Year ended 31 December 2022				
Opening net book amount	2,646	178,850	21,661	203,158
Additions	26,949	81,905	0	108,854
Reclassifications	0		0	-
Depreciation charge	0	-64,666	-6,235	-70,901
Currency translation differences	0	-3,867	0	-3,867
Closing net book amount	**29,596**	**192,222**	**15,426**	**237,244**
At 31 December 2022				
Cost or valuation	29,596	785,301	31,177	846,074
Accumulated depreciation	0	-579,651	-15,751	-595,402
Currency translation differences	0	-13,428	0	-13,428
Net book amount	**29,596**	**192,222**	**15,425**	**237,244**
Year ended 31 December 2021				
Opening net book amount	2,646	168,969	27,897	199,512
Additions	0	74,541	0	74,541
Reclassifications	0		0	0
Depreciation charge	-	-62,091	-6,235	-68,327
Currency translation differences	-	-2,569	0	-2,569
Closing net book amount	**2,646**	**178,850**	**21,661**	**203,157**
At 31 December 2021				
Cost or valuation	2,646	703,397	31,177	737,220
Accumulated depreciation	-	-514,985	-9,515	-524,501
Currency translation differences	-	-9,561	0	-9,561
Net book amount	**2,646**	**178,850**	**21,661**	**203,158**

Assets under construction relates to fixed assets not ready for use, mainly related to the new warehouse in Borås as well as store refurbishings. As such, these items are not depreciated until ready for use.

Indicators of impairment of property, plant and equipment have been assessed. Management concluded that there were no indicators as per 31 December 2022.

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NOTE 12 | INTANGIBLE ASSETS

	Software	Trademark	Goodwill	Total
Cost				
At 1 January 2021	28,409	1,515,484	72,281	1,616,174
Additions	16,223	-	-	16,223
Currency translation differences	-260	-3,696	-1,995	-5,951
As at 31 December 2021	**44,371**	**1,511,788**	**70,286**	**1,626,446**
Additions	20,871	-	-	20,871
Currency translation differences	-775	-1,564	-4,807	-7,146
As at 31 December 2022	**64,467**	**1,510,224**	**65,479**	**1,640,171**
Accumulated amortisation and impairment				
At 1 January 2021	-22,784	-	-	-22,784
Amortisation charge	-2,489	-	-	-2,489
As at 31 December 2021	**-25,273**	**-**	**-**	**-25,273**
At 1 January 2022	-25,273	-	-	-25,273
Amortisation charge	-3,865	-	-	-3,865
As at 31 December 2022	**-29,138**	**-**	**-**	**-29,138**
Net book value				
Cost	44,372	1,511,788	70,286	1,626,446
Accumulated amortisation and impairment	-25,275	-	-	-25,275
As at 31 December 2021	**19,096**	**1,511,788**	**70,286**	**1,601,170**
Cost	64,467	1,510,224	65,479	1,640,170
Accumulated amortisation and impairment	-29,140	-	-	-29,141
As at 31 December 2022	**35,326**	**1,510,224**	**65,479**	**1,611,029**
Useful life	**4-7 years**	**Indefinite**	**Indefinite**	

Impairment tests for trademark and goodwill
The group tests whether trademark and goodwill has suffered any impairment on an annual basis. The recoverable amount is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets and assumptions approved by board covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 1%. These growth rates are consistent with forecasts included in industry reports.

Trademark Kid Interior
The trademark Kid was acquired in 2005 and is related to the original cost of the subsidiaries and the company brand Kid Interiør. Kid Interiør was founded in 1937 and has long traditions within its business area. Kid Interiør is a well known brand among the population in Norway and there is a clear intention to retain and further develop this brand. As a consequence, the brand name is not amortised, but tested for impairment annually.

The following table sets out the key assumptions used in the impairment test:	2022	2021
Sales volume (% annual growth rate)	1.6	2.0
Gross margin (%)	60.9	60.8
Other operating costs (%)	45.2	44.1
Annual capital expenditure (MNOK)	50.0	50.0
Discount rate pre tax (%)	**10.3**	**9.2**

The recoverable amount of the trademark is estimated to be MNOK 2755 (2021 – MNOK 3266). This exceeds the carrying amount of the trademark Kid Interiør at 31 December 2022 which is MNOK 1460 (2021 – MNOK 1460).

The recoverable amount of the trademark would equal the carrying amount if the key assumptions were to change as follows:

	2022		2021	
	From	To	From	To
Sales volume (% annual growth rate)	1.6	-0.7	2.0	-1.5
Budgeted gross margin (%)	60.9	56.0	60.8	51.3
Discount rate pre tax (%)	10.3	16.2	9.2	18.9

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the trademark to exceed its recoverable amount. These considerations and assessments includes sustainability topics with possible financial materiality.

Trademark and goodwill Hemtex

The trademark Hemtex was acquired in May 2019 and relates to the Swedish interior goods retailer Hemtex International and its subsidiaries in Finland and Estonia. Hemtex was founded in 1973 and has long traditions within its business area. Hemtex is a well known brand among the population and there is a clear intention to retain and further develop this brand. As a consequence, the brand name is not amortised, but will be tested for impairment annually.

The group has tested whether the trademark and goodwill for impairment at year end.

The following table sets out the key assumptions used in the impairment test:	2022	2021
Sales volume (% annual growth rate)	2.2	2.1
Gross margin (%)	61.0	60.8
Other operating costs (% of revenue)	50.3	46.8
Annual capital expenditure (MNOK)	50.0	50.0
Discount rate pre tax (%)	**10.1**	**8.7**

The recoverable amount of the trademark and goodwill is estimated to be MNOK 891. This exceeds the carrying amount of the trademark and goodwill in Hemtex at 31 December 2022 which is MNOK 116.

The recoverable amount of the trademark and goodwill would equal its carrying amount if the key assumptions were to change as follows:

	2022		2021	
	From	To	From	To
Sales volume (% annual growth rate)	2.2	-0.1	2.1	-2.2
Budgeted gross margin (%)	61.0	57.0	60.8	51.9
Discount rate pre tax (%)	10.1	30.2	8.7	41.1

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the trademark to exceed its recoverable amount.

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NOTE 13 | FINANCIAL INSTRUMENTS

13.1 Financial instruments by category

31 December 2022	Financial assets at amortised cost	Financial assets (cash flow hedge derivatives) at fair value over OCI	Financial assets (derivatives not designated as instruments for hedge accounting) at fair value over P&L	Total
Assets as per balance sheet				
Derivative financial instruments	-	54,778	4,672	59,449
Trade receivables	12,094	-		12,094
Cash and bank deposits	75,721	-		75,721
Total	87,815	54,778	4,672	147,264

	Other financial liabilities at amortised cost	Financial liabilities (cash flow hedge derivatives) at fair value over OCI	Financial assets (derivatives not designated as instruments for hedge accounting) at fair value over P&L	Total
Liabilities as per balance sheet				
Liabilities to financial institutions long term	521,646			521,646
Long term lease liability	523,528			523,528
Short term liabilities to financial institutions	30,000			30,000
Short term lease liability	258,257			258,257
Derivatives			7,229	7,229
Trade creditors	122,459			122,459
Total	1,455,891		7,229	1,463,120

	31 December 2021			
	Financial assets at amortised cost	Financial assets (cash flow hedge derivatives) at fair value over OCI	Financial assets (derivatives not designated as instruments for hedge accountin) at fair value over P&L	Total
Assets as per balance sheet				
Derivative financial instruments	-	17,439	-	17,439
Trade receivables	21,999	-		21,999
Cash and bank deposits	239,331	-		239,331
Total	261,330	17,439	0	278,769

	Other financial liabilities at amortised cost	Financial liabilities (cash flow hedge derivatives) at fair value over OCI	Financial assets (derivatives not designated as instruments for hedge accountin) at fair value over P&L	Total
Liabilities as per balance sheet				
Liabilities to financial institutions long term	451,628			451,628
Long term lease liability	517,550			517,550
Short term liabilities to financial institutions	95,000			95,000
Short term lease liability	249,737			249,737
Derivatives		5,166		5,166
Trade creditors	159,751			159,751
Total	1,473,665	5,166	0	1,478,832

NOTE 14 | TRADE RECEIVABLES

Trade receivables
The carrying amounts of the Group's trade and other receivables are entirely denominated in the currency in the country in which the company operates, ie NOK, SEK and EUR.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables. The Group has not pledged any of the trade receivables as collateral or security. Management has evaluated the trade receivables credit risk to be insignificant and the trade receivables are recognised in the financial statements at full face value.

Other receivables
Other receivables consists mainly of prepayments for operating expenses and rental payments for retail locations.

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NOTE 15 | INVENTORIES

	2022	2021
Inventory at purchase cost	674,815	654,013
Inventory write-downs to net realizable value	-6,061	-7,248
Inventories	**668,753**	**646,764**

