

# Kid ASA

Q1 2024 presentation



# Financial summary

## First quarter in brief

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- Group revenues increased by 15.0% (+0.1%). In constant currency:
  - Group revenues increased by 13.7% (-1.3%)
  - LFL revenues increased by 13.5% (-0.3%)
  - Online revenues increased by 16.2% (+1.8%)
- Gross margin increased by 5.5 percentage points to 61.5%
- EBITDA increased by MNOK 67.9 to MNOK 124.5
- EPS of NOK -0.23 (NOK -1.15)
- Cash flow from operations impacted by inventory build-up



# Operational focus

## First quarter in brief

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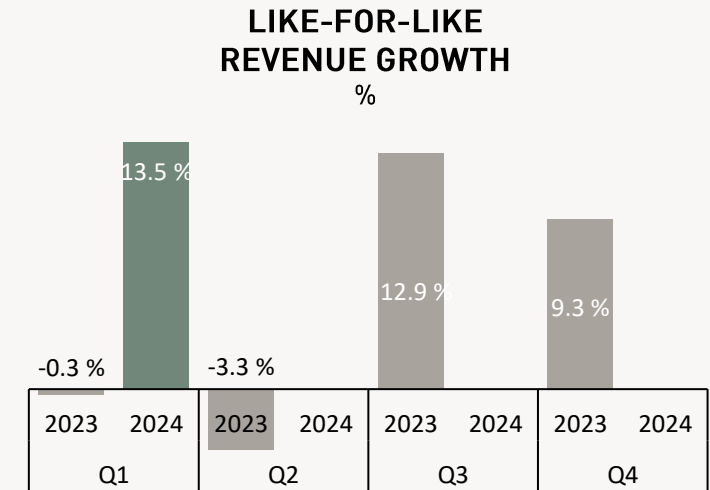
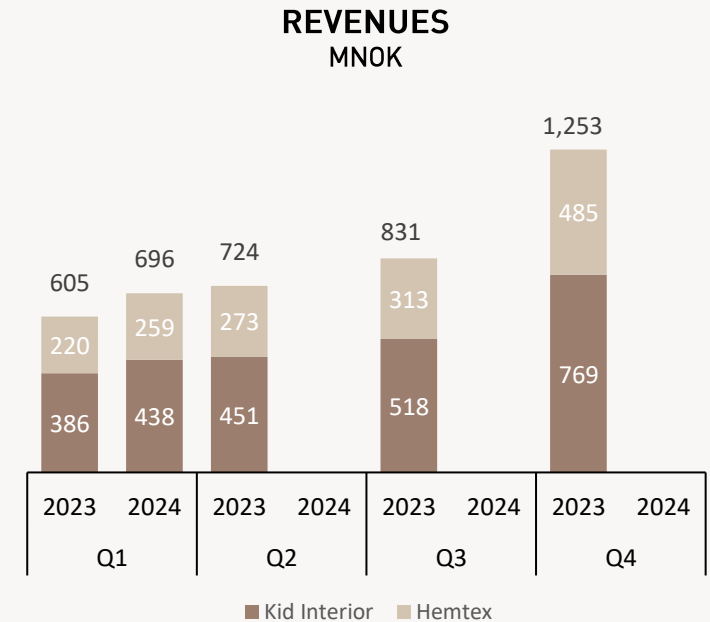
- Third consecutive quarter with double-digit revenue growth
- Categories launched since 2022 accounted for MNOK 27.0 (MNOK 9.8) in revenues
- The Extended concept was launched online and in selected larger stores (+600 sqm.) in Hemtex
- Completed 8 store projects in Kid Interior and 3 in Hemtex
- Omnichannel and category development initiatives and store projects accelerated growth
- Warehouse project in Sweden on schedule



# Revenues

Group revenues Q1 increased by 15.0% (+0.1%)

