2024

January–December

# Kjell Group Annual Report

## Contents

# About Kjell Group

Since its inception over 35 years ago, Kjell Group has become the leading group in electronic accessories in the Nordics. The Kjell & Company brand combines a market-leading curated assortment of approximately 10,000 items with advisory services and installation – online, via 145 service points, including 114 in Sweden and 31 in Norway, and together with collaboration partners through the Kjell & Company Express concept. The Danish company AV-Cables, which has been part of Kjell Group since April 2021, offers a broad assortment of consumer electronics accessories, with online sales. AV-Cables' assortment offers customers approximately 20,000 products.

The majority of the Group's customers begin their customer journey at Kjell.com or AV-Cables.dk, where they search on their own or receive advice from our experts. The products are delivered from service points or the central warehouse, frequently within a day and sometimes within an hour in the case of online purchases. Kjell & Company's customer club has some 3.4 million members.

In 2024, sales amounted to MSEK 2,583.6, adjusted EBITA totalled MSEK 49.1 and the number of employees was approximately 1,350.

| Number of employees approx. | Sales | Adjusted EBITA |
|---|---|---|
| **1,350** | **2,584** | **49** |
| | MSEK | MSEK |

# The year in brief

In 2023, Kjell & Company launched an initiative to create the market's best offering for returns and reuse of technology. In February 2024, the company shifted up a gear in its focus on putting the right technology in the right hands, making technology returns available at 20 more stores in Sweden.

In March, Kjell & Company was ranked as Sweden's most sustainable brand in the category "Home Appliances & Electronics – Stores" in the Sustainable Brand Index, Europe's largest brand study with a focus on sustainability, for the third year in a row.

In March, Kjell Group appointed Thomas Pehrsson as the company's new CFO. Thomas took up his new position on 15 April 2024, replacing Anders Hofvander who had served as interim CFO following the departure of the Group's former CFO Niklas Tyrén on 16 February 2024.

In April, Kjell & Company expanded its home security offering through the introduction of Yale's new ecosystem of smart cameras and home alarms to its assortment in order to meet consumer demand for advisory services and products for home surveillance and security, which has been growing steadily in recent years.

In May, Kjell & Company began a collaboration with the electronic repair company Mentech to offer flexible electronic repairs for private individuals and companies. The new offering was launched in the summer and is available at all 145 service points in Sweden and Norway. In September, the offering was further strengthened by including an option to borrow a premium Samsung phone at no extra cost when leaving another phone in for repair.

In June, Kjell & Company gathered all chargers under its own Linocell brand and launched a new generation of chargers to strengthen its offering and its market-leading position in this category.

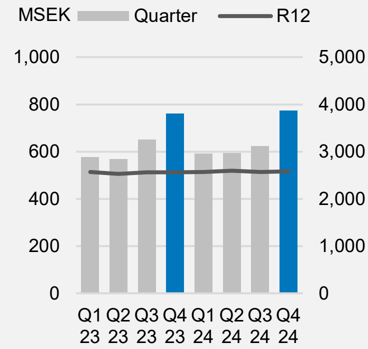
In July, Kjell & Company partnered with Thule to expand its range of travel accessories in order to meet the demand that has arisen as travel in the Nordics has increased following the pandemic. The travel accessories assortment now includes a selection of Thule computer and electronics cases for convenient, easy and safe storage of everyday technology.

In October, Kjell & Company was named Sweden's strongest consumer electronics brand for the second year in a row in the Evimetrix Swedish Brand Awards, a survey based on the Satisfied Customer Index and brand awareness measurements.

In October, Kjell & Company expanded its market presence through a new collaboration with EKO Stormarknad. On November 22, a shop-in-shop opened in an 80-square-metre area at EKO Stormarknad in Fjälkinge, which was stocked with some of Kjell & Company's most popular products in the kitchen and gift categories. The collaboration was expanded in February 2025, and Kjell & Company will move into another 13 EKO Stormarknad stores in 2025.

In December, Kjell Group announced that it intended to carry out a fully guaranteed rights issue of approximately MSEK 200 to invest in a new automated central warehouse and strengthen its balance sheet. The new central warehouse will enable even faster and more efficient deliveries to service points and for e-commerce. The investment in automation is expected to amount to approximately MSEK 80 in 2025–2026. In February 2025, the Board of Directors of Kjell Group announced its decision to carry out a fully guaranteed rights issue of approximately MSEK 199.1. At year-end, the Kjell loyalty club had 3.4 million members.

**Net sales (MSEK)**

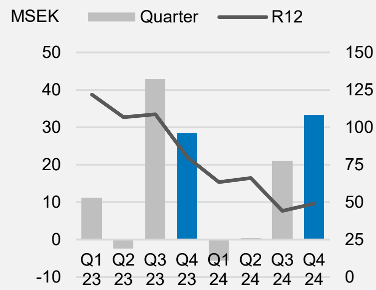



**Net sales 2024**

**2,584**

MSEK

**Adjusted EBITA (MSEK)**




**Adjusted EBITA margin**

2024: 1.9% (3.1%)

# Message from the CEO

## Strategic investments for long-term growth

Following a strong start to the financial year, the second half of the year was characterised by cautious consumer behaviour and the year ended with sales on a par with the preceding year. The market climate prompted a high level of promotional activities among our industry peers, which had a negative impact on margins as consumers chased lower prices.

Sales for the year amounted to MSEK 2,583.6 (2,559.4) and the gross margin for the full year to 40.5% (42.1).

During the year, we maintained a clear focus on streamlining our central functions and ensuring the relevance of our assortment. This resulted in a smaller but more agile organisation, particularly in purchasing and sales. Thanks to central efficiency measures, we have a lower cost base as we enter the new year.

**Growth driven by Norway and Sweden**

Our branding efforts in Norway yielded positive results during the year. The segment delivered strong growth in all quarters except the challenging third quarter, with improved profitability. Our goal is to continue building on our success with our Norwegian neighbours over the coming year. In our Swedish home market, the year ended on a strong note in terms of sales, given the challenges that arose in the second half of the year. The consumer electronics market fought to attract cautious consumers through a high level of promotional activities. Through our efforts to strengthen the relevance of our offering, combined with an efficient organisation, we succeeded in delivering modest but positive growth.

Unfortunately, we did not see the same positive development in Denmark. This prompted a strategic change in the segment and resulted in a consolidation of central functions in the fourth quarter. In addition to cost savings, we expect to see synergies in purchasing, marketing and logistics when our new central warehouse is up and running towards the end of 2025.

**Organisational changes**

In addition to the changes in Denmark, we made a number of organisational changes during the year to enable improved profitability in line with our updated financial targets. These changes have given us the opportunity to streamline and future-proof our organisation, creating the conditions to achieve our targets through shorter decision-making chains and stronger operational discipline.

**Improved offering and new initiatives**

During the year, we strengthened our offering of own brands, adding more than 200 products to our portfolio. We also made it easier for our customers to choose sustainable alternatives through our partnerships with Mentech (repairs) and Reuseit (sales of secondhand technology). In October, we announced a new collaboration with EKO Stormarknad in the form of shop-in-shop stores. The collaboration was well received by our mutual customers, and since the beginning of 2025, the concept has been expanded to include 13 additional stores that will open around Sweden in the coming year.

To continue offering world-class service, we announced an investment in a new, state-of-the-art automated central warehouse. The new central warehouse will enable even faster and more efficient deliveries to service points and for e-commerce, while we also expect to see a reduction in distribution costs and increased efficiency throughout the distribution chain. In addition to efficiency improvements, the warehouse will enable a full consolidation of the Danish operations, which is expected to be completed when the warehouse becomes operational.

**Increased availability facilitates digitalisation**

We have made progress in our efforts to become more available for our customers. As part of this work, we relocated some service points to create better opportunities to capitalise on customer flows. In connection with these relocations, we carried out rent negotiations for most of our premises, thereby offsetting rent increases in one of our largest cost items. In the Swedish and Norwegian markets, rent indexation during the year was between 3% and 7%. However, due to our strong negotiating position and efficient retail space, our cost increase was only 0.5 percentage point.

Finally, I would like to thank all our employees for your efforts in 2024. Your dedication was crucial to our operational success during the year.

Malmö, 15 April 2025

**Andreas Rylander**
President and CEO

Business model and strategy

# The leading expert in everyday technology in the Nordics

**Kjell Group combines technological and retail expertise in order to improve people's lives through everyday technology – and to make technology accessible for all. As a retailer specialising in everyday technology, we have been developing and implementing solutions to meet each generation's technological needs for over 35 years. With an ecosystem of retailer platforms, a sourcing company, our own brands, distribution partners and the knowledge gained from over 3.4 million loyalty club members, we are the leading expert in everyday technology in the Nordics.**

Central aspects of the value proposition are availability, opportunities to inspire and offer customers the right solutions through high-quality customer service and advice, and the opportunity to fulfil customers' delivery requirements with a seamless omni-channel offering. A majority of customers begin their purchasing journey in the Group's digital channels. The online channel is adapted to inspire customers to discover new ways to use technology by highlighting the opportunities technology provides in a comprehensive knowledge library, which includes product guides, inspirational videos and customer reviews.

## Omni-channel strategy

The online channel kjell.com and the company's physical presence with 145 service points provide a combined platform for Kjell & Company's experts to provide the best available service in the channel chosen by the customer. Service and the assortment are complemented by a set of matching services, such as Click&Collect. By making the customer offering increasingly seamless – from customer service and online ordering to the physical meeting – the company is able to meet the customer's technology needs in the best manner possible.