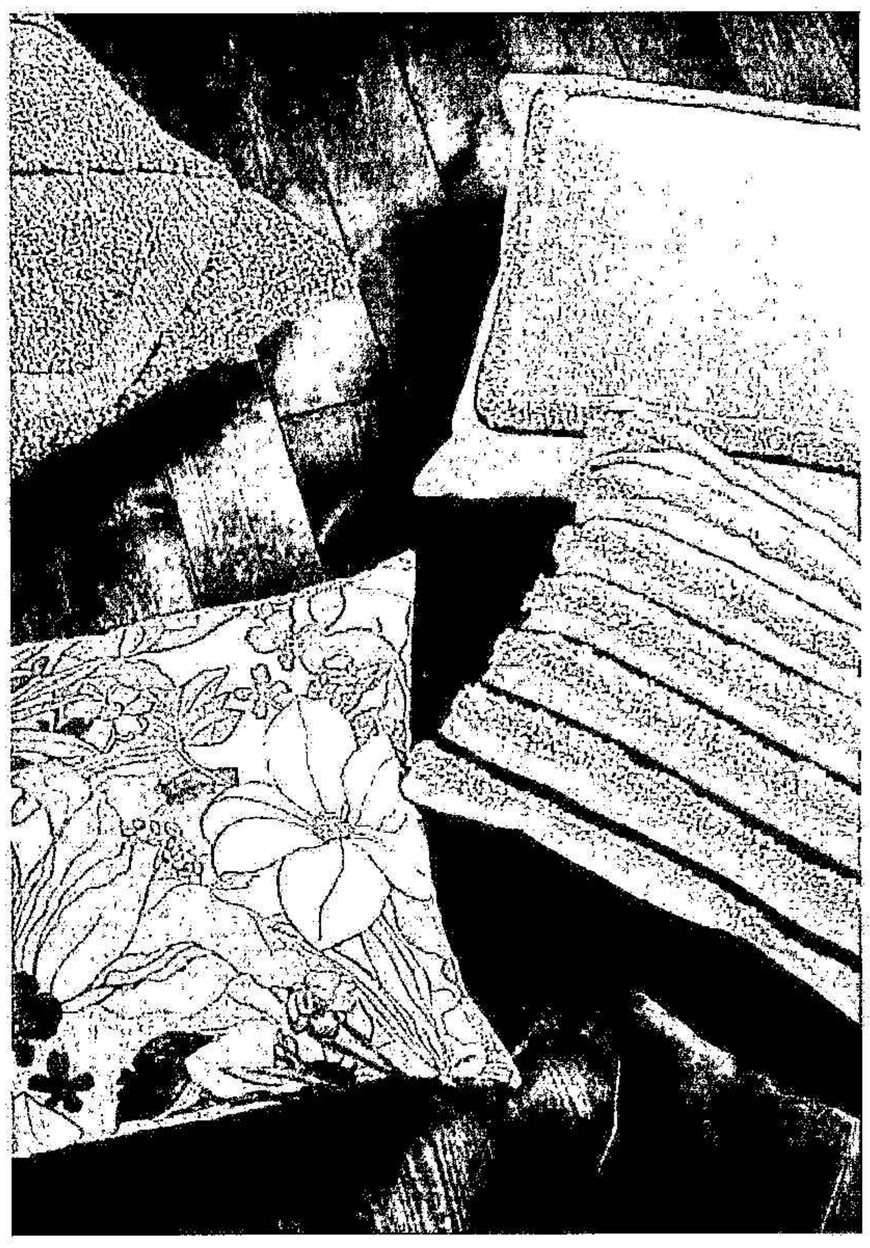
Recognized loss on inventories

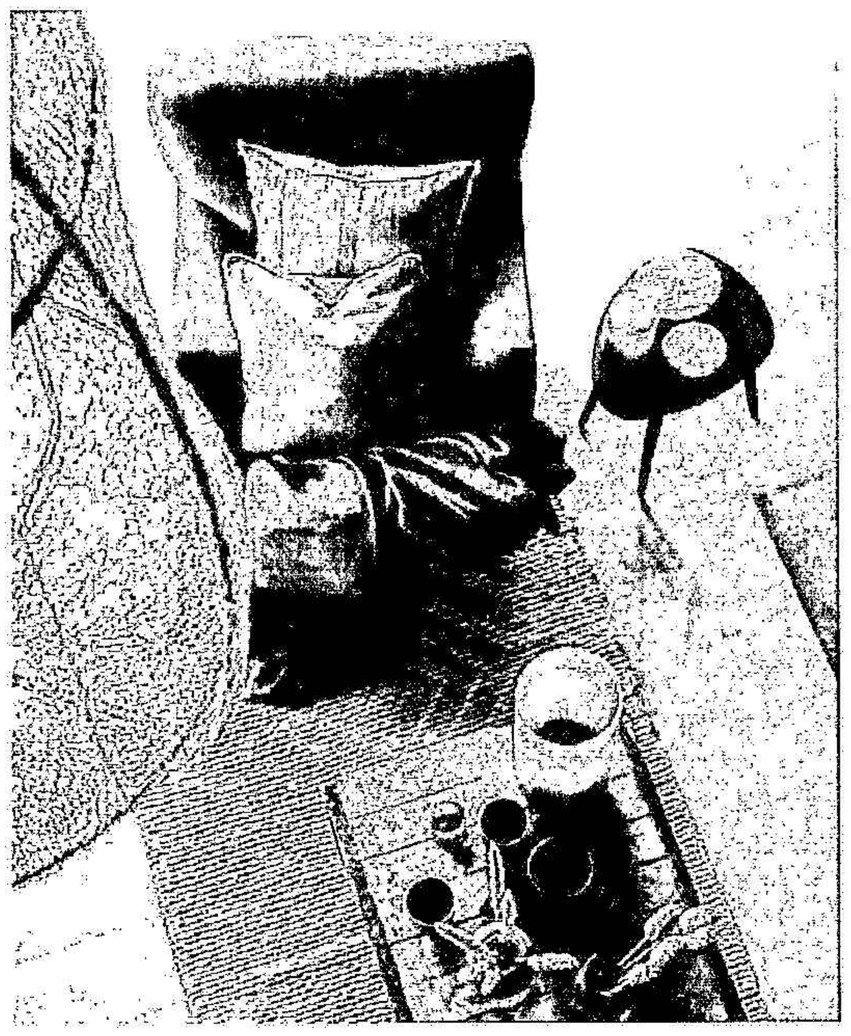
	2022	2021
Lost and damaged goods	13,530	12,399
Change in provision for obsolescence	-1,187	3,297
Recognized loss on inventories in cost of goods sold	**12,343**	**15,696**

NOTE 16 | CASH AND CASH EQUIVALENTS

	2022	2021
Cash in bank and in hand	63,458	230,169
Short-term bank overnight deposits	12,521	9,420
Cash and cash equivalents (excluding bank overdrafts)	**75,721**	**239,331**

The Group does not have any restricted cash bank accounts.
See note 18 for further information on employee tax guarantee.





NOTE 17 | SHARE CAPITAL AND PREMIUM

Share capital (all amounts in NOK)

	Number of shares	Ordinary shares	Face value	Total face value
At 31 December 2022	40,645,162	40,645,162	1.2	48,774,194
At 31 December 2021	40,645,162	40,645,162	1.2	48,774,194

The top 20 shareholders per 31.12 are the following:

	31 December 2022	
Company	**# Shares**	**Ownership**
Gjelsten Holding AS	4,161,291	10.24 %
Verdipapirfondet Alfred Berg Gamba	2,908,652	7.16 %
Pareto Aksje Norge Verdipapirfond	2,268,735	5.58 %
Société Générale	2,050,000	5.04 %
Folketrygdfondet	1,892,193	4.66 %
Verdipapirfondet Holberg Norge	1,639,520	4.03 %
Salt Value AS	1,601,267	3.94 %
Stenshagen Invest AS	1,464,600	3.60 %
J.P. Morgan SE	1,105,802	2.72 %
VJ Invest AS	1,032,824	2.54 %
State Street Bank and Trust Comp	720,115	1.77 %
Forsvarets Personellservice	707,500	1.74 %
Verdipapirfondet Eika Spar	634,114	1.56 %
Varner Equities AS	613,176	1.51 %
Verdipapirfondet Nordea Avkastning	556,584	1.37 %
The Bank of New York Mellon SA/NV	535,031	1.32 %
Verdipapirfondet KLP Aksjenorge	517,769	1.27 %
Verdipapirfondet Eika Norge	461,834	1.14 %
Goldman Sachs International	440,161	1.08 %
Verdipapirfondet Nordea Kapital	418,730	1.03 %

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	31 December 2021	
Company	**# Shares**	**Ownership**
Gjelsten Holding AS	4,161,291	10.24 %
Verdipapirfondet Alfred Berg Gamba	3,064,628	7.54 %
Pareto Aksje Norge Verdipapirfond	2,109,785	5.19 %
Société Générale	2,050,000	5.04 %
Folketrygdfondet	1,895,403	4.66 %
Stenshagen Invest AS	1,464,600	3.60 %
Salt Value AS	1,151,387	2.83 %
State Street Bank and Trust Comp	1,058,923	2.61 %
Verdipapirfondet Holberg Norge	950,000	2.34 %
VJ Invest AS	887,025	2.18 %
J.P. Morgan Bank Luxembourg S.A.	824,619	2.03 %
Verdipapirfondet KLP Akjenorge	742,769	1.83 %
Forsvarets Personellservice	682,300	1.68 %
Verdipapirfondet Nordea Kapital	663,988	1.63 %
Verdipapirfondet Eika Spar	630,752	1.55 %
Verdipapirfondet Nordea Avkastning	596,524	1.47 %
Varner Equities AS	538,877	1.33 %
Verdipapirfondet Pareto Investment	469,000	1.15 %
Verdipapirfondet Eika Norge	461,834	1.14 %
Goldman Sachs International	440,161	1.08 %

Share premium	**Amount**
At 31 December 2014	156,874
Equity issue November 2015	164,175
At 31 December 2022	321,049

Key Management Personnel Share holdings	**31.12.2022**	**31.12.2021**
Anders Fjeld	130,000	130,000
Eystein Lund	50,286	50,286
Anders Lorentzson	na	na
Board of Directors		
Petter Schouw-Hansen	54,808	54,808
Liv Berstad	0	0
Gyrid Skalleberg Ingerø	3,007	3,007
Karin Bing Orgland	32,629	32,629
Rune Marsdal	20,427	20,427
Espen Gundersen	4,000	n/a

NOTE 18 | LIABILITIES TO FINANCIAL INSTITUTIONS

	2022	2021
Long term		
Bank loans	521,646	451,628
Total long term liabilities to financial institutions	**521,646**	**451,628**
Short term		
Bank loans	30,000	95,000
Total short term liabilities to financial institutions	**30,000**	**95,000**
Total liabilities to financial institutions	**551,646**	**546,628**

(a) Bank loans
In April 2021, Kid ASA entered into a renewed agreement with Nordea securing a term loan structure of NOK 611.7 million. In addition, the group also renewed the existing revolving credit facility, overdraft agreement and the NOK 115 million L/C- and guarantee facility. An additional short term credit facility agreement of MNOK 100 was signed in December 2022. The bank loan mature May 2026. The interest rate of the majority of the total term loan is fixed through interest rate swap agreements. For the revolving credit facility and overdraft, the average interest rate was 3,12%.

Total loans include secured liabilities (bank and collateralised loan) of TNOK 551 646 (2021: TNOK 481 628) and revolving credit facility of TNOK 0 (2021: TNOK 65 000). The group has a bank overdraft of TNOK 247 000 which was partially used 284 days during the year (212 days), but not at year end. The Bank loans are secured by 100% of the shares in Kid Interiør AS.

TNOK 395 000 (included in the 1-5 years in table below) of the external loan with floating interest rate is swapped to a fixed interest rate of 1.876% by means of interest rate derivatives to maintain the desired split between fixed and floating interest rates and is subject to hedge accounting.