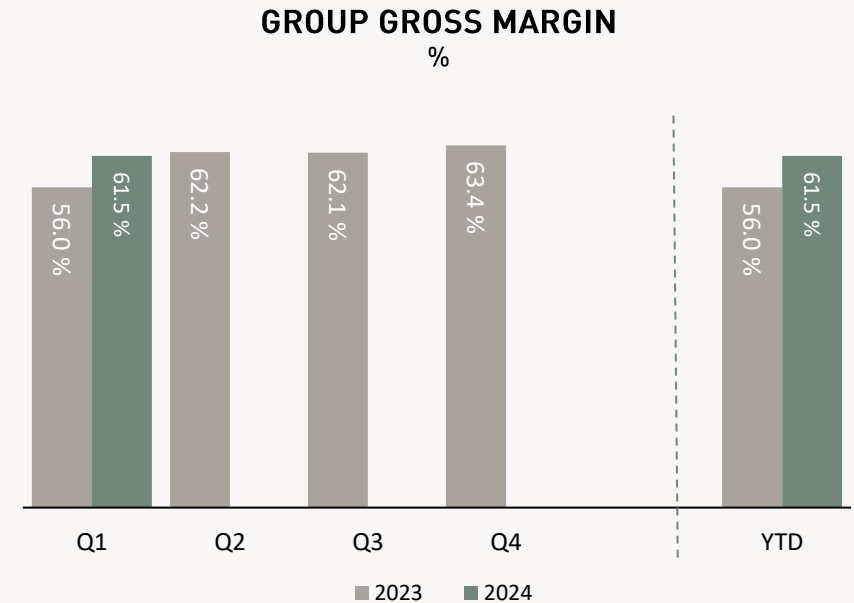
- In constant currency:
  - Group revenues increase of 13.7% (-1.3%)
  - Group like-for-like revenues increase of 13.5% (-0.3%) including online sales
  - Online growth of 16.2% (+1.8%), equivalent to an online share of 12.0%. Including click-and-collect, the online share was 17.5%
- Kid Interior revenues growth of 13.4% (+5.2%)
  - Like-for-like growth of 12.7% (+3.5%) including online sales
  - Online sales increased by 33.3% (+20.8%)
- Hemtex revenues growth of 17.9% (-7.7%). In constant currency:
  - Revenues growth of 14.3% (-10.9%)
  - Like-for-like growth of 14.9% (-6.5%) including online sales
  - Online sales decreased by -3.2% (-14.0%)



# Gross margin

## Strong gross margin development

- Group gross margin was 61.5% for the quarter, up 5.5pp compared to Q1-23
  - Kid Interior gross margin increased by 6.1pp to 61.5% (55.4%)
  - Hemtex gross margin increased by 4.2pp to 61.4% (57.2%)
- Gross margin has improved due to price adjustments and freight rates returning to historical levels
- Gross margin in Q1-23 was unusually low as the high freight rates in 2022 were not sufficiently incorporated in our price calculation models
- The situation in the Red Sea / Gulf of Aden is monitored closely and we are prepared to take actions if necessary

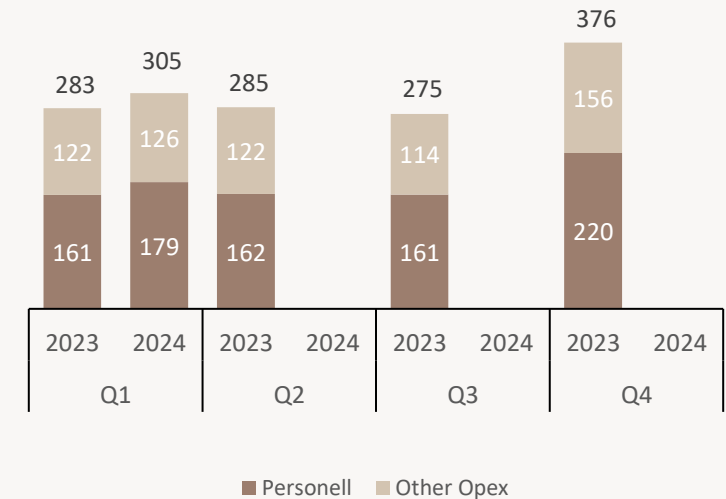


# OPEX

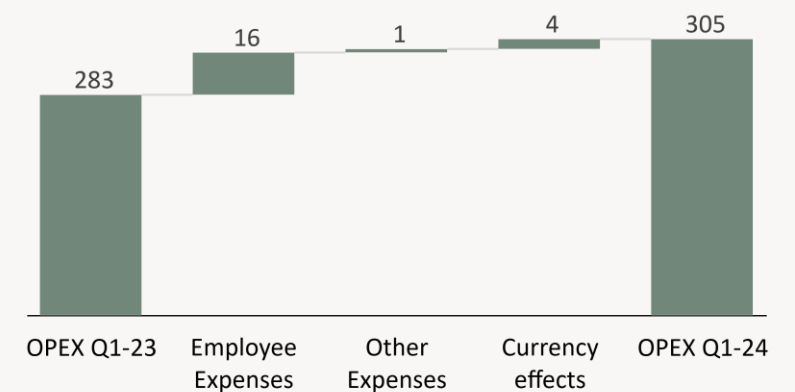
## OPEX-TO-SALES (excl. IFRS 16) of 57.5% (60.5%)

- Employee benefit expenses increased by MNOK 18.1
  - General salary increase and increased number of HQ employees
  - Increased logistics due to own employees in new Swedish warehouse
  - Tight cost control in Norway for like-for-like stores regarding working hours
  - MNOK 1.9 increase due to changes in SEK/NOK exchange rate
- Other operating expenses increased by MNOK 3.3
  - Increased marketing cost
  - Reduced logistics costs due to shift between other OPEX and employee expenses for the logistics operation in Sweden
  - MNOK 2.0 increase due to changes in SEK/NOK exchange rate