AV-Cables, which now serves both the Swedish and the Danish markets, offers consumer electronics products online, with fast delivery from its warehouse in Jutland. These products largely complement Kjell & Company's range. The businesses work together to further strengthen their offerings in their respective markets.

Through the integrated omni-channel platform, customers can enjoy the convenience of online shopping together with the advantages offered by physical service points. Online orders are available to collect at the service point selected by the customer within an average of ten minutes. In cases when the product does not meet the customer's needs or expectations, Kjell & Company has a flexible and customer-friendly return policy.

### Flexible and space-efficient service points

Our service points have a dynamic and compact design with a relatively small sales area designed to provide customers with personalised advice and customer service from our experts. The part of the service points that is accessible to customers is designed around customer service stations, and nine out of ten products are typically stored behind the counter which leads to a natural meeting with the company's sales personnel.

Of the total space, approximately 65% is warehouse space, which enables a high level of availability for products sold directly at a service point and for products sold through kjell.com, where the customer can select Click&Collect as the delivery alternative.

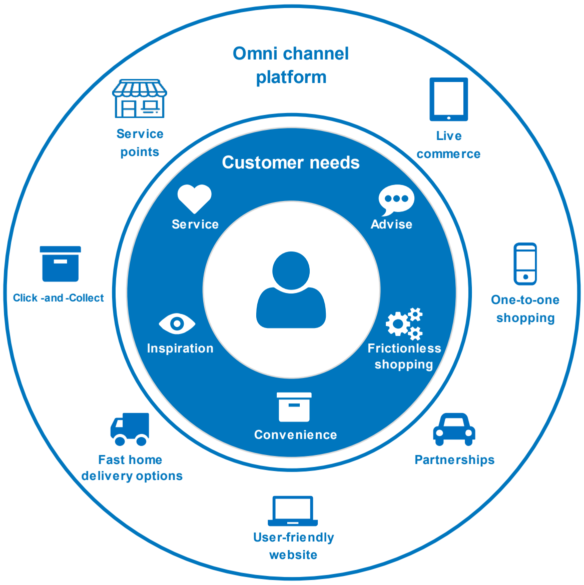
Click&Collect contributes great value as customers reserve products online and then collect the products from a service point. This allows Kjell & Company to influence and help customers find the right solution, with an opportunity for additional sales.

The comprehensive network of service points and the high product availability allow the premises to be used as delivery hubs to ensure fast deliveries of products sold through kjell.com.

## Competent personnel with an interest in technology

Kjell Group's mission is to help people use technology in ways they didn't know were possible. It is therefore important to recruit personnel with a genuine interest in technology and a willingness to help customers in the best possible manner.

To ensure that the Group recruits competent personnel with an interest in technology, all recruitment is handled by dedicated recruiters. Further education and investments in personnel are an important element in customer satisfaction work and thus in the strategy to drive profitable growth. Sales personnel take part in regular internal training through the company's own training programme, Kjell Academy, to strengthen technical know-how and develop skills in customer interaction and service.




**Our greatest assets and the key to our success**

Kjell Group's employees are crucial to the business. Service point employees are passionately interested in technology and maximising the potential of technology for customers. Our philosophy is that the right technical solution can make customers' lives much easier, improving their quality of life in many ways.

When our employees share their enthusiasm and knowledge, this creates a customer relationship characterised by trust and loyalty, which has led to Kjell & Company having 3.4 million members of its customer club.

Most store managers started with the company as salespersons. This guarantees that the strong corporate culture that has always characterised the company, the "Kjell Spirit," lives on.

## A focus on customer satisfaction

Customer reviews are the ultimate indication that our customers appreciate our brand offering. For example, AV-Cables has an industry-leading level of customer satisfaction in its main market of Denmark based on data from trustpilot.com, where AV-Cables.dk has an average rating of 4.8 out of 5.0 on the basis of more than 150,000 reviews, which is the highest of the largest players in the CEA market in Denmark.

## Loyalty club a key factor

Kjell & Company's loyalty club, which has 3.4 million members, is a key factor for the Group's continued success. Through the programme's members, Kjell & Company has built up a comprehensive customer database containing information about the customers' shopping patterns and preferences. Data from the loyalty club is used to develop the assortment and design relevant communication to members, containing for example membership points and membership offers, and to monitor customer satisfaction.

## Relevant and curated assortment

To remain relevant and provide solutions to as many potential customer problems as possible, the Group offers a customer-centric and curated assortment of high-quality consumer electronics accessories. A curated and customer-centric assortment is an advantage as this limits the time customers need for a decision. The assortment is divided into eight main product categories as well as service. Kjell & Company sells nearly 10,000 items, and AV-Cables sells approximately 20,000 items.

## Broad product mix

Kjell & Company has a broad product mix and offers a curated range of about 350 A and B brands and 16 own brands and no-name brands. The Group continuously strives to optimise the pricing of products in these brand categories using a strategic and data-driven approach.

- A brands: Well-known brands help to increase traffic to our sales channels, provide credibility for the assortment and enable additional sales of other products with higher margins.
- B brands: Less well-known brands that allow us to assess demand for complex products among our customers.
- Own brands: Kjell Group's brands that offer higher average margins than A and B brands and make an important contribution to the Group's gross margin.
- No-name brands: These brands are primarily used to provide a relevant and curated assortment of various niched products, such as converters or adapters between different types of connectors, at the same time as they have a similar margin profile as own-brand products and therefore have a positive impact on gross margin.

## Trends in focus

We currently mainly work with four trends that shape our assortment development: the mobile lifestyle, the connected home, an active lifestyle, and media on demand. The mobile lifestyle refers to the fact that consumers want to remain constantly mobile, flexible and within reach for friends and work, regardless of the location of the consumer. The connected home refers to the fact that the home is becoming increasingly connected to technology to assist in everyday life. An active lifestyle refers to the fact that consumers want to optimise their training and everyday life with consumer electronics accessories, such as smart watches and smart scales. Media on demand refers to the fact that consumers want to have the opportunity to consume and create, for example, culture, music and videos whenever the consumer wants, regardless of the location of the consumer. We are constantly updating our assortment to maintain a relevant assortment that reflects customer demand.

## Focus on raising the value of own brands

Kjell & Company has a long tradition of developing own brands and has over time successfully developed products that have contributed to the business's positive growth. This is reflected in the strong purchasing power among the customer base for these products. The focus going forward will be on developing the products to enable higher price points and to offer greater value and higher quality.

## Partnerships to expand distribution

In May 2020, Kjell & Company entered into a partnership with Circle K under which certain products from Kjell & Company are to be sold at selected staffed Circle K stations. Since February 2021, the partnership concept has been rolled out in 277 of Circle K's staffed stations in Sweden.
In 2023, a collaboration was initiated with 24-SJU, and by year-end 2024, Kjell & Company's assortment was available at 27 of 24-SJU's stores. In October 2024, a shop-in-shop collaboration was initiated with EKO Stormarknad. The partnership was expanded after the end of 2024 and will be rolled out at a further 13 stores in 2025. This new concept has significantly increased Kjell & Company's physical availability.

## Local sourcing makes new technology available quickly

Kjell & Company has a central purchasing function that works closely with category managers to handle warehouse planning, product allocation and the analysis of product demand. The purchasing function is primarily situated adjacent to Kjell & Company's central warehouse and head office in Malmö. Having a local presence in China ensures that new technology trends are identified at an early stage.

AV-Cables' logistics and purchasing functions are managed by Kjell & Company's central functions. A large share of AV-Cables' cost of materials relates to European suppliers, enabling short delivery times for goods, which usually arrive at the warehouse within one to seven days.

## Data-driven marketing maximises potential

Future growth is dependent on the strength of the Kjell & Company and AV-Cables brands as well as customers' perception, and awareness, of their offering. Since the company's inception in 1988, Kjell & Company has developed a strong brand in the Swedish market with increasing awareness in the Norwegian market as well.

Its marketing follows a clear seasonal theme, whereby campaigns for the spring, summer, autumn and winter are planned nine to ten months in advance. During the spring, campaigns focus on activities that often take place during the season's festivals, such as Easter. During the summer, the focus is instead on holiday activities while autumn campaigns focus on indoor activities, such as gaming. During the autumn and winter seasons, there is a particular focus on carrying out successful campaigns with relevant offerings for Black Friday and Christmas shopping.

The operations use a broad marketing mix including channels under their own control, e-mail marketing, social media, such as Facebook and YouTube, and television advertising. Since the launch in 2017, the loyalty club has become an important channel, with 3.4 million members, enabling cost-efficient marketing with personalised offers based on previous shopping patterns and behaviour in all channels.

As with the rest of the organisation, the marketing organisation is data-driven, meaning that communication with potential customers is personalised as far as possible and that marketing focuses on those customer segments that the business currently deems to have the most potential.

The operations work continuously with search engine optimisation (SEO) and search engine marketing (SEM) with the aim of increasing brand awareness and remaining relevant. The ambition is to be among the first hits in search engine results when customers search for products and services that Kjell & Company and AV-Cables offer. By monitoring trends for popular search words, the operations can identify customers online who intend to purchase a specific product.