TSEK 55 000 (included in the 1-5 years in table below) of the external loan with floating interest rate is swapped to fixed interest rates of 1.460% and currency SEK by means of a cross currency interest rate derivative to maintain the desired split between fixed and floating interest rates and currency exposure. The effect of change in the fair value of the derivative is booked against financial income/expense.

The bank overdraft are secured by inventory, trade receivables, property, plant and equipment, 100% of the shares in Kid Logistikk AS and the rental agreement related to the HQ in Drammen. Since the bank overdraft was not utilized at year end 2022 or 2021, none of the assets were pledged as collateral.

The exposure of the Group's loans to interest rate changes and the contractual re-pricing dates at the end of the reporting period are as follows:

	2022	2021
6 months or less	10,000	10,000
6-12 months	20,000	85,000
1-5 years	521,646	451,628
Total liabilities to financial institutions	**551,646**	**546,628**

The carrying amounts and fair value of the loans are as follows:

	2022	2021
Bank loans	551,646	546,628
Total carrying amount of liabilities to financial institutions	**551,646**	**521,964**

The fair value of current loans equals their carrying amount, as the loans bear a floating interest priced at market rate.

Included in the 1-5 years category in the table above is a TNOK 551 700 loan, where the group entered an interest swap agreement in 2019 covering TNOK 395 000 as well as a cross-currency interest swap covering TSEK 55 000.

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The carrying amounts of the Group's loans are denominated in the following currencies:

	2022	2021
NOK	496,646	461,628
SEK (through swap-agreement)	55,000	85,000
Total	551,646	546,628

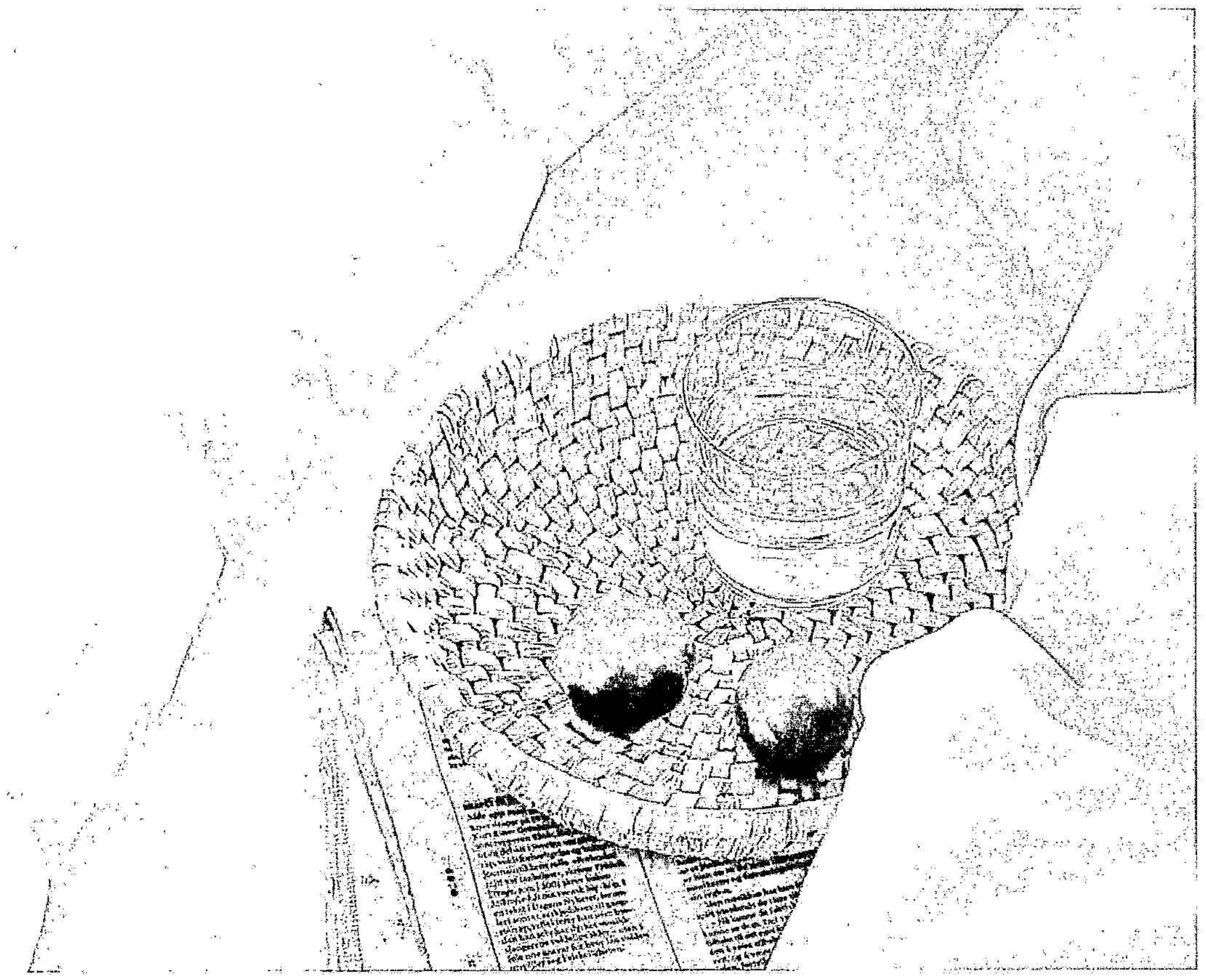
The Group has the following granted loan facilities and guarantees:

	2022	2021
Revolving credit facility	130,000	130,000
Short term credit facility	100,000	0
Unused bank overdraft	247,000	247,000
Employee tax guarantee	21,300	16,800
Letter of credit limit	115,000	115,000

Following covenants is regulated by contract:

	Interval	Limit 2022	Limit 2021
Gearing ratio (NIBD/EBITDA ex IFRS 16)	annually	2.25	2.25
EBITDA Last twelve monthes (in NOK millions) ex IFRS 16	quarterly	175	175

The Group has been compliant with covenants at all intervals.



NOTE 19 | OTHER OPERATING EXPENSES AND OTHER SHORT TERM LIABILITIES

Other operating expenses		2022	2021
Rental costs for shops and storage (incl shared operating expenses)	24	109,812	92,318
Advertising and other marketing costs		133,551	123,230
Other expenses		260,835	238,091
Total other expenses		**504,198**	**452,730**

Other short term liabilities	2022	2021
Salary related accruals	96,042	111,743
Goods in transit	28,440	36,124
Giftcards, store credits and other sales related accruals	35,263	26,674
Accrued rental expenses	13,396	6,447
Other accruals	28,674	16,877
Total other short term liabilities	**201,815**	**197,865**

NOTE 20 | POST-EMPLOYMENT BENEFITS

The table below outlines where the group's post-employment amounts and activity are included in the financial statements.

Income statement charge included in operating profit for:	2022	2021
Pensions earned this year - the group pension scheme	17,417	12,259
Pensions earned this year - the agreed early retirement scheme (AFP)	872	258
Social security fees	3,630	2,356
Net pension expenses	**21,919**	**14,872**

20.1 AFP scheme

The subsidiary Kid Logistikk AS and 11 of our stores have an agreed early retirement scheme (AFP). The AFP-scheme, in force from 1st of January 2011, is a defined benefit multi-enterprise scheme, but is recognised in the accounts as defined contribution scheme until reliable and sufficient information is available for the group to recognise its proportional share of pension cost, pension liability and pension funds in the scheme. The company's liabilities are therefore not recognised as debt in the balance sheet.

NOTE 21 | RELATED PARTIES

The Group's related parties include its associates, joint ventures, key management and members of the board.

None of the Board members have been granted loans or guarantees in the current year. Furthermore, none of the Board members are included in the Group's pension or bonus plans.

The following table provides the total amount of transactions that have been entered into with related parties during the total year of 2022 and 2021:

Related party	2022	2021
Prognosgatan Holding AS (Loan)	23,795	-
Total	**23,795**	**-**

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NOTE 22 | HEDGE ACCOUNTING AND RESERVES

Cash flow hedge reserve

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans and inventory at the fixed foreign currency rate for the hedged purchases.

Derivatives are only used for economic hedging purposes and not as speculative investments.

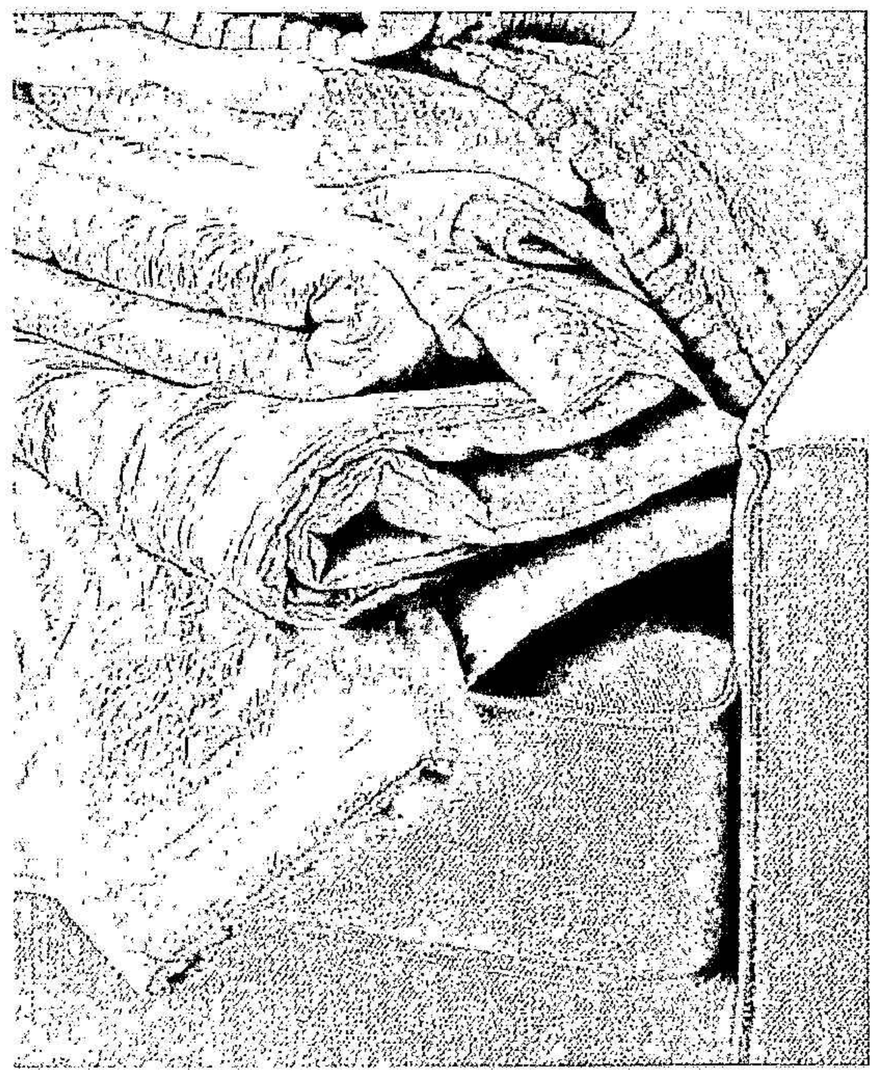
Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the group enters into hedge relationships where the critical terms of the hedging instrument match or are closely aligned with the terms of the hedged item, being currencies, amount and maturity. The group therefore performs a qualitative assessment of effectiveness and monitor the forecasted purchases on a regular basis to ensure that the forward contracts match the purchases and are used within the acceptable period in accordance with the policy. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the group assess effectiveness relating to the hedge ratio and rebalances the contracts to ensure effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the group or the derivative counterparty.