OPEX  
MNOK

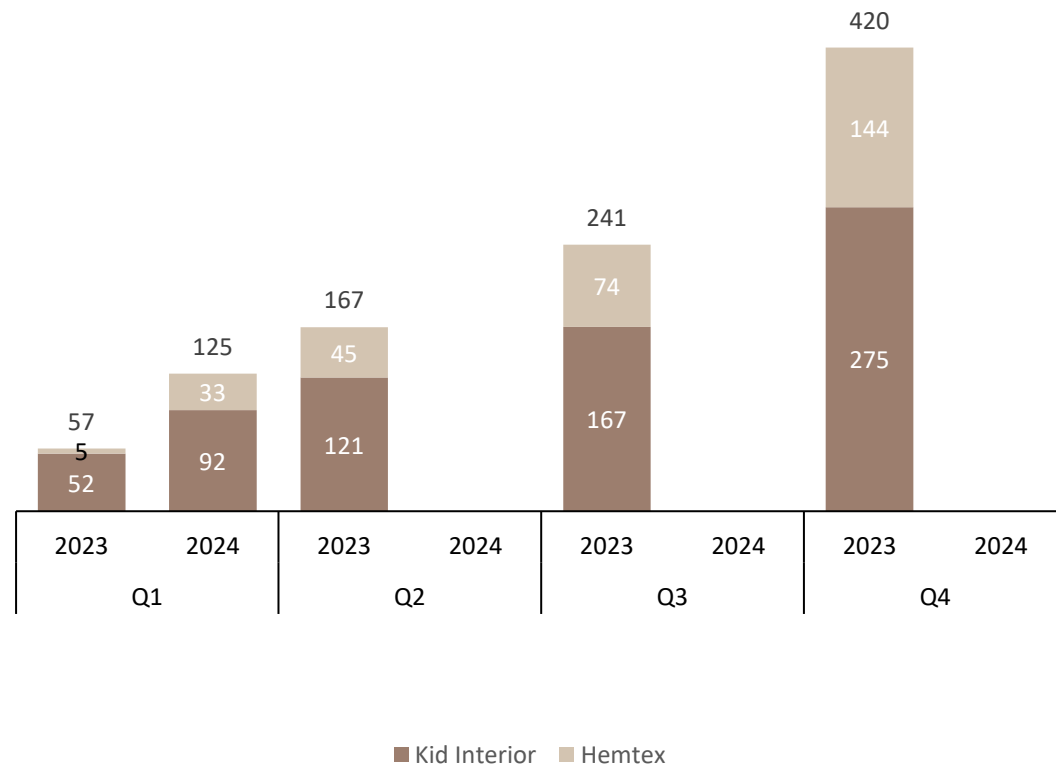


OPEX  
MNOK



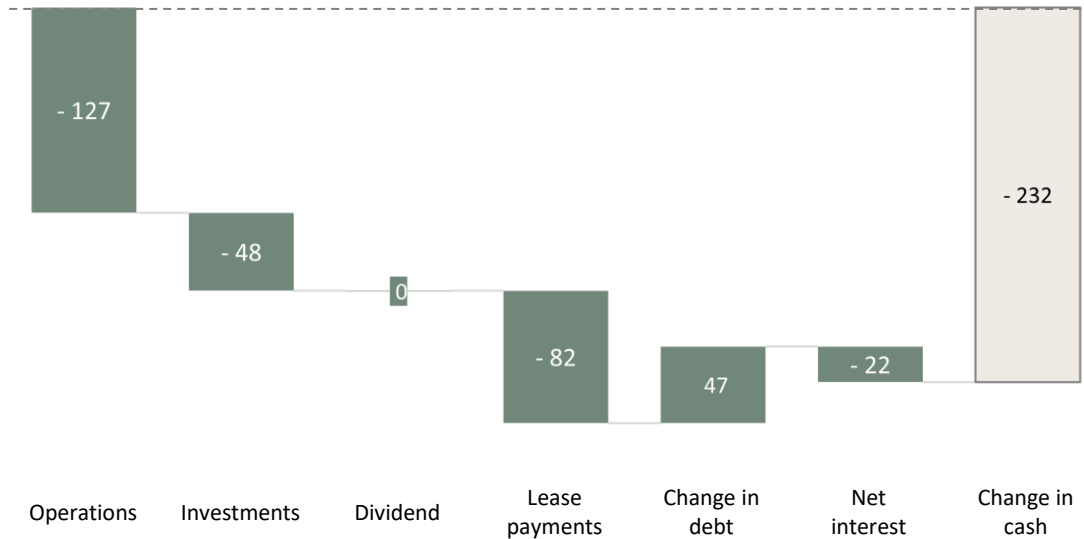
# EBITDA

MNOK



# Cash flow

MNOK



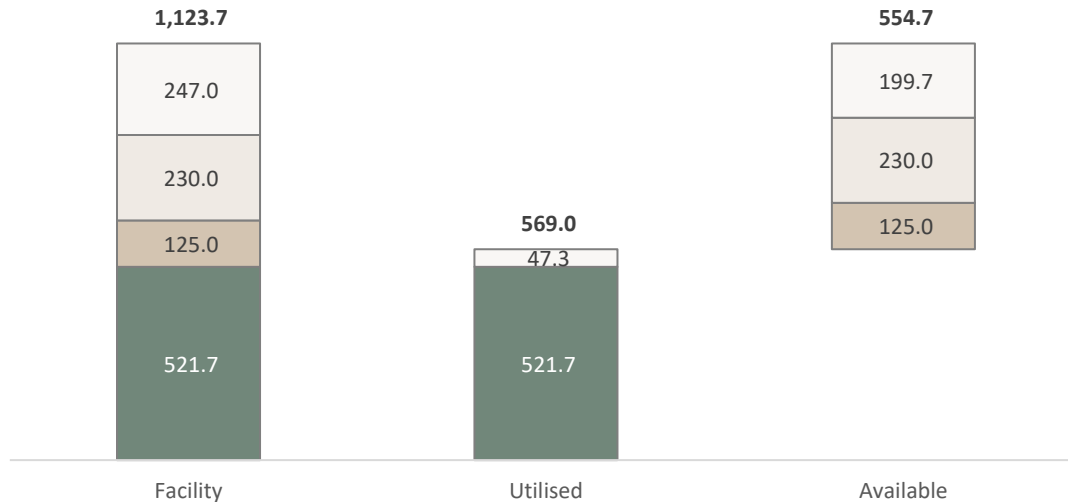
## Cash flow development

- Cash flow from operations affected by inventory build-up during the quarter
- Cash flow from investments reflects mainly CAPEX relating to store openings and projects
- Cash flow from financing represents use of overdraft facility and lease payments



# Cash and credit facilities

MNOK



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

## Robust financial position

- Cash and available credit facilities of MNOK 554.7 (MNOK 328.6), including an unused term-loan facility of MNOK 125 related to investments in the Swedish warehouse
- Net interest-bearing debt excl. IFRS 16 leasing liabilities of MNOK 568.9 (MNOK 700.1)
- Gearing ratio, excl. IFRS 16 effects, of 0.95x (1.94x)