Market and position

# Unique and strong position in an attractive market

Most of the range sold by Kjell & Company and AV-Cables comprises products normally defined as consumer electronics accessories (CEA). The CEA market in Sweden, Norway and Denmark is a sub-category of the larger consumer electronics (CE) market. While the CE market has declined in recent years due to deteriorating consumer confidence, the CEA market has shown greater resilience in challenging times thanks to a more needs-focused offering.

In recent years, the CEA market in Sweden, Norway and Denmark has been driven by market trends such as an increasing number of accessories per consumer electronics product, an increasing number of connected devices, and growing demand for convenience and customer service.

The market trends are driven by general technology development, creating demand for consumer electronics accessories when new consumer electronics products are launched. Accessories are frequently needed for the new products launched in the market in order to get the most value from the product as a customer or to connect the product to others in an ecosystem.

The CEA market in Sweden, Norway and Denmark is fragmented and consists of numerous players with a different primary focus, who compete in numerous product categories.

The key players in the CEA market are largely consumer electronics chains which, unlike Kjell & Company and AV-Cables, sell consumer electronics products, such as phones and televisions, as their primary focus with an assortment of complementary accessories. Players with a primary focus other than consumer electronics, such as do-it-yourself chains and grocery and furniture retailers, also operate in the CEA market and compete with Kjell & Company and AV-Cables in some product categories, including smart home, batteries/chargers and lighting. There are also several smaller specialised players who frequently compete in at least one sub-category such as electric torches.

## New behaviour lays the foundation for future growth

Going forward, the expected growth in the addressable CEA market will be driven by several underlying growth factors related to new and changed consumer behaviour, which are driven by general technology development creating new consumer needs. Four growth factors are considered key drivers of long-term growth in the CEA market and are described below.

### 1. Increased number of connected devices

Connected products included in the Internet of Things (IoT) are one example of an overall digitalisation trend where everyday products are connected wirelessly to the Internet to create added value for consumers by making their daily life easier. Significant volume growth is expected for smart home, where product solutions such as smart locks and lighting systems are customised to increase convenience, improve security and save time in the daily life of consumers. The number of IoT connections per resident is expected to increase and follow this volume growth.

This shift to new connected products is also driving volume growth for other consumer electronics accessories, including products in the lighting and network product categories since older accessories may not be compatible with new technology. The fast-growing smart home product category is also giving rise to new product categories, and new products in existing product categories may be added in the future because the new technology is affecting consumer behaviour and consumer needs.

### 2. Increased number of accessories per consumer electronics product

An increased number of accessories per consumer electronics product is expected to be a key growth driver for the addressable CEA market, particularly in the major product categories of mobile accessories and audio. In mobile accessories, this is partly driven by the fact that consumers are keeping their existing phones for a longer period of time or re-using their mobile phones to a higher degree than in the past, which means that consumers are spending more money on a variety of accessories, such as docking stations, mobile phone cases and mobile phone holders, to personalise and improve the functionality of the product.

Mobile phones have generally become more expensive over time, which means that consumers are choosing to spend more money on accessories, including mobile phone cases and screen protectors, which are designed to extend the lifetime of the product. In addition, the high purchase cost is leading to a larger secondhand market, which in turn is having a positive impact on sales of accessories. In the audio product category, the increase in the number of accessories is mainly driven by consumer demand for headphones that serve different needs. For example, consumers want different types of headphones for exercise, everyday use and work.

Two consumer trends in particular are underpinning, and driving, this growing need for accessories: a more mobile lifestyle and a more active lifestyle. Consumers are living a more mobile lifestyle than in the past and want to be constantly reachable and available. This requires a more seamless user experience, where consumers want personalised solutions to meet their individual needs.

Current health and fitness trends also mean that many consumers live an active lifestyle, which is creating new interests and perceived needs, including measuring and monitoring exercise performance and health development via digital devices. This is considered to be a growth driver of smart wearables – which are products such as smartwatches, running armbands, smart bathroom scales and sleep trackers that can be connected to mobile phones or computers. This trend is also driving growth in product categories such as mobile accessories and audio to meet such needs as carrying a mobile phone while running, or wearing headphones for activities such as running and swimming.

### 3. Increased need for convenience and customer service

Many consumers are living increasingly busy lives with a constant need to coordinate work and private life in terms of time. This means that consumers are increasingly looking for service and more convenient solutions to free up time for work and private life. As digitalisation increases, product complexity in some product categories will also increase, which will further drive the demand for service and advisory solutions.

### 4. Increased focus on sustainability among consumers

Climate change and efforts to limit global warming have led to greater focus on sustainability at all stages of production and sales of goods and services, from manufacturing to consumer sales. An increased focus on sustainability among consumers will lead to higher demand for environmentally friendly products and a greater willingness to extend the lifetime of consumer electronics products. Kjell & Company uses its wide network of stores to offer returns and resale of used phones, tablets and computers, together with ReuseIT. For repairs and service, consumers can take advantage of our partnership with Mentech at all stores.

## Growing need for personal service and advice

A high level of personal service and advice is a key factor for success in the CEA market. Since the CEA market includes a wide range of both simpler and more high-tech products, the type of personal service and advice required by consumers varies for each product. Above all, demand for a high degree of personal service and advice is increasing in line with the growing popularity of more advanced products, such as products in the smart home product category.

## Strong bargaining power relative to suppliers

The CEA market is characterised by a number of product categories with a wide range of products in each category. In general, there is a relatively low degree of brand and supplier differentiation for many products, which contributes to the fact that CEA market players generally have stronger bargaining power compared with the overall CE market.

## Low brand preference

Brand preference in the CEA market is generally lower compared with the overall CE market, and a higher proportion of the assortment of some retailers comprises own brands. Kjell Group believes that consumers in the CE market are more likely to have clear brand preferences since these brands can be associated with strong brand awareness among consumers in general and as such, personal identity.

Customers in the CEA market are seeking solutions to needs rather than specific brands and products, which increases opportunities for players to offer substitute products of other brands. This enables CEA market players to adjust their assortment to achieve higher margins. A lower brand preference for products in the CEA market also means that the player's own brand becomes more important, since consumers choose the player that can offer the best support for finding the right product and solving their problem.

## Lower price sensitivity among accessories

The CEA market is characterised by a high share of products with a relatively low average basket size, where consumers often buy products spontaneously when the need arises. This contributes to the fact that the CEA market is generally characterised by lower price sensitivity compared with the overall CE market, since consumers are less likely to compare prices for products before purchasing consumer electronics accessories.

### Market structure and players

The addressable CEA market can be divided into five major retailer segments, which combined account for the vast majority of the CEA market. The five retailer segments are described below.

- **Specialists in consumer electronics accessories:** This retailer segment includes players that are mainly focused on one or more product categories in consumer electronics accessories, and includes Kjell & Company. Kjell & Company holds a unique position in this segment of the Swedish and Norwegian CEA market as the only player of considerable size with a main focus on consumer electronics accessories. In the Danish market, there are several online-based players in this segment but there is no player of considerable size with a physical presence. AV-Cables commands a strong position in the Danish CEA market among e-commerce players thanks to its broad assortment of accessories combined with high customer satisfaction.
- **Traditional consumer electronics chains:** This retailer segment consists of players with consumer electronics products, such as televisions, computers and white goods, as their primary product offering. These players also have a secondary assortment that includes a number of consumer electronics accessories that complement the primary product offering, including mobile accessories, smart home products and complementary accessories for televisions and computers.
- **Online players:** This retailer segment consists of players whose main sales channel is online, and who sell consumer electronics accessories to varying degrees. Smaller online-based specialised players focused on specific product categories, such as gaming, are also included in this segment.
- **Do-it-yourself chains:** This segment includes players who primarily offer a wide assortment of products classified as household goods. Among other goods, they offer products in building, gardening, home furnishings and kitchen accessories, as well as consumer electronics accessories such as headphones, cables and lighting.
- **Grocery and furniture retailers:** This segment includes the major supermarket chains, furniture retailers and supermarkets. These players mainly have high market shares in product categories in consumer electronics accessories with a high level of standardisation and that complement their primary assortment. For example, these players largely offer products such as batteries and lighting, as well as certain products in the smart home category.
- **Marketplaces:** This segment comprises platforms that sell products from their own warehouses and products from third-party sellers who sell directly to customers through their marketplaces. Players in this segment have a wide assortment in multiple product categories.

## Product categories

The CEA market can be divided into nine product categories. A summary of the product categories with a description and product examples are presented below.

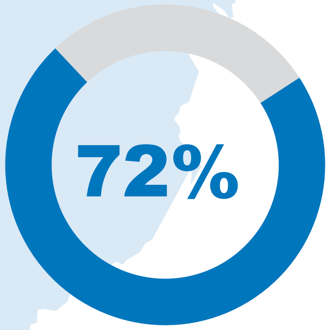
| Product category | Description | Product example |
|---|---|---|
| Batteries/charging | Includes different types of batteries for a variety of purposes, and various charging solutions and related products. | Alkaline batteries, camera batteries, tool batteries, battery chargers and EV chargers. |
| Lighting | Includes a wide range of lighting products for a variety of purposes and of varying complexity. | Light bulbs, LED strip lights, UV lights, interior lamps and task lighting. |
| Computer accessories | Includes a wide range of computer accessories. | Keyboards, hard disks, graphics cards and computer cables. |
| Gaming | Includes computer gaming accessories. | Keyboards, microphones, cameras and gamepads. |
| Audio | Mainly consists of speakers and headphones, in which there is a wide selection of products to meet various customer needs. | Wireless headphones, noise-cancelling headphones, sports headphones, portable speakers and Bluetooth speakers. |
| Mobile accessories | Includes a wide range of products that complement and enable the use of mobile phones in various ways. | Mobile phone cases, screen protectors and chargers. |
| Network | Includes products that enable network connections for customers in various ways. | Wireless routers, mesh systems and network cables. |
| Smart home | Includes connected products in the sub-categories of controllers/connection/automation, security and smart lighting. | Remote controls, connected cameras, digital locks, fire sensors and connected lighting. |
| Services | Includes various types of services for consumers. | Arranging charging station installations. |

# Performance in our markets

## Segment Sweden

Net sales in segment Sweden increased 0.5% to MSEK 1,862.7 (1,853.4) in 2024 compared with the previous year, and adjusted EBITA amounted to MSEK 28.8 (52.2).