The group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.





Currency hedges
The company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable inventory purchases. These include foreign currency forward contracts which are designated in the cash flow hedge relationships. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve through Other comprehensive income. The group treasury's risk management policy is to hedge up to a 100% of forecasted US dollar cash flows for inventory purchases up to 9-11 months in advance, subject to a review of the cost of implementing each hedge. In Kid, 100% of forecasted EUR cash flows for inventory purchases up to 9-11 months in advance are also hedged.

For the year ended 31 December 2022, approximately 100% of inventory purchases were hedged in respect of foreign currency risk. At 31 December 2022, approximately 100% of forecasted US dollar inventory purchases during 2022 qualified as 'highly probable' forecast transactions for hedge accounting purposes (for 2021, approximately 100% of inventory purchases were hedged and approximately 100% of the purchases qualified as 'highly probable' as at 31 December 2021). As such, no inefficiency was recognised in 2022 (or in 2021). The weighted average buy rate for SEK/USD currency hedges realized in 2022 was 8.88 compared to a weighted average spot rate of 10.19. For NOK/USD currency hedges realized in 2022 the weighted average buy rate was 8.82 compared to a weighted average spot rate of 9.64.

Interest hedges
The company's interest exposure mainly arises from external funding in bank and debt capital markets. The company uses interest rate swaps to achieve the desired fixed/floating ratio of the external debt. Hedge accounting is applied using the cash flow model for interest rate swaps which means that gains and losses from floating to fixed interest rates as of December 31, 2022 are recognized through Other Comprehensive Income and will be continuously released to the income statement until the bank borrowings are repaid. This is done based on the periodic market-to-market revaluation of the interest rate swaps whose fair value tends to reach zero upon maturity.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to: the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and differences in critical terms between the interest rate swaps and loans. TNOK 395,000 of the external loans with floating interest rates are swapped to a fixed interest rate of 1,876% with maturity 16 August 2029. The effect on interest expense in 2022 related to the interest rate swap was NOK -731,562 (NOK -6,559,801).

There was no recognised ineffectiveness during 2022 (or in 2021) in relation to the interest rate swap.

Reconciliation of Other reserves

	Currency cash flow hedges	Interest cash flow hedges	Translation difference	Total
Opening balance net of tax 01.01.2022	11,309	-2,163	-4,171	4,975
Changes in fair value through OCI	131,210	31,866		163,076
Changes in deferred tax on cash flow hedges through OCI	-28,866	-7,010		-35,877
Realized cash flow hedges net of tax	-92,609			-92,609
Translation difference			-8,920	-8,920
Closing balance net of tax 31.12.2022	**21,044**	**22,692**	**-13,091**	**30,645**

	Currency cash flow hedges	Interest cash flow hedges	Translation difference	Total
Opening balance net of tax 01.01.2021	-42,856	-19,481	7,871	-54,466
Changes in fair value through OCI	32,461	22,202		54,663
Changes in deferred tax on cash flow hedges through OCI	-7,141	-4,884		-12,026
Realized cash flow hedges net of tax	28,846			28,846
Translation difference			-12,041	-12,041
Closing balance net of tax 31.12.2021	**11,309**	**-2,163**	**-4,171**	**4,975**

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At year end the fair value of the hedging instruments were as follows:

31 December 2022	Changes over OCI		Changes over P&L	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Currency cash flow hedges	25,440	7,229		
Interest cash flow hedges	29,338	-		-
Cross currency interest swap			4,672	
Sum	54,778	7,229	4,672	-

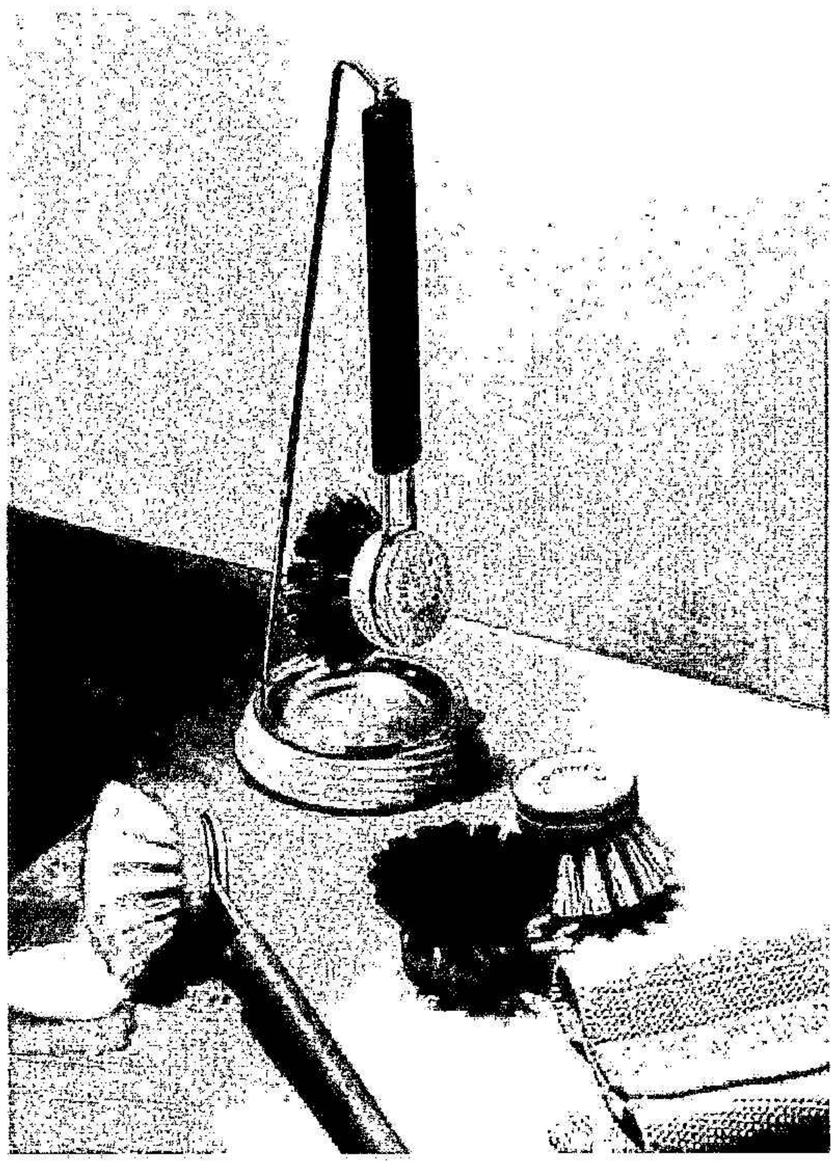
31 December 2021	Changes over OCI		Changes over P&L	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Currency cash flow hedges	15,742	2,638		
Interest cash flow hedges		2,528		-
Cross currency interest swap			1,697	
Sum	15,742	5,166	1,697	-

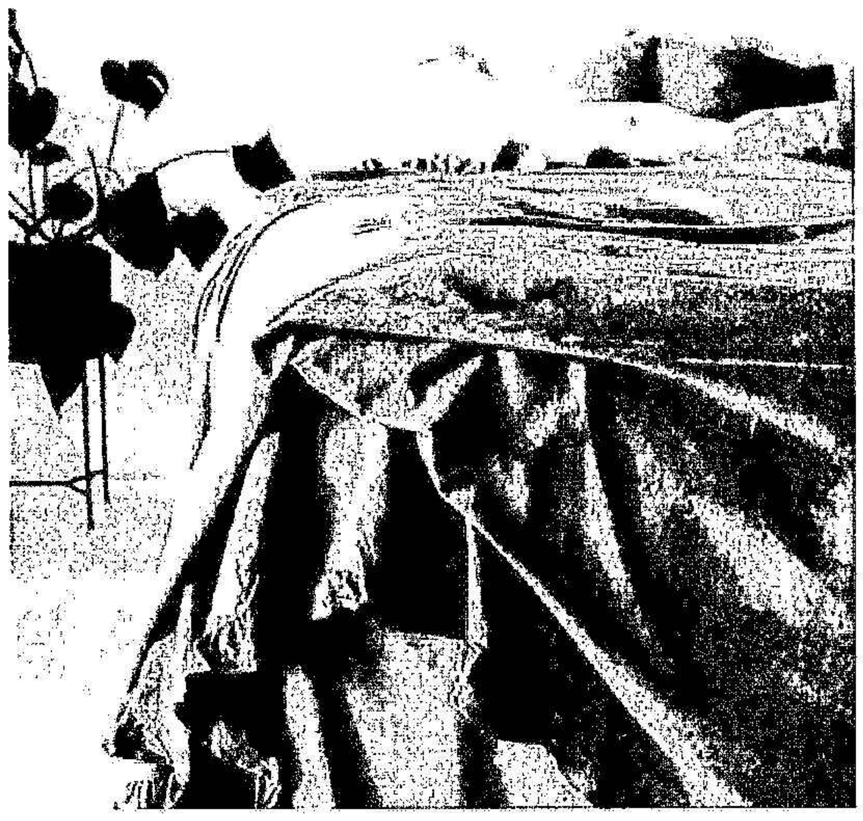
NOTE 23 | NET DEBT RECONCILIATION

The below table sets out an overview over net debt.