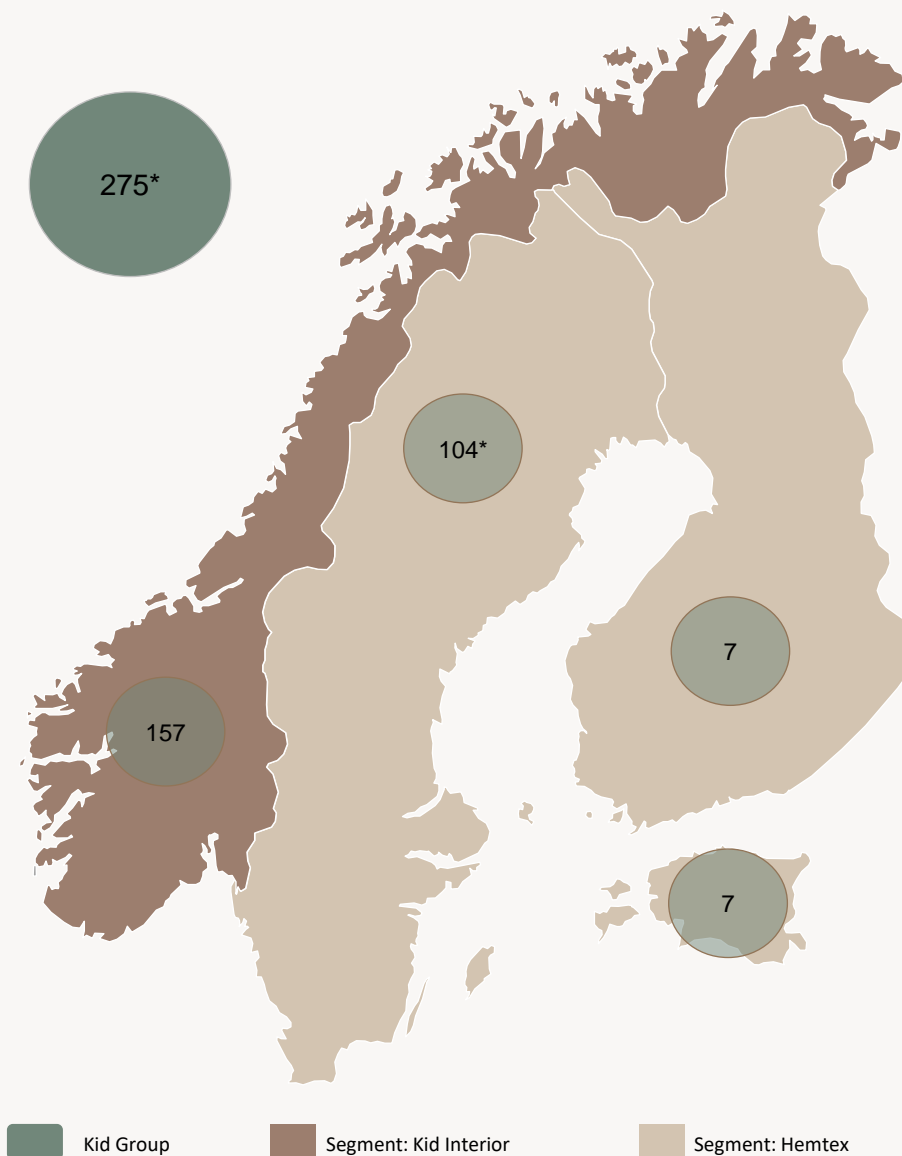
# Store portfolio activity

Per quarter-end

	Completed 2024	Signed, but not yet completed
<b>New stores</b>	NO: Oslo City	NO: Egersund (Q2-24) NO: Fredrikstad (Q4-24) NO: Grünerløkka (Q2-25) SE: Vetlanda (Q2-24) SE: Ringen, Stockholm (Q2-24)
<b>Closures</b>	NO: 1 store SE: 1 store	NO: 1 store SE: 3 stores
<b>Relocations</b>	NO: 4 stores SE: 1 store	NO: 3 stores SE: 3 stores
<b>Refurbishment/ expansion</b>	NO: 3 stores SE: 2 stores	NO: 3 stores
<b>Extended</b>		NO: Grini (Q2-24) NO: Kilen, Tønsberg (Q3-24) NO: City Nord (Q2-25) NO: 2 stores**

\*\* Subject to final approval by landlord

## NUMBER OF STORES PER QUARTER-END



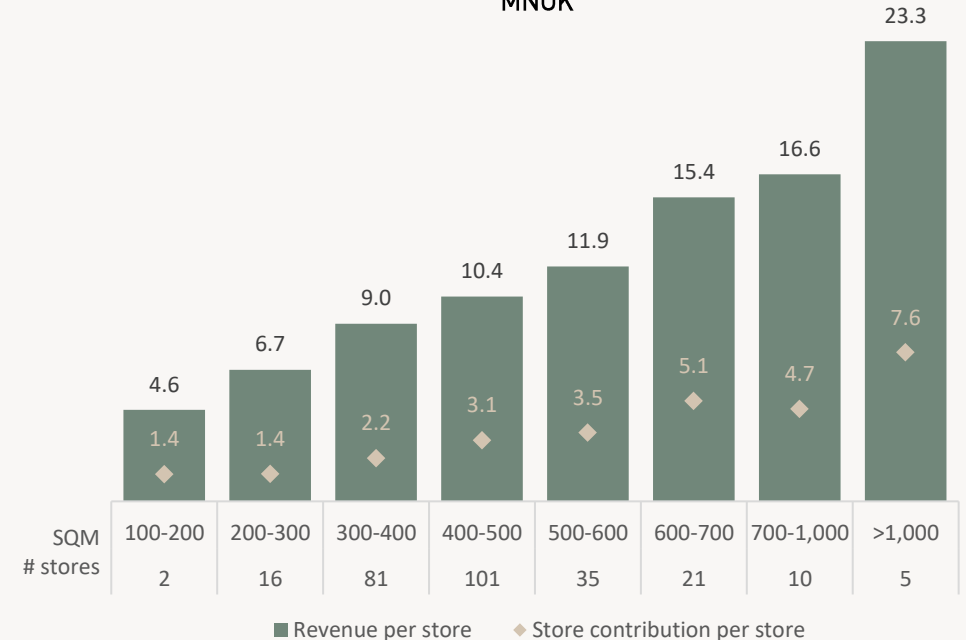
\*Fully-owned stores. Hemtex has additional 11 franchise stores

# Store portfolio optimisation

## Profitable store size expansion

- Existing categories and products need at least 600 sqm. to be displayed in a physical store, which is the foundation for our new standard store size
- Kid Group is working to develop the store portfolio towards the new standard store size (~600 sqm.) by expanding and / or relocating existing stores in all four markets
- Preliminary conclusion from Q1-22 presentation has been verified, and the increased store portfolio drives profitable growth. Historically, we see the fully potential of the performance in year 3 of operation
- 5 Extended (~1,200 sqm.) stores in Norway included in the overview