**Net sales per segment (%), period**




Kjell Group has been established in the Swedish market, through Kjell & Company, since the chain was founded and has created a store network with more than 114 service points over the years. 2024 marked another year of weak economic growth in Sweden, and Swedish households are continuing to show restraint in their purchasing decisions. Nevertheless, there is a silver lining: inflation was significantly lower in 2024 than in both 2023 and 2022, and a sharp cut in the policy rate resulted in lower interest rates in the second half of 2024. While household purchasing power increased as a result, unfortunately this did not lead to higher consumption in consumer electronics.

Although the main market for consumer electronics faced a challenging year, Kjell Group's sales remained stable in 2024, which is proof that our adaptable, smoothly functioning omni-channel model with relevant offerings makes it possible to help our customers in the channels they prefer at any given time.

Although inflation in 2024 was lower than in the previous year, it is continuing to have a negative impact on profitability due to increased costs. To make the company more efficient, a number of savings programmes were introduced in 2024, including restructuring measures to create a more efficient administrative organisation. The company is also implementing continuous improvement initiatives in its purchasing and logistics operations to achieve margin improvements by 2025.

During the year, the company's shop-in-shop solution was expanded to the EKO Stormarknad store in Fjälkinge. In 2025, the concept will be expanded to 13 additional EKO Stormarknad stores. The shop-in-shop solution is already available at 277 Circle K petrol stations and 27 unmanned stores in the 24-SJU franchise chain.

In 2023, Kjell & Company launched an initiative to create the market's best offering for returns and reuse of technology. In February 2024, the company expanded its concept of putting the right technology in the right hands, making technology returns available at 20 more stores in Sweden.

During the year, Kjell & Company was named Sweden's strongest consumer electronics brand for the second year in a row in the Evimetrix Swedish Brand Awards, a survey based on the Satisfied Customer Index and brand awareness measurements. Kjell & Company was ranked as Sweden's most sustainable brand in the category "Home Appliances & Electronics – Stores" in the Sustainable Brand Index, Europe's largest brand study with a focus on sustainability, for the third year in a row

## The Swedish CEA market

Technology is continuing to advance at a rapid pace. Market trends such as an increase in the number of accessories per consumer electronics product and in the number of connected devices are creating good growth opportunities for the Swedish CEA market. Innovative products, particularly in the smart home category, are driving growth. As growing product categories reach the mass market, the demand for accessories for these product categories is also increasing. Combined with the demand for convenience and customer service, this means that demand for the company's services should remain high in the long term.

## Competitive landscape

The CEA market in Sweden is relatively fragmented. The key market players include traditional consumer electronics chains, online players and do-it-yourself chains. In contrast to Kjell & Company, traditional consumer electronics chains have CEA products as their secondary focus and consumer electronics products as their primary focus. Online players consist of online-based technology retailers.

Kjell & Company has a leading position in the CEA market in Sweden, a market position achieved through a continued increased market share in product categories such as audio and smart home as well as a strong position in the mobile accessories and network product categories.

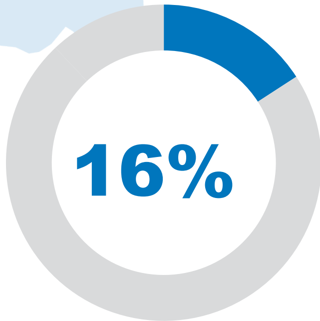
## Segment Norway

Net sales in segment Norway increased 7.3% to MSEK 409.6 (381.8) in 2024 compared with the previous year, and adjusted EBITA amounted to MSEK 6.6 (1.9). Norway, which is one of our growth markets, reported positive sales growth in three of four quarters as well as sales growth of 10.1% in comparable service points.

Kjell Group has been established in the Norwegian market, through Kjell & Company, since 2015, initially through e-commerce and seven service points. By 2024, the company's physical presence in the Norwegian market comprised a store network of 31 service points. Like Sweden, the Norwegian economy experienced weak growth, although growth in the consumer and electronics markets was higher than anticipated. Norway is also facing continued high inflation and interest rates, albeit lower than in 2023, which has been a challenge in terms of household finances and negatively affected consumption. However, with a stable labour market and relatively low unemployment, continued interest rate cuts and declining inflation, the outlook for 2025 is favourable.

As in Sweden, general inflation contributed to driving up costs for the Norwegian operations in 2024, even though inflation was significantly lower than in 2023 and 2022. In 2023, a number of major marketing and branding investments were made in Norwegian business, resulting in improved sales and contributing to growth in all channels. These investments in 2023 continued to generate returns in 2024, and this sustained growth during the year made us even more confident that our omni-channel model, with seamless and channel-independent customer service, is also a winning concept in the Norwegian market.

**Net sales per segment (%), period**




## The Norwegian CEA market

The Norwegian CEA market, like the Swedish market, is expected to experience favourable future growth. Although the Swedish market is larger than the Norwegian market, the Group still sees excellent potential since the population in relation to the market as a whole is smaller. This is likely an indication that the population of Norway spends more per capita on CEA products than the population of Sweden. The market is also seeing growth in the number of accessories per consumer electronics product and other important product categories, such as mobile accessories and audio. Moreover, demand for CEA products on the Norwegian market is expected to be favourable, driven by products in smart homes and other categories. Like in Sweden, these categories are seeing a continued strong trend and mass-market adoption.

## Competitive landscape

The market situation in Norway in 2024 continued to be dominated by the strong presence of major individual players. Compared with the Swedish CEA market, which is more fragmented, traditional consumer electronics chains and online players have a relatively high market share. The consumer electronics market in Norway is expected to remain stable, with e-commerce continuing to increase in market share compared with physical retail.

As in the Swedish market, Kjell & Company's main focus is on CEA products, while traditional consumer electronics chains have CEA products as their secondary focus and consumer electronics products as their primary focus. This has contributed to Kjell & Company's continued strong growth in the market since its launch in 2015.

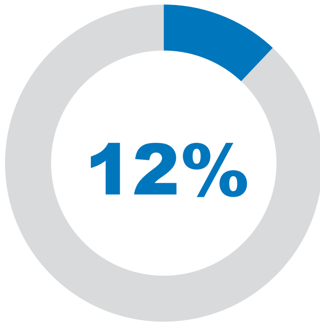
## Segment Denmark

Net sales in segment Denmark declined 3.9% to MSEK 311.3 (324.1) in 2024 compared with the previous year, and adjusted EBITA amounted to MSEK 13.6 (26.1). AV-Cables reported positive sales growth in two out of four quarters, and sales in the Swedish market accounted for 3.6% of AV-Cables' total net sales in 2024.

AV-Cables has been active in the Swedish market since 2023, when the company's Swedish website was launched, marking the first time the Group had two brands in the same market. AV-Cables is mainly active in the product categories of mobile accessories, audio, and network and computer accessories. The business differs from Kjell & Company in that it only conducts online sales and focuses on a more price-conscious consumer.

In 2024, the integration of central functions from the Danish operations of AV-Cables into Kjell & Company started. This was made possible by a new e-commerce platform, creating synergies that will ultimately contribute to lower costs, increased efficiency and higher profitability. These initiatives had a temporary negative impact on sales in the fourth quarter, with a 16.1% decrease in net sales. The integration will be fully completed in 2025 once the new central warehouse is operational, enabling even greater scalability and efficiency.

**Net sales per segment (%), period**




## The Danish CEA market

The ongoing trend of digitalisation and technological developments are expected to drive underlying demand in the Danish market, although to a slightly lesser degree than in the Swedish and Norwegian CEA markets. Like the Norwegian market, the Danish market is characterised by a population that spends more per capita on CEA products than the Swedish population. Growth in Denmark is also expected to be largely driven by smart home products and technology that reaches the mass market. At the same time, the number of accessories per consumer electronics product in major product categories is expected to increase.

## Competitive landscape

Similar to the Norwegian CEA market, the Danish market is less fragmented than the Swedish market. Traditional consumer electronics chains in Denmark have a relatively high market share. In 2023, the Danish market saw increased competition, mainly from new non-Nordic players. These players continued to establish a presence and gain market share in 2024.

On trustpilot.com, AV-Cables.dk received an average rating of 4.8 out of 5.0 based on more than 153,000 reviews, which is the highest rating for all players in the Danish CEA market.

# Administration report

## General

The Board of Directors and CEO of Kjell Group AB (publ) hereby submit the annual report and consolidated accounts for the 2024 financial year. All amounts are in thousands of kronor (TSEK) unless otherwise stated. Figures in parentheses refer to the 2023 financial year.