	2022	2021
Cash and cash equivalents	75,721	239,331
Borrowings - repayable within one year (including overdraft)	-30,000	-95,000
Borrowings - repayable after one year	-521,646	-451,628
Lease liabilities - payed within one year	-258,257	-249,737
Lease liabilities - payed after one year	-523,528	-517,550
Net debt	**-1,257,710**	**-1,074,584**
Cash and liquid investments	75,721	239,331
Gross debt - fixed interest rates	-551,646	-481,628
Gross debt - variable interest rates	-	-65,000
Lease liabilities	-781,785	-767,287
Net debt	**-1,257,710**	**-1,074,584**

	Lease liabilty	Borrowings	Total debt	Cash/ bank overdraft	Total net debt
Opening balanse at 1 January 2022	-767,287	-546,628	-1,313,915	239,331	-1,074,584
Cash flows	-	-	-	-164,302	-164,302
Proceeds from borrowings	-	-230,000	-230,000	-	-230,000
Repayment of principals	263,350	225,119	488,469	-	488,469
			-		
Non Cashflow activities			-		
New lease liabilities	-283,391	-	-283,391	-	-283,391
Foreign exchange adjustments and other adjustments	5,543	-137	5,406	693	6,099
Closing balanse at 31 December 2022	-781,785	-551,646	-1,333,431	75,721	-1,257,710
Opening balanse at 1 January 2021	-819,245	-521,777	-1,341,022	301,273	-1,039,749
Cash flows	-	-	-	-62,631	-62,631
Proceeds from borrowings	-	-130,000	-130,000	-	-130,000
Repayment of principals	264,951	103,678	368,629	-	368,629
			-		
Non Cashflow activities			-		
New lease liabilities	-221,459	-	-221,459	-	-221,459
Foreign exchange adjustments and other adjustments	8,466	1,471	9,937	689	10,626
Closing balanse at 31 December 2021	-767,287	-546,628	-1,313,915	239,331	-1,074,584





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NOTE 24 | LEASES

Right of-use-assets	2022	2021
Carrying amount at 01.01.	756,940	821,683
Additions and adjustments*	283,391	221,459
Depreciation	-273,530	-266,273
Currency translation differences	-6,067	-19,929
Net carrying amount 31.21.	**760,734**	**756,940**

Lease liabilities	2022	2021
Carrying amount at 01.01.	767,287	819,245
Additions and adjustments*	283,391	221,459
Interest expense	28,497	26,908
Lease payments	-291,320	-287,034
Currency translation differences	-6,070	-13,291
Total lease liabilities 31.12.	**781,785**	**767,287**

*Included in additions and adjustments are new contracts, renegotiated contracts, extentions and index adjustments on existing contracts.

Lease contracts is mainly related to rental agreements for stores and warehouse. Indicators of impairment of right of use contracts have been assessed at the lowest CGU level, being the stores. Management concluded that there were no indicators as per 31 December 2022.

In addition to turnover based lease payments, variable rental costs such as shared operating costs and marketing costs are excluded from IFRS 16 leases. See below for expenses included in other operating expenses related to lease contracts:

		2022	2021
Rental costs exluded from IFRS 16		18,040	13,229
Shared operating costs		71,374	59,571
Marketing costs		20,398	19,518
Sum	19	**109,812**	**92,318**
Lease payments		291,320	287,034
Total payments related to lease contracts		**401,132**	**379,352**

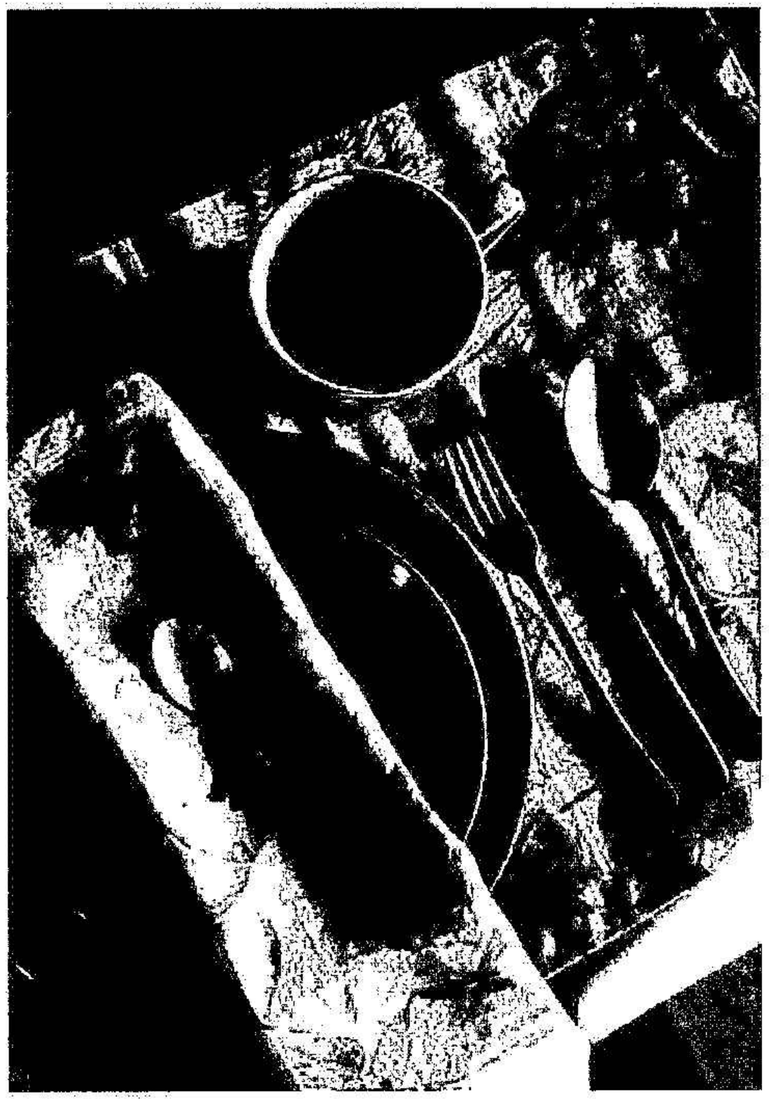
	2022	2021
Number of lease contracts	288	305
Right to renewal of lease contract	83	70
Percentage of lease contracts with option to renewal	29%	23%

Number of lease contracts by geography	2022	2021
Norway	150	149
Sweden	124	140
Finland	8	10
Estonia	6	6

NOTE 25 | SUBSEQUENT EVENTS

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



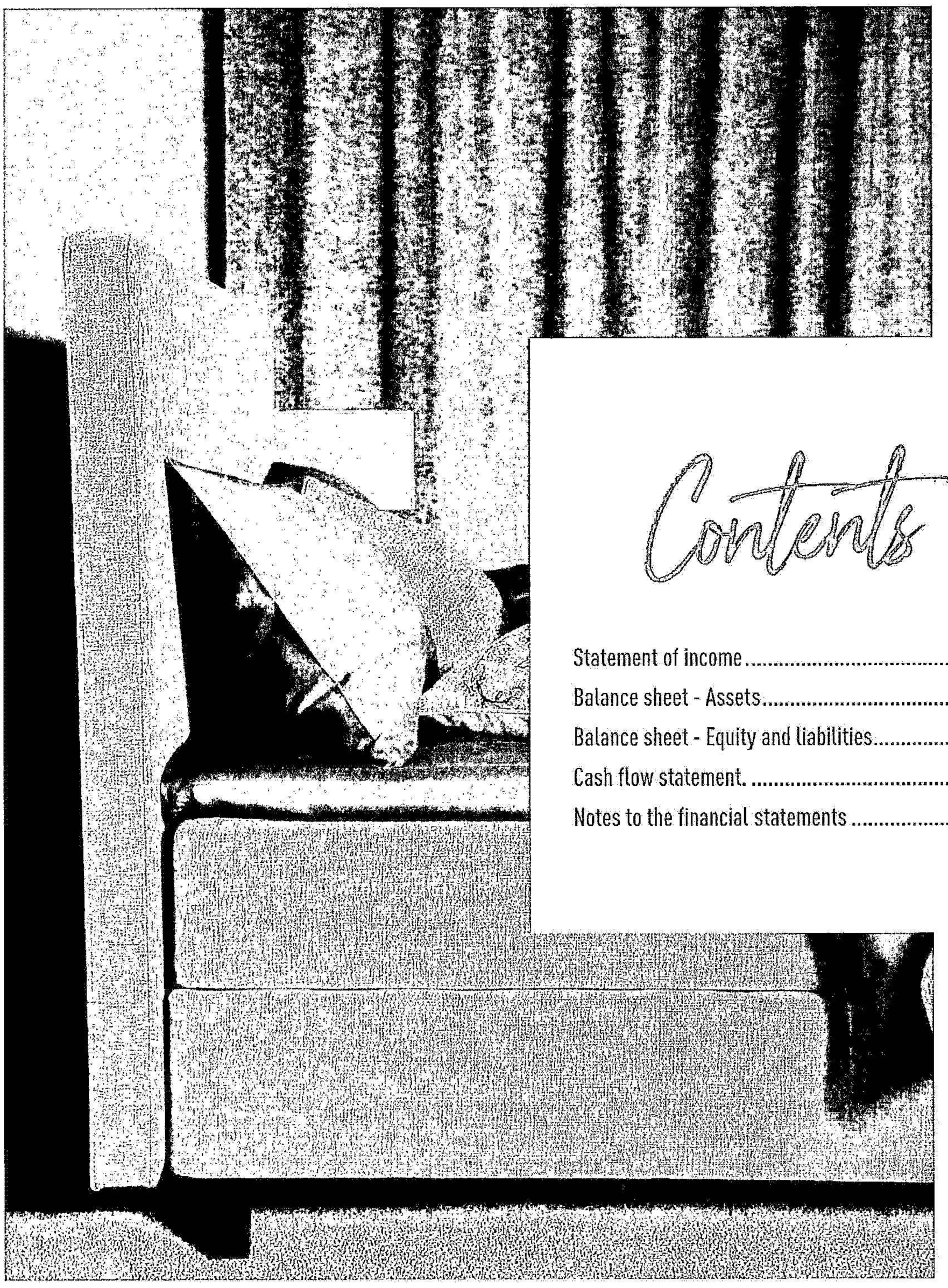






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FINANCIAL STATEMENTS
KID ASA 2022