2023 REVENUE AND CONTRIBUTION PER STORE SIZE\*  
MNOK

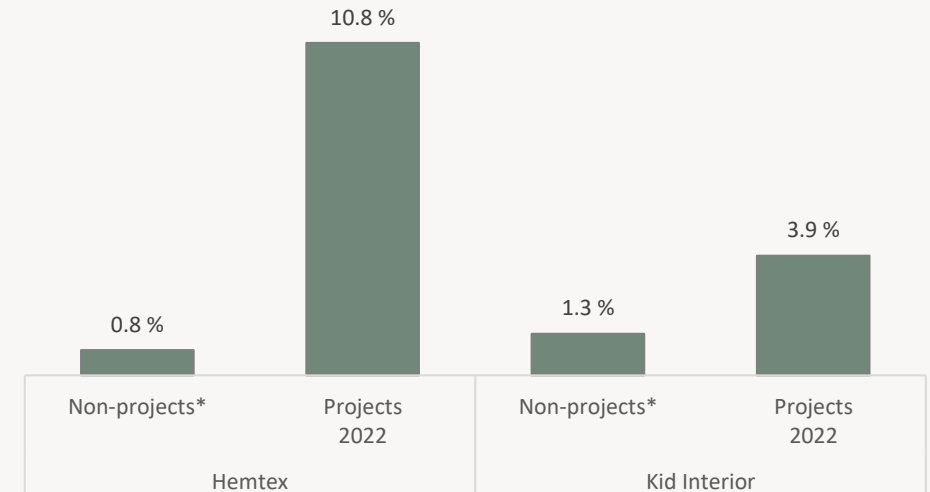


# Store portfolio optimisation

## Store projects fuel reported like-for-like revenue growth

- 14 Kid Interior stores and 17 Hemtex stores were refurbished or relocated with our latest store concept in 2022 and outperformed the remaining store portfolio
  - Expansion combined with refurbishment or relocation is considered an important growth driver
- 53 Hemtex stores has been upgraded to Kid store concept as per 31 December 2023. Compounded annual growth from 2021 to 2023 was 5.4% for these stores compared to 1.1% for remaining like-for-like stores
- Kid ASA will continue ramping up the store investment program going forward and increase the maintenance CAPEX to MNOK 125 on an annual basis to support expansion, refurbishment and relocation of stores

### COMPUNDED ANNUAL GROWTH, 2021-2023 REVENUE GROWTH (%)



# Store portfolio optimisation

## Potential in continued portfolio optimisation and expansion

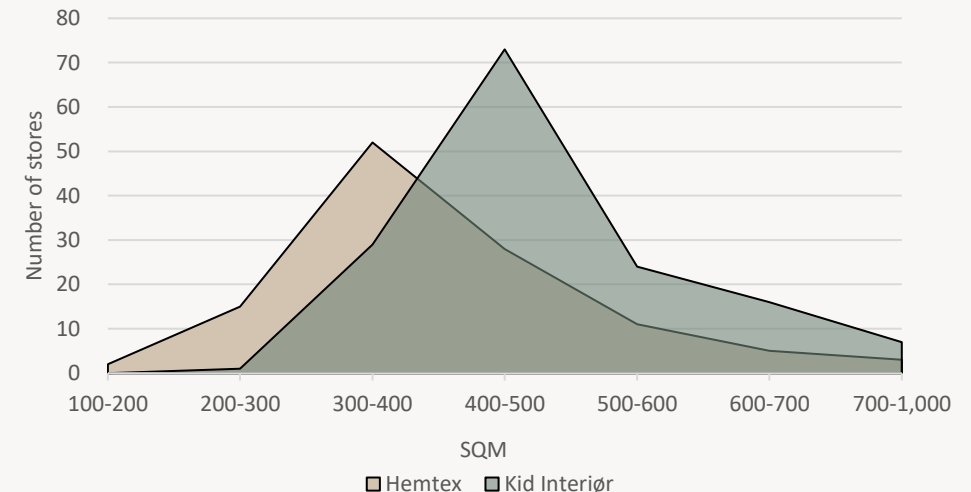
- Compared to 2021, Kid Interior and Hemtex have increased the average store size in the portfolio by 4.3% and 9.5%, respectively
  - 5 Extended stores in Norway excluded from the overview
- Kid Group is aiming to develop the store portfolio towards the new standard store size (~600 sqm.)
- Store portfolio figures for 2021 were reported in the Q1-22 presentation, which is included in the upper table for comparability purposes

**STORE PORTFOLIO PER SEGMENT\***  
SQM / MNOK / NOK

2021	#Stores	Avg. SQM	Revenue/Store (MNOK)	Revenue/SQM (NOK)
Hemtex	117	367	8.2	23,300
Kid Interior	147	458	11.6	25,700

2023	#Stores	Avg. SQM	Revenue/Store (MNOK)	Revenue/SQM (NOK)
Hemtex	116 (-1)	402 (+35)	8.9 (+0.7)	22,900 (-400)
Kid Interior	150 (+3)	478 (+20)	11.8 (+0.2)	24,900 (-800)