Kjell Group AB (publ) was listed on Nasdaq First North Growth Market on 16 September 2021. Its registered offices are in Malmö, Sweden.

## Operations

Since the company's inception about 37 years ago, the Group has become one of the leading players in electronic accessories in the Nordics, with a relevant and curated assortment of approximately 10,000 products. AV-Cables' assortment offers customers approximately 20,000 products.

Kjell & Company combines a large product range with a high degree of advice and customer service, which is offered via a seamless omni-channel offering – online and through 145 service points (physical service points), of which 114 are located in Sweden and 31 in Norway. Kjell & Company's products are also offered in partnership with 277 Circle K stations, 27 of 24-SJU's stores and EKO Stormarknad in Fjälkinge. The partnership was expanded after the end of 2024 and will be rolled out at a further 13 stores in 2025. Through AV-Cables, Kjell Group is also established in the Danish market, further strengthening its position in the Nordics. Through Kjell & Company's customer club, with approximately 3.4 million members, the company has an in-depth understanding of people's technology needs, and the Group's approximately 1,350 employees work every day to enhance everyday lives through adoption of technology.

Most of Kjell & Company's customers start their customer journey through digital channels where they navigate on their own or receive advice from our employees through video or chat. Regardless of sales channel, fast deliveries are offered directly to service points or home to customers via a service point or central warehouse if the purchase is conducted online on kjell.com. Sales from kjell.com are seamlessly integrated with service points and it comprises the fastest growing sales channel. The Group's objective is to increase the share of sales from its own online channels. The total share of sales from online channels, excluding Click&Collect, amounted to 29%, compared with 29% last year.

Kjell & Company's service points concept is standardised, the culture is strong and the model for establishing new service points is structured, which enables geographic expansion to new markets.

In addition, Kjell & Company expands through selected partners when partnerships can create mutual value. The partnerships with Circle K, 24-SJU and EKO Stormarknad mean that these players act as a retailer of a selection of Kjell & Company's assortment, which significantly increases the physical availability of parts of the Group's assortment.

In the first quarter of 2025, Kjell & Company initiated a collaboration with installation partner Smartify in the Swedish market with the aim of enabling a complete offering that extends beyond providing customers with the right products. Now, Kjell & Company provides a complete offering that includes installation. The service allows customers to receive technical support and installations at home, including assistance in ensuring good WiFi coverage throughout their homes or installing a smart home lighting system.

## Significant events during the financial year

- In March, Kjell Group appointed Thomas Pehrsson as the company's new CFO. Thomas took up his new position on 15 April 2024, replacing Anders Hofvander who had served as interim CFO following the departure of the Group's former CFO Niklas Tyrén on 16 February 2024.
- In May, the Annual General Meeting authorised the Board, on one more occasions before the next Annual General Meeting, with or without deviating from the shareholders' preferential rights, to resolve on a new issue of shares not to exceed 10% of the total number of shares outstanding in the Company after exercising said authority. The AGM also resolved on the introduction of a performance share programme in accordance with the Board's proposal.
- In December, Kjell Group announced that it intended to carry out a fully guaranteed rights issue of approximately MSEK 200 to invest in a new automated central warehouse and strengthen its balance sheet. The new central warehouse will enable even faster and more efficient deliveries to service points and for e-commerce, with the investment in automation expected to amount to approximately MSEK 80 in 2025–2026.

## Events after the reporting date

- In conjunction with the publication of the 2024 year-end report on 13 February 2025, Kjell Group presented new financial targets.
- On 14 February 2025, it was announced that the Board of Directors had appointed current Board member Sandra Gadd as the new President and CEO of Kjell Group. Andreas Rylander will remain in his current position until Sandra Gadd takes up the role, which is scheduled to take place in September 2025.
- On 19 February 2025, the Board of Directors decided on a fully guaranteed rights issue. On 10 March 2025, an Extraordinary General Meeting was held, which resolved to approve the Board's decision to implement a new issue of 28,036,362 shares, corresponding to approximately MSEK 199.1 before the deduction of issue costs, with preferential rights for existing shareholders. On 13 March, Kjell Group published a prospectus regarding the rights issue. On April 2, the final outcome of the rights issue was announced. The subscription price was set at SEK 7.10 per share. The outcome was that 27,806,211 shares were subscribed for through the exercise of subscription rights, corresponding to approximately 99.2% of the shares offered. The remaining 230,151 shares were allotted to parties who subscribed for shares without subscription rights. The rights issue was therefore fully subscribed and no guarantee undertaking was utilised.

## Expected future developments

We noted an improvement in consumer purchasing power during the year and remain confident in our profitable and need-driven business model and highly optimistic that we will be able to serve even more customers in 2025. We will continue to adjust our assortment and prices and to streamline and invest where we see potential. We will also continue to optimise the store network in Sweden by relocating selected service points in order to maximise their potential and profitability.

## Financial targets

After the end of 2024, the Group's financial targets have been updated to the following:

### Sales

Net sales growth is to exceed 5%.

### Profitability

Adjusted EBITA margin in the range of 6-8%.

### Capital structure

Net debt in relation to adjusted EBITDA, rolling 12 months (excluding the effects of IFRS 16) is to be a multiple of less than two (2).

### Dividend policy

Dividends are to comprise at least 60% of earnings per share after tax, taking into account the Group's financial position and growth potential.

## Significant risks and uncertainties

The operations entail risks that are continually evaluated in order to manage them in the best way. Several risks and uncertainties that are associated with the operations under normal conditions are summarised in this section.

Kjell Group's addressable market comprises the CEA market in Sweden, Norway and Denmark. All of Kjell & Company's service points are located in Sweden and Norway, whereas Kjell Group's online channel focuses on the Swedish, Norwegian and Danish markets. As a result, the Group's net sales and earnings are significantly impacted by consumer behaviour in the Swedish, Norwegian and Danish CEA markets, which are in turn impacted by many factors beyond the Group's control. Ultimately, these factors control the purchasing power of customers and thereby demand for the products the Group sells. Moreover, these factors include current and future general economic conditions as well as consumers' perceptions of such conditions. Growth in the CEA market is also influenced by market-specific underlying trends such as the number of connected devices, the number of accessories per consumer electronics product, needs for convenience and service, and focus on sustainability, which in turn are influenced by general economic conditions.

However, weak general economic conditions have historically had limited impact on the Group's net sales, but have given rise to changes in customer demand to which the operations have had to adjust. For example, the Group believes that demand for accessories compatible with new consumer electronics may increase during economic upturns, while demand for accessories that extend the lifetime of consumer electronics may increase during economic downturns and also due to a focus on sustainability.

The CEA markets in Sweden, Norway and Denmark are exposed to competition. To manage this competition, Kjell Group must continuously monitor the market to identify relevant success factors and, in particular, adjust its marketing and pricing strategies accordingly. In the markets where Kjell Group operates, several factors can contribute to success. These include service, advice and customer experience, sustainability, product quality and pricing, product range, geographic location of service points, integration of an online offering attractive to customers into an omni-channel platform, efficient distribution, strength of a chain brand, marketing relevance, the ability to efficiently anticipate and identify changing trends in customer demand and preferences, and to offer products that meet that demand in a timely manner. The significance of individual factors varies according to the market.

Kjell & Company has one central warehouse with around 8,000 square metres of warehouse space in Malmö, Sweden, where most of the distribution of Kjell & Company's products take place, in an integrated flow, to service points and direct to e-commerce customers. In the event that the central warehouse is damaged, destroyed or required to close due to accidents or other factors, it would be difficult for Kjell & Company to store, process and distribute its products to meet its operational needs. Therefore, Kjell & Company has developed detailed plans to manage such eventualities. The warehouse in Hornsyld, Denmark, which serves as the hub for the Danish operations AV-Cables, is managed in a similar fashion.

Expansion risks arise as the Group expands its operations in Sweden and in other countries. The risk is that investments made will not produce the expected returns and that the brand could be adversely affected by the failure of new businesses. These risks are managed through a detailed market and store location analysis as well as thoroughly prepared establishment processes with selected and trained personnel.

Kjell Group continually uses multiple IT systems in various parts of its operations. Should the operations' IT systems cease to function appropriately, in full or in part, those parts of operations that depend on the IT systems could be adversely impacted. This risk is managed by continually keeping business systems and other critical IT systems updated and adapted to the operations as well as ensuring reliability and data protection.

Due to the Group's cross-border operations, Kjell Group has material assets and liabilities and generates a portion of its net sales and incurs a material part of its expenditure in currencies other than SEK (which is the Group's accounting currency). Consequently, Kjell Group is exposed to currency risks comprising translation exposure and transaction exposure. In addition to sales in SEK, the Group generates sales in NOK and DKK. Currency risk also arises when goods are purchased from abroad, primarily in EUR and USD, which consequently results in exposure to these currencies. The Group may hedge parts of its currency exposure using currency futures as needed in order to manage its exposure. There were no currency futures on the reporting date.

The Group may use interest-rate swaps to hedge exposure to interest-rate risk. There were no interest-rate swaps on the reporting date.

Refer to Note 24 for more information on the Group's financial risks.

Other than the risks associated with normal operations, a number of risks requiring special attention were identified during the year. These risks are presented below.