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KID ASA - STATEMENT OF INCOME

(All amounts in NOK 1000 unless otherwise stated)

	Note	2022	2021
Management fee	9	3,520	13,860
Personnel expenses	7	6,543	2,699
Other operating expenses	7	6,606	14,818
Total operating expenses		**13,149**	**17,517**
Depreciation		3,206	954
Operating profit		**-12,835**	**-4,610**
Income from subsidiaries and associated companies	3	282,750	376,985
Interest income from group companies		3,513	3,740
Other interest income	8	830	5
Other financial income	8	-	22
Other interest expenses	8	19,321	15,659
Other financial expenses		2,897	15,231
Profit before tax		**252,040**	**345,252**
Tax on ordinary result	6	55,449	76,276
Net profit or loss for the year		**196,591**	**268,975**
Profit attributable to:			
Allocated dividend		121,935	162,581
Dividend prepayment 2022		101,613	186,968
Allocated to other equity		-26,957	-80,573
Total allocation		**196,591**	**268,975**

Note 1 to 13 are an integral part of these financial statements

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KID ASA - BALANCE SHEET / ASSETS

(All amounts in NOK 1000 unless otherwise stated)

	Note	2022	2021
NON-CURRENT ASSETS			
Financial fixed assets			
Investments in subsidiaries	1, 2	1,324,500	1,286,130
Loan to group companies	3	78,509	110,402
Total financial fixed assets		1,403,008	1,396,532
Software	11	31,945	17,313
Total intangible assets		31,945	17,313
Total non-current assets		1,434,954	1,413,845
CURRENT ASSETS			
Other receivables	3	341,257	412,819
Cash and bank deposits	12	45,717	227,988
Total current assets		386,974	640,807
TOTAL ASSETS		1,821,928	2,054,651

KID ASA - BALANCE SHEET / EQUITY & LIABILITIES

(All amounts in NOK 1000 unless otherwise stated)

	Note	2021	2021
EQUITY AND LIABILITIES			
Paid-up equity			
Share capital	5	48,774	48,774
Share premium reserve		321,049	321,049
Other paid-up equity		64,617	64,617
Total paid-up equity		**434,440**	**434,440**
Retained earnings			
Other equity		360,201	387,158
Total retained earnings		**360,201**	**387,158**
TOTAL EQUITY	4	**794,641**	**821,598**
Deferred tax	6	367	1,612
Other long-term liabilities			
Liabilities to financial institutions	2	551,541	481,492
Total of other long term liabilities		**551,541**	**481,492**
CURRENT LIABILITIES			
Trade creditors		1,532	1304
Tax payable	6	56,812	81,223
Dividend		121,935	162,581
Other current debt	3, 12	295,099	504,841
Total short term liabilities		**475,379**	**749,949**
Total liabilities		**1,027,287**	**1,233,053**
TOTAL EQUITY AND LIABILITIES		**1,821,927**	**2,054,651**

Note 1 to 13 are an integral part of these financial statements.

Lier, 13 April 2023

The board of directors, KID ASA

Petter Schouw-Hansen
Chairperson

Rune Marsdal
Board member

Liv Berstad
Board member

Gyrid Skalleberg Ingerø
Board member

Karin Bing Orgland
Board member

Espen Gundersen
Board member

Anders Fjeld
Chief Executive Officer

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KID ASA - CASH FLOW STATEMENT

(All amounts in NOK 1000 unless otherwise stated)

	Note	2022	2021
CASH FLOW FROM OPERATIONS			
Profit before income taxes		252,040	345,252
Depreciation		3,206	954
Taxes paid in the period		-80,968	-78,629
Change in trade creditors		228	559
Change in other provisions and cash pool arrangement		-74,054	-76,857
Net cash flow from operations		**100,452**	**191,278**
CASH FLOW FROM INVESTMENTS			
Increase in investments in subsidiaries		-38,371	-30
Investment in software		-13,341	-15,632
Net cash flow from investments		**-51,712**	**-15,662**
CASH FLOW FROM FINANCING			
Proceeds from short/long term loans		230,000	130,000
Repayment of short/long term loans		-225,118	-95,000
Change in borrowings to group companies		28,302	96,274
Payment of dividends		-264,194	-365,807
Net cash flow from financing		**-231,010**	**-234,533**
Net change in cash and cash equivalents		**-182,270**	**-58,917**
Exchange gain /(losses) on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		227,988	286,905
Cash and cash equivalents at the end of the period		**45,718**	**227,988**

KID ASA - NOTES TO THE FINANCIAL STATEMENTS

| ACCOUNTING PRINCIPLES

General
The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Currency
The parent company accounts are reported in Norwegian kroner (NOK) which is also the Functional currency for the parent company.

Use of estimates
The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also requires management to apply assessments. In areas which either to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, these are described in the notes.

Measurement of revenues and costs
Revenues are recognised as they are earned. Revenues consist of management fees for services rendered from the Parent company to subsidiaries. Costs are recognised in the same reporting period as the corresponding revenues.

Investments in other companies
The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contributions from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when it has been approved.

Classification of balance sheet items
Assets intended for long-term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year instalments on long-term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

Purchase costs
The purchase costs of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets, purchase costs also include direct expenses to prepare the asset for use,such as expenses for testing of the asset.

Interest expenses incurred in connection with the production of fixed assets are expensed.

Asset impairments
Impairment tests are carried out if there is an indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Liabilities
Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Taxes
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry-forward losses for tax purposes at year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

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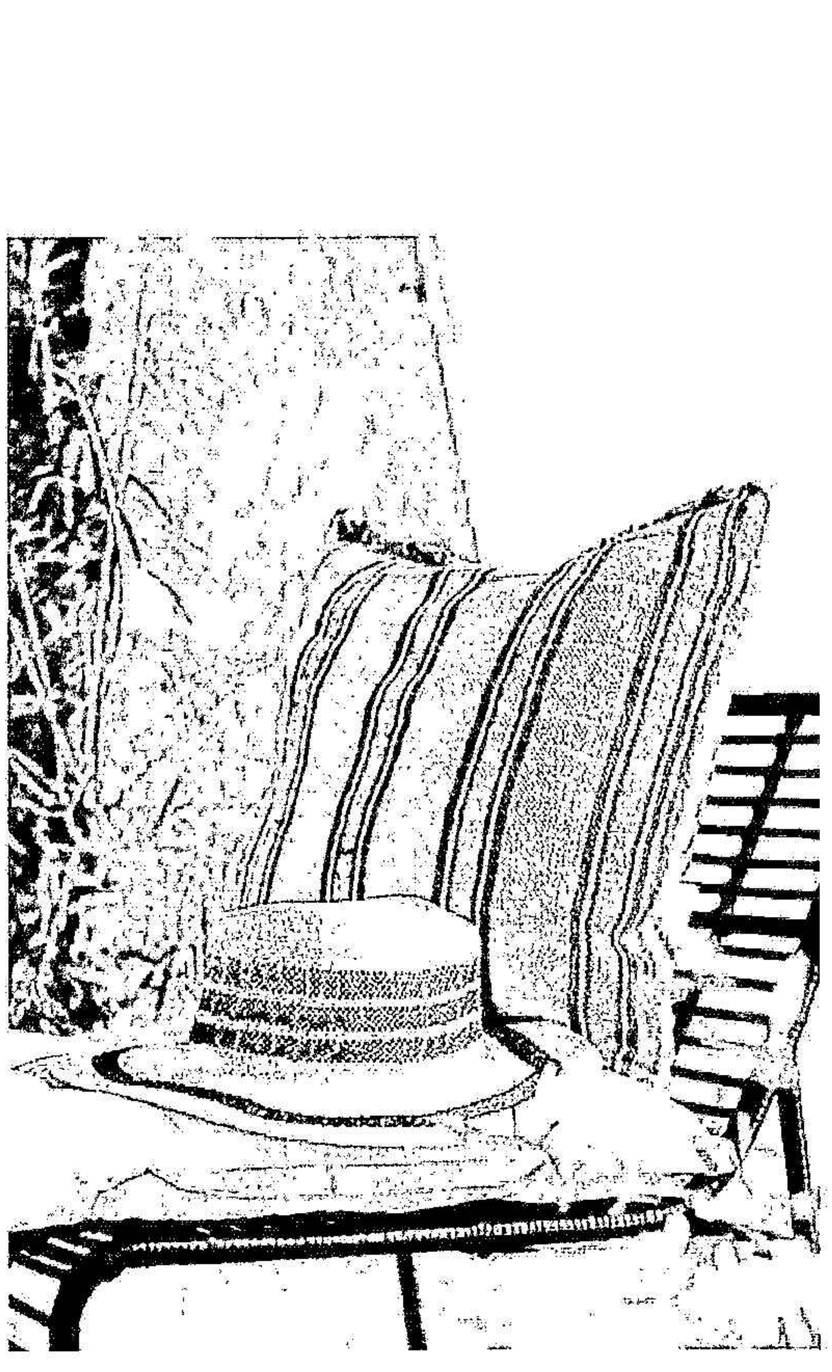
The tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Currency
Monetary balance sheet items in foreign currency are recorded at year-end exchange rates. Realised currency exchange gains or losses are recorded at the time of payment in other financial income or expenses.

Derivative instruments
Derivative instruments are entered into to provide economic hedges for parts of the exposure to currency rate risk. In the Parent company, gains or losses on the derivative instruments are recognised when the instrument expires, is sold or terminated.

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions. Please refer to Note 3 in Kid ASA Group accounts for more information.

Cashflow statement
The cashflow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.





NOTE 1 | SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES

Parent company
Investments in subsidiaries, associated companies and joint ventures are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity last year (100%)	Result last year (100%)	Balance sheet value
Kid Interiør AS	Lier, Norway	100%	124,922	226,434	1,204,158
Hemtex AB	Borås, Sweden	100%	352,445	54,486	81,942
Kid Eiendom AS*	Lier, Norway	100%	643	634	30
Kid International Logistics AB	Borås, Sweden	100%	37,842	-72	38,369
Balance sheet value 31.12.22					1,324,500

* Hemtex Logistikk AS changed Company name to Kid Eiendom AS during the year.
** Kid International Locistic AB was purchased from Hemtex AB during the year

NOTE 2 | DEBTORS AND LIABILITIES

	2022	2022
Liabilities secured by mortgage	**-551,700**	**-546,700**

Balance sheet value of assets placed as security:

Shares	1,286,100	1,286,100
Total	1,286,100	1,286,100

NOTE 3 | BALANCE WITH GROUP COMPANIES, ETC.