**2023 STORE PORTFOLIO PER SEGMENT**  
SQM / NUMBER OF STORES



# Outlook

- In H1-24, we have 15 store projects in Kid Interior and 12 in Hemtex. These projects include a combination of refurbishment, enlargement and relocations
- Raised ambition from 10 to 15 Extended stores in total for the Norwegian market
- Made-to-measure technical sun screening to be launched in Hemtex, both in physical stores and online, during Q2-24
- Group revenue in constant currency increased by 25.5% in April and 16.6% year-to-date per April fueled by change in campaign plan
- Sale of the Swedish warehouse property will be considered over the coming 6-12 months. Colliers selected as advisor
- Revised financial objectives in the annual report for 2023



# Financial Objectives have been revised

## FINANCIAL PERFORMANCE (FULL-YEAR BASIS)

Sales	<ul style="list-style-type: none"><li>Like-for-like growth of 4-5% in a normalised market</li></ul>
Gross margin	<ul style="list-style-type: none"><li>Stable gross margins in line with the past 10 years</li></ul>
OPEX	<ul style="list-style-type: none"><li>OPEX relative to sales at current levels</li></ul>

## STORE PORTFOLIO

Stores	<ul style="list-style-type: none"><li>An optimised portfolio of approximately 320 fully owned stores</li></ul>
CAPEX	<ul style="list-style-type: none"><li>Kid Group targets annual maintenance CAPEX of MNOK 125</li><li>Additional MNOK 3 per new normal store (~600 sqm) and MNOK 6 per Extended store (+1,200 sqm)</li></ul>

## DIVIDEND POLICY & CAPITAL STRUCTURE

Dividend	<ul style="list-style-type: none"><li>Kid Group targets a pay-out ratio of 80-100% of adjusted net profit</li><li>Semi-annual dividend payments</li><li>The Group will deploy a dynamic distribution policy, and any excess capital will be returned to shareholders</li></ul>
Balance sheet	<ul style="list-style-type: none"><li>The Group's leverage policy is to run the business with moderate leverage and maintain an efficient balance sheet</li><li>Gearing ratio (excluding IFRS 16) below 1.25 at year-end</li></ul>

Q&A





# Segment: Kid Interior

## KID Interior

(Amounts in NOK millions)

	Q1 2024	Q1 2023	FY 2023
<b>Revenue</b>	<b>437.7</b>	<b>385.9</b>	<b>2,122.9</b>
Revenue growth	13.4 %	5.2 %	7.0 %
LFL growth including online sales	12.7 %	3.5 %	6.1 %
COGS	-168.3	-172.2	-796.2
<b>Gross profit</b>	<b>269.4</b>	<b>213.7</b>	<b>1,326.7</b>
Gross margin (%)	61.5 %	55.4 %	62.5 %
Other operating revenue	0.0	0.0	0.1
Employee benefits expense	-111.8	-101.0	-436.5
Other operating expense	-118.3	-108.2	-463.9
Other operating expense - IFRS 16 effect	52.2	47.4	189.2
<b>EBITDA</b>	<b>91.6</b>	<b>52.0</b>	<b>615.5</b>
EBITDA margin (%)	20.9 %	13.5 %	29.0 %
No. of shopping days	75	77	306
No. of physical stores at period end	157	155	157



# Segment: Hemtex

<b>Hemtex</b> (Amounts in NOK millions)	<b>Q1 2024</b>	<b>Q1 2023</b>	<b>FY 2023</b>
<b>Revenue</b>	<b>258.8</b>	<b>219.5</b>	<b>1,290.7</b>
Revenue growth <sup>1</sup>	14.3 %	-10.9%	3.2 %
LFL growth including online sales <sup>1</sup>	14.9 %	-6.5%	4.4 %
COGS	-99.9	-94.0	-518.0
<b>Gross profit</b>	<b>158.9</b>	<b>125.5</b>	<b>772.6</b>
Gross margin (%)	61.4 %	57.2 %	59.9 %
Other operating revenue	0.8	0.6	4.2
Employee benefits expense	-67.2	-59.9	-268.2
Other operating expense	-103.0	-97.4	-390.0
Other operating expense - IFRS 16 effect	43.4	35.8	150.4
<b>EBITDA</b>	<b>33.0</b>	<b>4.6</b>	<b>269.0</b>
EBITDA margin (%)	12.7 %	2.1 %	20.8 %
No. of shopping days	90	89	362
No. of physical stores at period end (excl. franchise)	118	118	119

<sup>1</sup>Calculated in local currency



# Income statement

(Amounts in NOK thousand)	Q1 2024	Q1 2023	FY 2023
Revenue	696.5	605.4	3,413.6
COGS	-268.2	-266.2	-1,314.3
<b>Gross profit</b>	<b>428.2</b>	<b>339.2</b>	<b>2,099.3</b>
Gross margin (%)	61.5 %	56.0 %	61.5 %
Other operating revenue	0.8	0.6	4.3
OPEX	-304.6	-283.2	-1,219.1
<b>EBITDA</b>	<b>124.5</b>	<b>56.6</b>	<b>884.5</b>
EBITDA margin (%)	17.9 %	9.3 %	25.9 %
Depreciation and amortisation	-115.0	-95.8	-404.1
<b>EBIT</b>	<b>9.5</b>	<b>-39.2</b>	<b>480.4</b>
EBIT margin (%)	1.4 %	-6.5 %	14.1 %
Net finance	-19.9	-17.9	-76.6
Share of result from joint ventures	-0.6	-0.4	-1.2
<b>Profit before tax</b>	<b>-10.9</b>	<b>-57.1</b>	<b>402.5</b>
<b>Net profit</b>	<b>-9.1</b>	<b>-46.6</b>	<b>313.8</b>