At the time this annual report was published, the war between Russia and Ukraine is still ongoing. The Group has no direct exposure to these markets. However, Group management and the Board continuously evaluate the potential negative impacts on demand for the Group's products that this conflict may have, such as declining consumer confidence stemming from the indirect effects of the war, higher energy prices, growing interest rates and increased inflation.

Group management and the Board are also regularly monitoring changes in the geopolitical situation. Tensions between China and the US, the protracted war in Israel and Gaza, and a global shift towards isolationist tendencies in the form of increased tariffs could impact the global economy and consumer demand.

## Information on the company's share and ownership structure

Kjell Group AB's (publ) share is listed on Nasdaq First North Growth Market under the ticker KJELL, with the ISIN SE0016797591. The share price on the final day of trading during the period was SEK 9.78. The highest price paid, SEK 34.70, and lowest price paid, SEK 7.00, were quoted on 8 January and 20 December, respectively.

As of 31 December 2024, Kjell Group AB (publ) had approximately 4,000 shareholders, the largest of which were FSN Capital (22.87%), the Eklund family (10.98%), Cervantes Capital (8.20%), Nordea Fonder (5.85%) and AMF Pension & Fonder (5.44%).

The number of shares issued as of 31 December 2024 was 31,151,514, all of which were common shares.

For more information, visit www.kjellgroup.com

## Sustainability disclosures

Sustainable business is an important part of operations and something that customers value highly. The Group regularly reviews how its operations can contribute to a more sustainable society. One of the areas that the operations actively address is the climate impact of all shipping, with a focus on shifting package design from plastic to paper but primarily on reviewing the size of the packaging and, therefore, the volume transported.

The operations also try, to the greatest possible extent, to use recycled material in their products and packaging in order to contribute to a more circular economy. Dedicated teams in China and Sweden work continuously with ensuring the quality and safety of the products that the operations offer to customers.

The Group's employees are the operations' most important resource. Our success is based on having highly motivated employees who are knowledgeable about Group's assortment and show an unwavering dedication to helping customers. Internal training is a comprehensive and important part of developing the Group's employees. Equality and diversity are important items on the agenda. The Group strives to have a staff that reflects the society of its operating markets.

Maintaining and developing motivation requires strong leaders who can inspire confidence in their teams, which is why significant resources are invested in leadership development. This long-term investment in the Group's employees has also led to excellent results in the employee surveys that are regularly carried out and monitored in the Group.

## Sustainability report

Pursuant to Chapter 6, Section 11 of the Swedish Companies Act, Kjell Group has opted to prepare its statutory sustainability report separately from the annual report. The sustainability report is available at www.kjellgroup.com.

## Development of the company's operations, earnings and position

The Group's financial performance is presented below, followed by comments on developments in 2024.

| MSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Net sales | 2,583.6 | 2,559.4 | 2,607.9 | 2,398.0 |
| Sales growth, % | 0.9% | -1.9% | 8.8% | 20.0% |
| Comparable growth, % | 0.8% | -3.2% | 0.7% | 6.8% |
| Gross profit | 1,046.9 | 1,078.6 | 1,099.2 | 1,023.3 |
| Gross margin, % | 40.5% | 42.1% | 42.1% | 42.7% |
| Adjusted EBITA | 49.1 | 80.1 | 134.8 | 188.1 |
| Adjusted EBITA margin, % | 1.9% | 3.1% | 5.2% | 7.8% |
| Operating profit (EBIT) | 13.4 | 59.6 | 117.2 | 140.0 |
| Cash flow from operating activities | 139.2 | 259.7 | 242.3 | 152.3 |
| Equity ratio, % | 41.0% | 41.8% | 40.8% | 34.7% |

### Net sales

Net sales increased 0.9% to MSEK 2,583.6 (2,559.4) in the period. Comparable growth amounted to 0.8% during the period.

Net sales in segment Sweden increased 0.5% in the period compared with last year. Net sales for segment Norway rose 7.3% in the period. In segment Denmark, net sales declined 3.9%.

Sales at service points accounted for 62% of sales during the period, online sales for 29% and Click-and-Collect for an additional 9%.

### Operating expenses

Costs of goods for resale amounted to MSEK 1,536.7 (1,480.7) for the period, while gross profit declined to MSEK 1,046.9
(1,078.6), down 2.9%. The gross margin was 40.5% (42.1).

Personnel costs amounted to MSEK 523.7 (516.4) for the period, an increase of 1.4%. The number of full-time equivalents in 2024 amounted to 750 (797). The increase in personnel costs was entirely due to restructuring measures related to staffing changes, and taking the restructuring into account personnel costs for the period decreased. The period includes items affecting comparability of MSEK 16.7 for restructuring costs attributable to staffing changes.

Other external expenses for the period amounted to MSEK 310.0 (319.0), down 2.8%. The decrease during the period was attributable to the major marketing initiatives carried out in the previous year in the form of television advertising campaigns in segment Sweden and Norway, which have been replaced by more cost-effective solutions. Bad debt losses were also lower in the period compared with the previous year.

Other operating expenses amounted to MSEK 12.5 (5.1) for the period and consisted of currency losses related to exchange rate gains and losses on operating liabilities and receivables. Other operating income amounted to MSEK 3.4 (14.9) and consisted of investment contributions in connection with relocations and expired gift cards. Total currency effects from the remeasurement of balance sheet items amounted to a net loss of MSEK 12.5 in the period, compared with a loss of MSEK 0.1 in the comparative period.

Total depreciation and amortisation amounted to MSEK 190.7 (193.4) for the period, of which MSEK 18.9 (18.9) in the period pertained to amortisation of intangible assets arising from the acquisition of AV-Cables. Depreciation of right-of-use assets in accordance with IFRS 16 amounted to MSEK 131.2 (132.8) for the period.

### Items affecting comparability
Items affecting comparability related to personnel costs amounted to MSEK 16.7 (1.5) for the period. Items affecting comparability pertain to termination benefits paid in lieu of notice.

### Adjusted EBITA
The Group's adjusted EBITA amounted to MSEK 49.1 (80.1), corresponding to an adjusted EBITA margin of 1.9% (3.1).

### Operating profit
The Group's operating profit amounted to MSEK 13.4 (59.6), corresponding to an operating margin of 0.5% (2.3).

### Net financial items
The Group's net financial items amounted to MSEK -38.4 (-41.5) for the period, including interest expenses attributable to lease liabilities of MSEK 10.3 (10.1) for the period.

### Cash flow
The Group's cash flow from operating activities totalled MSEK 139.2 (259.7) for the period. The decrease in cash flow was mainly due to lower profit before tax and a higher level of capital tied up in inventory than in the preceding year.

Cash flow from investing activities amounted to MSEK -18.0 (-24.1) for the period and were mainly attributable to ongoing investments in the omni-channel platform and service points.

Cash flow from financing activities amounted to MSEK -139.4 (-155.2) for the period. Cash flow for the period comprised the repayment of lease liabilities and bank financing according to plan.

The Group's cash and cash equivalents amounted to MSEK 178.8 at the end of the reporting period, compared with MSEK 196.3 at the beginning of the year.

### Working capital
Working capital increased from MSEK 123.5 at the beginning of the year to MSEK 143.8 at year-end, primarily attributable to higher inventories and accounts receivable.

### Net debt
The Group's financial net debt amounted to MSEK 321.6 at the end of the period, compared with MSEK 312.6 at the beginning of the year, corresponding to financial net debt in relation to adjusted EBITDAaL (rolling 12 months) of 4.1x.

### Equity
The Group's equity amounted to MSEK 1,005.4 at the end of the reporting period, compared with MSEK 1,009.2 at the beginning of the year.

See "Reconciliations of alternative performance measures" for definitions and reconciliations of alternative performance measures.

## Parent Company
The object of the Parent Company's operations is to own and manage shares in subsidiaries and to provide intra-Group services.

The Parent Company's net sales amounted to MSEK 30.9 (23.9) and pertain entirely to intra-Group invoicing. Personnel costs totalled MSEK -32.6 (-26.1). The increase in personnel costs was attributable to non-recurring costs related to restructuring measures. Financial expenses amounted to MSEK -29.6 (-29.1). The Parent Company reported a loss after financial items of MSEK -33.4 (-35.5) for the period. The Group's financing is raised in the Parent Company.

## Proposed appropriation of the company's profit or loss
The following amounts are available for the Annual General Meeting's disposal/consideration in SEK:

| | |
|---|---|
| Profit brought forward | 59,534,868 |
| Share premium reserve | 1,091,432,843 |
| Net profit for the year | -18,842,434 |
| **Total** | **1,132,125,277** |

The Board of Directors proposes that the available profit and non-restricted reserves be allocated as follows:

| | |
|---|---|
| Dividend 31,151,514 shares * SEK 0 | 0 |
| To be carried forward | 1,132,125,277 |
| **Total** | **1,132,125,277** |

For the company's earnings and position in general, refer to the following financial statements and related notes.

# Board of Directors

### Jan Friedman

Chairman of the Board

Born in 1952. Chairman of the Board since 2024.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/Yes.

**Education**: BSc in economics, Stockholm School of Economics.

**Other current assignments:** Chairman of the Board of J3 Brunkeberg Invest AB, the Liberal Debatt Foundation and the Anna Whitlocks Minnesfond Foundation. Board member of Vitec Software Group AB (publ) and JF Asset Management AB.