	Loan to group comapnies		Other receivables	
	2022	2021	2022	2021
Group companies	78,509	110,402	335,472	410,863
Total	**78,509**	110,402	**335,472**	**410,863**

	Other current debt	
	2022	2021
Debt to Group companies	285,439	437,683
Total	**285,439**	**437,683**

Please also refer to note 12 Cash and cash equivalents for information regarding the Company's cash pool arrangement.

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NOTE 4 | SHAREHOLDERS' EQUITY

Equity changes in the year	Share capital	Share premium	Other paid-in equity	Other equity	Total
Equity 01.01.21	48,774	321,049	64,617	387,158	821,597
Profit for the year	-	-	-	196,591	196,591
Dividend pre-payment Dec 22	-	-	-	-101,613	-101,613
Proposed dividends 31.12.22	-	-	-	-121,935	-121,935
Equity 31.12.22	**48,774**	**321,049**	**64,617**	**360,201**	**794,640**

NOTE 5 | SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 48 774 194 consist of 40 645 162 shares with a nominal value of NOK 1.2 each. Kid ASA is listed on the Oslo Stock Exchange. Top 20 shareholders as of 31.12.22 was:

Shareholder	Ownership
Gjelsten Holding AS	10.24%
Verdipapirfondet Alfred Berg Gamba	7.16%
Pareto Aksje Norge Verdipapirfond	5.58%
Société Générale	5.04%
Folketrygdfondet	4.66%
Verdipapirfondet Holberg Norge	4.03%
Salt Value AS	3.94%
Stenshagen Invest AS	3.60%
J.P. Morgan SE	2.72%
VJ Invest AS	2.54%
State Street Bank and Trust Comp	1.77%
Forsvarets Personellservice	1.74%
Verdipapirfondet Eika Spar	1.56%
Varner Equities AS	1.51%
Verdipapirfondet Nordea Avkastning	1.37%
The Bank of New York Mellon SA/NV	1.32%
Verdipapirfondet KLP Aksjenorge	1.27%
Verdipapirfondet Eika Norge	1.14%
Goldman Sachs International	1.08%
Verdipapirfondet Nordea Kapital	1.03%

NOTE 6 | TAXES

Basis for income tax expenses, changes in deferred tax and tax payable

	2022	2021
Result before taxes	252,040	345,252
Permanent differences	0	0
Basis for the tax expense for the year	252,040	345,252
Change in temporary differences	5,660	22,679
Basis for payable taxes in the income statement	**257,700**	367,931
+/- Group contributions received/given	-	-
Taxable income (basis for payable taxes in the balance sheet)	**257,700**	367,931

Components of the income tax expenses

	2022	2021
Tax rate	22%	22%
Payable tax on this year's result	56,694	80,945
Tax effect of differences between reported and booked tax last year	-	321
Total payable tax	56,694	81,266
Change in deferred tax based on original tax rate	-1,245	-4,989
Change in deferred tax due to change in tax rate	-	-
Tax expense	**55,449**	**76,276**
Tax expense as a percentage of profit before tax	22%	22.1%
Payable taxes in the balance sheet		
Payable tax in the tax charge	56,694	80,945
Tax effect of group contribution	-	-
Tax effect of Skattefunn	-137	
Payable tax in the balance sheet	**56,557**	**80,945**
Temporary differences included in the basis of deferred tax/tax asset		
Unrealized currency gain/loss long term	2,532	6,762
Interest rate swap	-945	565
Basis for deferred tax/tax asset	1,588	7,327
Deferred tax recognised	**367**	1,612

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NOTE 7 | PAYROLL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATIONS, LOANS TO EMPLOYEES, ETC.

Payroll expenses

	2022	2021
Salaries/wages	-	-
Social security fees	266	275
Board remuneration	3,187	2,426
Total	3,453	2,701

There are no employees in Kid ASA.

The CEO of Kid ASA has not received salary in relation to his role in this company.

No loans/securities have been granted to the general manager, board chairman or other related parties.

Expensed audit fees

	2022	2021
Statutory audit (incl. technical assistance with financial statements)	719	621
Other assurance services	-	-
Tax advisory fee (incl. technical assistance with tax return)	-	-
Other assistance (IFRS conversion and quarterly reports)		
Total audit fees	719	621

NOTE 8 | SPECIFICATION OF FINANCIAL INCOME AND EXPENSES

Financial income

	2022	2021
Interest income from group entities	3,513	3740
Interest income	830	22
Other financial income incl currency gain	-	5
Total financial income	4,343	3,767

Financial expenses

	2022	2021
Interest expenses	17,941	15,659
Other financial expenses incl currency loss	4,277	15,231
Total financial expenses	22,218	30,890

NOTE 9 | RELATED-PARTY TRANSACTIONS

The balance with group companies is disclosed in note 3.

Transactions with related parties

	2022	2021
Transactions with Group companies	3,520	16,305
Interest income from Group companies	3,513	3,740

NOTE 10 | FINANCIAL MARKET RISK

Kid ASA is exposed to interest rate risk on long term debt and foreign exchange risk on long term receivable.

Interest risk
The company's interest rate risk arises from long-term borrowings and bank deposits. Borrowings issued at variable rates expose the group to cashflow interest rate risk which is partially offset by cash held at variable rates. Fixed-interest contracts are used to reduce this risk. In addition to the MNOK 551.7 long term loan, Kid ASA also have a MNOK 247 flexible credit facility and a MNOK 230 overdraft credit facility that are used during the year. At year-end MNOK 0 (MNOK 65) has been drawn of the overdraft facility. Please also refer to note 12 Cash and cash equivalents for information regarding the cash pool.

At year end, the Company had one interest rate swap contract at a fair value of MNOK 29.34 (MNOK - 2.53). Gains or losses on the derivative instrument is recognised when the instrument expires, is sold or terminated. In addition the Company entered into a cross-currency interest swap during 2021 of MNOK 115. The fair value at year end was MNOK 4.67 (MNOK 1.69). No contracts expired, was sold or terminated during the year, as such no gains or losses was recognised in 2022 or in 2021. Please refer to note 3 Financial risk management in Kid Group for further information on derivative contracts.

NOTE 11 | INTANGIBLE ASSETS

	Software
At 1 January 2021	2,634
Additions	15,632
Depreciation	-954
Net book value as at 31 December 2021	**17,313**
At 1 January 2022	17,313
Additions	17,839
Depreciation	-3,206
Net book value as at 31 December 2022	**31,945**
Useful life	4-7 years

NOTE 12 | CASH AND CASH EQUIVALENTS

The company policy for the purpose of optimizing availability and flexibility of cash within the Group is to use a cash pooling arrangement. The arrangement is organized with Nordea Sweden as a service provider and is a multi-currency arrangement consisting of currencies NOK, SEK, USD, EUR and HKD. Kid ASA as an owner of the pool is financially viable concerning repayment of any net deposits made by Kid Interiør AS, Kid Logistikk AS, Hemtex AB, Hemtex International AB and Hemtex OY. The cash pool has a maximum credit of MNOK 247, which has not been used at year end.

The following balances relate to the cash pool arrangement:

	2022	2021
Cash and bank deposits	45,717	228,026
Current debt to Group companies	284,519	432,624

There are no restricted funds. The Company has an employee tax guarantee limit of TNOK 1,000

NOTE 13 | SUBSEQUENT EVENTS

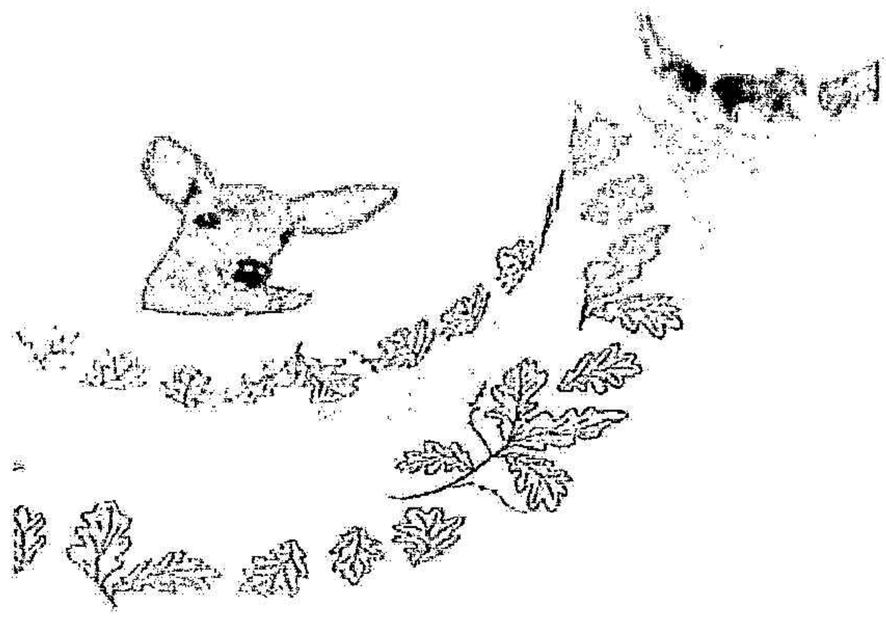
There have been no significant events after the end of the reporting period.

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ALTERNATIVE PERFORMANCE MEASURES AND DEFINITIONS

• **LIKE-FOR-LIKE REVENUE** are revenue from stores that were in operation from the start of last fiscal year all through the end of the current reporting period.

• **REVENUE GROWTH** represents the growth in revenue for the current reporting period compared to the comparative period the previous year. Revenue growth for Hemtex is calculated in constant currency. Revenue growth is an important key figure for the KID Group and the user of financial statements as it illustrates the underlying organic revenue growth.

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

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

• **OPEX TO SALES MARGIN** is the sum of Employee benefits expense and Other operating expenses divided by Revenue. The OPEX to sales margin measures operating cost efficiency as percentage of sales revenue and is an important internal KPI.

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

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

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

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

• **NET CAPITAL EXPENDITURE** represent the cash flow from the investment spending in property, plant and equipment and other intangibles, less sale such asset.

• **NET INCOME** is profit (loss) for the period.

• **CONSTANT CURRENCY** is exchange rates that the Group uses to eliminate the effect of exchange rates fluctuations when calculating financial performance numbers.