# Statement of financial position

(Amounts in NOK thousand)	Note	31.03.2024	31.03.2023	31.12.2023
<b>Assets</b>		Unaudited	Unaudited	Audited
Goodwill	9	70,328	69,957	70,169
Trademark	9	1,513,974	1,513,696	1,513,851
Other intangible assets	9	46,276	34,656	46,699
Deferred tax asset		6,562	17,450	6,593
<b>Total intangible assets</b>		<b>1,637,140</b>	<b>1,635,759</b>	<b>1,637,312</b>
Right of use asset	9	1,182,535	1,067,142	1,050,028
Fixtures and fittings, tools, office machinery and equipment	9	319,111	274,966	303,178
<b>Total tangible assets</b>		<b>1,501,645</b>	<b>1,342,108</b>	<b>1,353,206</b>
Investments in associated companies and joint ventures	10	424	0	1,013
Loans to associated companies and joint ventures	8	51,476	35,800	50,702
<b>Total financial fixed assets</b>		<b>51,900</b>	<b>35,800</b>	<b>51,716</b>
<b>Total fixed assets</b>		<b>3,190,686</b>	<b>3,013,667</b>	<b>3,042,234</b>
Inventories		700,134	672,806	576,279
Trade receivables		25,876	15,322	32,640
Other receivables		41,943	16,495	43,031
Derivatives		49,693	53,763	29,337
<b>Total receivables</b>		<b>117,513</b>	<b>85,581</b>	<b>105,009</b>
Cash and bank deposits		0	0	225,065
<b>Total currents assets</b>		<b>817,646</b>	<b>758,386</b>	<b>906,353</b>
<b>Total assets</b>		<b>4,008,332</b>	<b>3,772,053</b>	<b>3,948,587</b>

(Amounts in NOK thousand)	Note	31.03.2024	31.03.2023	31.12.2023
<b>Equity and liabilities</b>		Unaudited	Unaudited	Audited
Share capital		48,770	48,770	48,770
Share premium		321,050	321,050	321,050
Other paid-in-equity		64,617	64,617	64,617
<b>Total paid-in-equity</b>		<b>434,440</b>	<b>434,440</b>	<b>434,440</b>
Other equity		929,259	823,704	880,840
<b>Total equity</b>		<b>1,363,699</b>	<b>1,258,144</b>	<b>1,315,280</b>
Deferred tax		322,264	325,543	312,218
<b>Total provisions</b>		<b>322,264</b>	<b>325,543</b>	<b>312,218</b>
Lease liabilities		879,315	786,325	779,287
Liabilities to financial institutions	6	491,652	521,650	491,661
<b>Total long-term liabilities</b>		<b>1,370,967</b>	<b>1,307,975</b>	<b>1,270,947</b>
Lease liabilities		341,853	302,973	305,640
Liabilities to financial institutions	6	77,296	178,419	30,000
Trade payable		187,088	134,258	203,375
Tax payable		0	20,491	55,813
Public duties payable		138,640	90,105	209,941
Other short-term liabilities		199,797	192,554	191,626
Derivatives		6,731	2,574	53,748
<b>Total short-term liabilities</b>		<b>951,405</b>	<b>880,393</b>	<b>1,050,144</b>
<b>Total liabilities</b>		<b>2,644,636</b>	<b>2,513,911</b>	<b>2,633,310</b>
<b>Total equity and liabilities</b>		<b>4,008,332</b>	<b>3,772,053</b>	<b>3,948,587</b>

# Allocated segment costs

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

# Quarterly revenue growth

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

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

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

# Sales days and stores

## Kid Interior

### Number of sales days

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

### Number of store projects

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

Total number of stores 155 156 156 157

2024	Q1	Q2	Q3	Q4	Total
New stores	1				1
Closed stores	1				1
Relocated stores	4				4
Refurbished stores	3				3

Total number of stores 157

Total number of LFL stores 154

## Hemtex

### Number of sales days

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

### Number of store projects

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

Total number of stores\* 129 128 128 130

2024	Q1	Q2	Q3	Q4	Total
New stores	0				0
Closed stores	1				1
Relocated stores	1				1
Refurbished stores	2				2

Total number of stores\* 129

Total number of LFL stores\* 126

\*incl franchise stores

# Logistic costs – Sweden

## Logistic costs - Sweden

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

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