**Previous assignments/experience**: Chairman of the Board of RTS Group AB, Grönklittsgruppen AB (publ), Real Time Solutions AB, Sportamore AB, MOMENT GROUP AB, Nordic Public Affairs AB and Ticmate AB. Board member of Agora-Networks OY, Football Analytics Sweden AB and Streamify AB. Deputy Board member of JMF Holding AB. In addition, positions in several companies that have merged.

**Shareholding**: Jan Friedman owns 44,047 shares in the company.

### Ingrid Jonasson Blank

Deputy Chairman of the Board

Born in 1962. Deputy Chairman of the Board since 2024.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/Yes.

**Education**: BSc in economics with a specialisation in marketing, University of Gothenburg School of Business, Economics and Law.

**Other current assignments:** Chairman of the Board of Aim Apparel AB and Haypp Group AB (publ). Board member of Bilia AB, Forenom Group Oy, Astrid Lindgren Aktiebolag, Meds Apotek AB and Petgood AB.

**Previous assignments/experience**: Board member of City Gross Sverige AB, Musti Group Oyj, Hyber Group AB (bankruptcy initiated), Orkla ASA, Bergendahl Food AB, ZetaDisplay AB and BHG Group AB.

**Shareholding**: Ingrid Jonasson Blank owns 141,830 shares in the company.

### Sandra Gadd

Board member

Born in 1983. Board member since 2023.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/Yes.

**Education**: Masters in Business Administration, Lund University.

**Other current assignments**: Board member of Boozt Fashion AB, Boozt Fulfilment & Logistics AB, Boozt Retail AB, Boozt Fashion Norge AB, November 2009 Option Holding AB, Ohmygadd AB and Kronor PSP AB. Group CFO of Boozt AB (publ).

**Previous assignments/experience**: Board member of Sista versen 88358 AB (formerly Hållbar E-handel Norden AB) and Hövding Sverige AB (publ). Deputy Board member of Ohmygadd AB.

**Shareholding**: Sandra Gadd does not own any shares in the company.

### Fredrik Dahnelius

Board member

Born in 1971. Board member since 2017.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/No.

**Education**: Compulsory school diploma.

**Other current assignments**: Board member of Aledal Intressenter AB.

**Previous assignments/experience**: Board member of Kjell Koncern AB, Moolecaps AB and Stadspiren AB.

**Shareholding**: Fredrik Dahnelius owns 1,002,481 shares in the company.

## Joel Eklund

Board member

Born in 1980. Board member since 2022.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/No.

**Education**: BA in Philosophy, Politics and Economics from Oxford University.

**Other current assignments**: Chairman of the Board of Grenlunden CEVI AB, Grenlunden AB, Grenlunden Q AB, TePe Munhygienprodukter AB and Kan Dela AB. Board member of Amab Hydraul Aktiebolag, Parkster AB, Fosielund Lockarp AB, Fastighets AB Jard, Fastighets AB Gislövs Hammar, Hövding Sverige AB (publ) (bankruptcy initiated) and Fosieby Företagsgrupp Ekonomisk Förening. Deputy Board member of Fosielund Holding AB, Fosielunds Fastighets AB, Fosieborg AB and Fosielunds Förvaltnings AB.

**Previous assignments/experience**: Chairman of the Board of Fosieby Företagsgrupp Ekonomisk Förening. Chairman of the Board and Board member of Equal Equity AB. Board member of Magle Chemoswed Holding AB, TePe Nordic AB, Radinn AB, Midway Holding Aktiebolag, Malmö Företagsgrupper Ekonomisk förening and Malmö University. CEO of TePe Munhygienprodukter AB.

**Shareholding**: Joel Eklund owns 38,000 shares in the company directly as well as 6,460,000 shares indirectly through Fosielund Holding AB.

## Simon Larsson

Board member

Born in 1988. Board member since 2020.

**Nationality:** Swedish.

**Independent in relation to the company and its management/major shareholders:** Yes/No.

**Education:** BSc in economics specialising in finance and accounting, Stockholm School of Economics, and Executive Program, Stanford University Graduate School of Business.

**Other current assignments:** Board member of Niobe BidCo AB and Niobe HoldCo AB.

**Previous assignments/experience:** Board member of FSN Chip Intressenter AB and Mørenot AS. Board member and deputy Board member of companies in the Group.

**Shareholding:** Simon Larsson does not own any shares in the company.

## Ola Burmark

Board member

Born in 1969. Board member since 2021.

**Nationality**: Swedish.

**Independent in relation to the company and its management/major shareholders**: Yes/Yes.

**Education**: BSc in economics, Mid Sweden University.

**Other current assignments**: Chairman of the Board of SPECOPS SOFTWARE AB and Specops Intressenter AB. Chairman of the Board and CFO of Outpost 24 AB and Board member of Outpost24 Holding AB. Board member and CEO of Burmark Executive Consulting AB. Board member of Outpost24 Denmark ApS, Outpost24 UK Limited, Outpost24 Benelux BV, Outpost24 France S.A.S, Sweepatic NV, Outpost24 SP S.L., Specops Software Limited, Specops Sotware Inc. and Specops Software USA Inc.

**Previous assignments/experience**: Board member of Aptilo Networks AB, Enea Software AB, Aptilo Holding AB and ZetaDisplay Sverige AB. CFO of Enea AB (publ) and ZetaDisplay AB. In addition, positions in several companies that have merged.

**Shareholding**: Ola Burmark owns 43,114 shares in the company.

# Management

**Andreas Rylander,** CEO

Born in 1981. Chief Executive Officer (2021).

**Employed at the Group since**: 2002.

**Member of Group management since**: 2016.

**Nationality**: Swedish.

**Education**: Studies in strategic planning and leadership in retail and studies in communication and HR at Dale Carnegie.

**Other current assignments:** Chairman of the Board and CEO of several companies in the Group. Board member of Granngården AB

**Previous positions:** COO of Kjell & Company, CEO of Kjell & Company, CEO of Kjell & Company Norway.

**Shareholding**: Andreas Rylander owns 121,263 shares in the company.

**Thomas Pehrsson,** CFO

Born in 1966. Chief Financial Officer (2024).

**Employed at the Group since:** 2024.

**Member of Group management since:** 2024.

**Nationality:** Swedish.

**Education:** BSc in business administration and economics, Lund University. Executive Program – Business Strategy and World Class Leadership, Copenhagen Business School.

**Other current assignments:** Board member of another company in the Group. Board member and CEO of K2Y Management AB.

**Previous positions:** Deputy CEO and CFO, CDON Group. CFO, Tunstall Nordic. Senior Management Consultant, do-be consulting. Director of Finance & Administration Europe, BorgWarner TorqTransfer System. Head of Global Portfolio Business Planning & Control, HTC Corporation. Business Control & Planning Manager, Coca-Cola Beverages.

**Shareholding:** Thomas Pehrsson owns 37,800 shares in the company.


**Carl-Johan Rijpma,** CSCO

Born in 1975. Chief Supply Chain Officer (2022).

**Employed at the Group since**: 2022.

**Member of Group management since**: 2022.

**Nationality**: Swedish.

**Education**: MSc in engineering and logistics from the Faculty of Engineering at Lund University, BSc in business and economics from the Lund University School of Economics and Management.

**Other current assignments:** Board member of several companies in the Group and Caripa Consulting AB.

**Previous positions:** COO and VP Operations at Doro Group AB, Procurement Director at Findus, Purchasing Manager at Tunstall, Consultant/Vice President Purchasing at Inwido and Director Sourcing & Partner Management at Sony Mobile.

**Shareholding**: Carl-Johan Rijpma owns 55,427 shares in the company.

**Mariette Lindsjö,** CCO

Born in 1974. Chief Commercial Officer (2023).

**Employed at the Group since:** 2023.

**Member of Group management since:** 2023.

**Nationality:** Swedish.

**Education:** Masters in Business Administration, Växjö University and George Mason University in the US.

**Other current assignments:** Board member of Packbridge AB and HoneyBird Consulting AB.

**Previous positions:** Chairman of the Board of Bellakliniken AB, Board member of Lekia AB, Sales, Marketing & Innovation Director at Smurfit Kappa, Innovation & Marketing Director at Inwido, VP Marketing Europe & ROW at Thule, Marketing Director at Findus and Brand Manager at Unilever.