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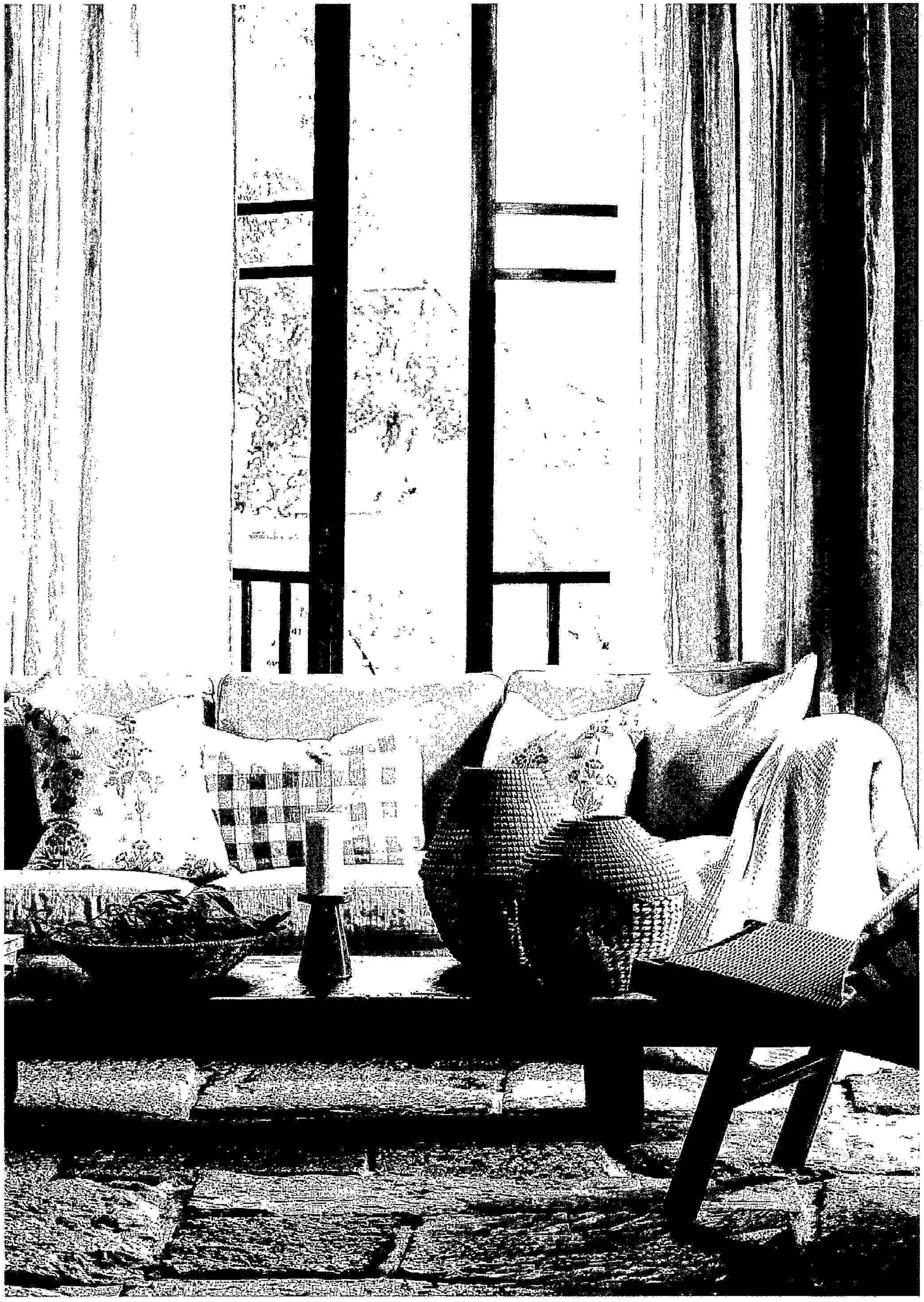
RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2022 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Lier, 13 April 2023

The board of directors, KID ASA

Petter Schouw-Hansen Chairperson	Rune Marsdal Board member	Liv Berstad Board member
Gyrid Skalleberg Ingerø Board member	Karin Bing Orgland Board member	Espen Gundersen Board member
		Anders Fjeld Chief Executive Officer



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To the General Meeting of Kid ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kid ASA, which comprise:

- the financial statements of the parent company Kid ASA (the Company), which comprise the balance sheet as at 31 December 2022, the statement of income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Kid ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of 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 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 Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated 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.

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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 18 years from the election by the general meeting of the shareholders on 23 June 2005 for the accounting year 2005.

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

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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.

The Group's business activities are largely unchanged compared to last year. We have not identified regulatory changes, transactions or other event that qualified as new Key Audit Matters for our audit of the 2022 financial statements. Furthermore, *Valuation of the KID trademark* has the same characteristics and risks as in the prior year, and therefore continues to be an area of focus this year.

Key Audit Matters	How our audit addressed the Key Audit Matter
Valuation of the KID trademark	
The KID trademark amounts to a significant part of the Group's total fixed assets. Management performed an impairment test of the trademark's book value by estimating and discounting the expected net future cash flows. Estimates of net future cash flows and discount rate are dependent on management judgement. In the event of a write-down of the trademark, both operating profit and total equity would be impacted. No impairment charge was recognized in 2022. We focused on valuation of the KID trademark due to its significance to the financial statements and the inherent risk that management judgement could affect the valuation. For more information see note 5 "Critical accounting estimates and significant judgement" and note 12 "Intangible assets" where management explains the origin of the Trademark and the impairment test.	To challenge the judgement management used in the estimation of net future cash flows, we compared management's estimates of the future cash flows with the prior year's actual cash flows, approved budgets, and business plans. We did not find any inconsistencies between the estimated net discounted cash flows and the information used by management to estimate these cash flows. To evaluate management's estimation accuracy, we compared the 2022 estimated cash flows used in last year's impairment test with the actual cash flows in 2022. Only minor deviations were noted. To evaluate management's assumptions related to future long-term revenue growth, we compared management's estimates with the expectations in the marketplace. We found that management's estimates for long-term growth were in line with both the markets and our expectations. To evaluate management's assumptions related to the discount rate, we compared the different input factors used in the determination of the discount rate with observable market data, market expectations and discount rates used by comparable companies. We found that management's discount rate contained the elements required by IFRS, and that the different elements were in line with what we observed in the marketplace and comparative companies. To challenge management's sensitivity analysis, we simulated changes in key parameters and found that the estimated value of the trademark was most sensitive to changes in future sales, long-term growth and discount rate. A reasonable variation in the key parameters did not lead to a different conclusion on the impairment test. We read the notes and found that the disclosures, including the sensitivity analysis, were satisfactory and provided meaningful information about the trademark and the valuation performed.

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Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises 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 information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that 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 to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated 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 and the Group'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 consolidated 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of Kid 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 KIDASA-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

Oslo, 13 April 2023
PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant

Financial calendar 2023

Our financial calendar shows the dates on which we plan to publish our financial reports and conduct our annual general meeting. It also includes information about events that are relevant to our shareholders.

The accounts and presentation material are available from 07:30 (CET) on the day of publication, and can be downloaded from our website, http://investor.kid.no/

REVENUE UPDATES

KID ASA will announce revenue updates on the following dates:

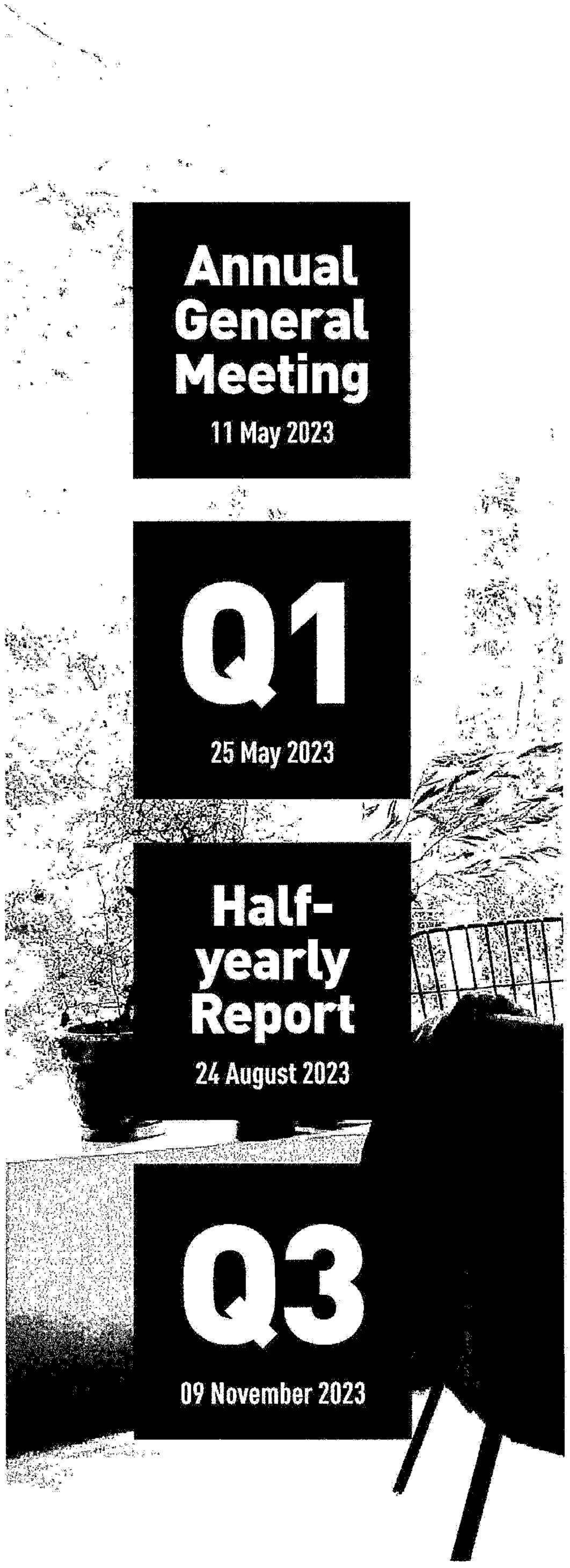
Q2-2023 revenue – 10.07.2023
Q3-2023 revenue – 09.10.2023

All dates are subject to change.

This information is published pursuant to the requirements set out in the Continuing obligations.

INVESTOR SITE

http://investor.kid.no




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MINNESOTA #2022157

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