**Shareholding:** Mariette Lindsjö owns 30,000 shares in the company.

## Consolidated statement of profit or loss

| 1 January - 31 December | | | |
|---|---|---|---|
| **TSEK** | **Note** | **2024** | **2023** |
| **Operating income** | | | |
| Net sales | 2.3 | 2,583,570 | 2,559,368 |
| Other operating income | 4 | 3,357 | 14,931 |
| | | **2,586,927** | **2,574,299** |
| **Operating expenses** | | | |
| Goods for resale | | -1,536,669 | -1,480,729 |
| Personnel costs | 6 | -523,691 | -516,386 |
| Other external expenses | 7 | -309,990 | -319,004 |
| Other operating expenses | 5 | -12,460 | -5,136 |
| Depreciation/amortisation of tangible and intangible assets | | -190,716 | -193,415 |
| **Operating profit** | | **13,400** | **59,629** |
| **Financial items** | 25 | | |
| Financial income | | 2,642 | 1,965 |
| Financial expenses | | -41,000 | -43,464 |
| **Net financial items** | 8 | **-38,358** | **-41,499** |
| **Profit (loss) before tax** | | **-24,958** | **18,130** |
| Income tax | 10 | 5,069 | -5,726 |
| **Net profit for the year** | | **-19,889** | **12,404** |
| Net profit for the year attributable to: | | | |
| Parent Company's shareholders | | -19,889 | 12,404 |
| **Net profit for the year** | | **-19,889** | **12,404** |
| | | - | - |
| **Earnings (loss) per share** | 11 | | |
| Basic (SEK) | | -0.64 | 0.40 |
| Diluted (SEK) | | -0.64 | 0.40 |

## Consolidated statement of profit or loss and other comprehensive income

| 1 January - 31 December | | | |
|---|---|---|---|
| **TSEK** | **Note** | **2024** | **2023** |
| **Net profit for the year** | | **-19,889** | **12,404** |
| *Other comprehensive income* | | | |
| **Items that are or may be reclassified subsequently to profit or loss** | | | |
| Exchange differences of foreign operations | | 12,782 | -5,315 |
| Cash flow hedges | | | |
| Tax attributable to items that have been or may be reclassified to net profit for the year | 10 | | |
| | | 12,782 | -5,315 |
| Items that will not be reclassified to profit or loss | | **-** | **-** |
| **Other comprehensive income for the year** | | **12,782** | **-5,315** |
| **Total comprehensive income for the year** | | **-7,107** | **7,089** |
| **Total comprehensive income attributable to:** | | | |
| Parent Company's shareholders | | -7,107 | 7,089 |
| **Total comprehensive income for the year** | | **-7,107** | **7,089** |

# Consolidated statement of financial position

| TSEK | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| **Assets** | | | |
| Intangible assets | 12 | 1,332,439 | 1,346,967 |
| Tangible assets | 13 | 96,502 | 86,108 |
| Right-of-use assets | 25 | 242,592 | 258,856 |
| Deferred tax assets | 10 | 513 | 255 |
| **Total non-current assets** | | **1,672,046** | **1,692,186** |
| Inventories | 15 | 479,675 | 437,410 |
| Tax assets | 10 | 17,967 | 17,542 |
| Accounts receivable | 23 | 33,483 | 23,882 |
| Prepaid expenses and accrued income | 16 | 69,610 | 48,826 |
| Other receivables | | 1,296 | 955 |
| Cash and cash equivalents | 17 | 178,826 | 196,275 |
| **Total current assets** | | **780,857** | **724,890** |
| **Total assets** | | **2,452,903** | **2,417,076** |
| **Equity** | 18 | | |
| Share capital | | 515 | 515 |
| Other contributed capital | | 462,707 | 459,439 |
| Reserves | | 49,147 | 36,365 |
| Retained earnings including net profit for the year | | 492,985 | 512,874 |
| **Equity attributable to Parent Company's shareholders** | | **1,005,354** | **1,009,193** |
| **Total equity** | | **1,005,354** | **1,009,193** |
| **Liabilities** | | | |
| Non-current interest-bearing liabilities | 19.23 | 478,529 | 493,503 |
| Non-current lease liabilities | 25 | 118,308 | 132,493 |
| Other non-current liabilities | 21 | - | - |
| Deferred tax liabilities | 10 | 111,544 | 122,252 |
| **Total non-current liabilities** | | **708,381** | **748,248** |
| Current interest-bearing liabilities | 19.23 | 21,945 | 15,358 |
| Current lease liabilities | 25 | 109,397 | 107,518 |
| Accounts payable | 24 | 369,318 | 337,782 |
| Tax liabilities | 10 | 3,485 | 7,692 |
| Other liabilities | 21 | 85,550 | 77,209 |
| Accrued expenses and deferred income | 22 | 141,752 | 106,851 |
| Provisions | 20 | 7,721 | 7,225 |
| **Total current liabilities** | | **739,168** | **659,635** |
| **Total liabilities** | | **1,447,549** | **1,407,883** |
| **Total equity and liabilities** | | **2,452,903** | **2,417,076** |

# Consolidated statement of changes in equity

| | *Equity attributable to Parent Company's shareholders* | | | | | |
|---|---|---|---|---|---|---|
| **TSEK** | **Share capital** | **Other contributed capital** | **Translation reserve** | **Hedge reserve** | **Retained earnings incl. net profit (loss) for the period** | **Total equity** |
| **Balance at 1 January 2023** | **515** | **456,111** | **41,680** | **-** | **500,470** | **998,776** |
| **Transactions with owners of the company** | | | | | | |
| Incentive programme | | 3,328 | | | | 3,328 |
| **Comprehensive income for the period** | | | | | | |
| Net profit (loss) for the period | - | - | - | - | 12,404 | 12,404 |
| Other comprehensive income for the period | - | - | -5,315 | | - | -5,315 |
| **Total comprehensive income for the period** | **-** | **-** | **-5,315** | **-** | **12,404** | **7,089** |
| **Balance at 31 December 2023** | **515.00** | **459,439** | **36,365** | **-** | **512,874** | **1,009,193** |
| | | | | | | - |

| **TSEK** | **Share capital** | **Other contributed capital** | **Translation reserve** | **Hedge reserve** | **Retained earnings incl. net profit (loss) for the period** | **Total equity** |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2024** | **515** | **459,439** | **36,365** | **-** | **512,874** | **1,009,193** |
| **Transactions with owners of the company** | | | | | | |
| Incentive programme | | **3,268** | | | | **3,268** |
| **Comprehensive income for the period** | | | | | | |
| Net profit (loss) for the period | - | - | - | - | -19,889 | -19,889 |
| Other comprehensive income for the period | - | - | 12,782 | - | - | 12,782 |
| **Total comprehensive income for the period** | **-** | **-** | **12,782** | **-** | **-19,889** | **-7,107** |
| **Balance at 31 December 2024** | **515** | **462,707** | **49,147** | **-** | **492,985** | **1,005,354** |

# Consolidated statement of cash flows

| 1 January - 31 December | | | |
|---|---|---|---|
| **TSEK** | **Note** | **2024** | **2023** |
| | 31 | | |
| **Cash flow from operating activities** | | | |
| Profit (loss) before tax | | -24,958 | 18,130 |
| Adjustments for non-cash items | | 201,325 | 190,022 |
| Income tax paid | | -11,134 | -14,540 |
| | | 165,233 | 193,612 |
| | | | |
| Increase (-)/decrease (+) in inventories | | -41,680 | 47,355 |
| Increase (-)/decrease (+) in operating receivables | | -30,563 | -6,324 |
| Increase (+)/decrease (-) in operating liabilities | | 46,167 | 25,065 |
| **Cash flow from operating activities** | | **139,157** | **259,708** |
| | | | |
| **Investing activities** | | | |
| Acquisition of tangible assets | | -7,728 | -12,899 |
| Acquisition of intangible assets | | -10,233 | -11,197 |
| **Cash flow from investing activities** | | **-17,961** | **-24,096** |
| | | | |
| **Financing activities** | | | |
| Proceeds of loans | | - | 33,326 |
| Repayment of loans | | -9,200 | -48,012 |
| Repayment of lease liabilities | | -130,214 | -140,468 |
| **Cash flow from financing activities** | | **-139,414** | **-155,154** |
| | | | |
| **Cash flow for the year** | | **-18,218** | **80,458** |
| Cash and cash equivalents at the beginning of the year | | 196,275 | 117,619 |
| Exchange rate differences in cash and cash equivalents | | 769 | -1,802 |
| **Cash and cash equivalents at the end of the year** | | **178,826** | **196,275** |

## Parent Company income statement

| 1 January - 31 December<br>TSEK | Note | 2024 | 2023 |
|---|---|---|---|
| **Operating income** | | | |
| Net sales | | 30,940 | 23,851 |
| | | **30,940** | **23,851** |
| **Operating expenses** | | | |
| Other external expenses | 7 | -5,458 | -5,112 |
| Personnel costs | 6 | -32,649 | -26,097 |
| Other operating expenses | | -829 | - |
| Depreciation of tangible assets | | -22 | -13 |
| **Operating profit** | | **-8,018** | **-7,371** |
| **Financial items** | 8 | | |
| Financial income | | 4,237 | 994 |
| Financial expenses | | -29,639 | -29,102 |
| **Profit (loss) after financial net** | | **-33,420** | **-35,479** |
| Appropriations | 9 | 10,000 | 25,300 |
| **Profit (loss) before tax** | | **-23,420** | **-10,179** |
| Income tax | 10 | 4,577 | 1,686 |
| **Net profit (loss) for the year** | | **-18,842** | **-8,493** |

## Parent Company statement of profit or loss and other comprehensive income

| 1 January - 31 December<br>TSEK | Note | 2024 | 2023 |
|---|---|---|---|
| **Net profit for the year** | | **-18,842** | **-8,492** |
| Other comprehensive income | | - | - |
| **Other comprehensive income for the year** | | **-** | **-** |
| **Total comprehensive income for the year** | | **-18,842** | **-8,492** |
| **Net profit for the year attributable to:** | | | |
| Parent Company's shareholders | | -18,842 | -8,492 |
| **Total comprehensive income for the year** | | **-18,842** | **-8,492** |

# Parent Company balance sheet

| TSEK | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| **Non-current assets** | | | |
| Machinery and equipment | 13 | 28 | 19 |
| | | | |
| **Financial non-current assets** | | | |
| Participation in group companies | 30 | 1,611,239 | 1,610,967 |
| Right-of-use assets | 10 | 10,045 | 4,784 |
| **Total non-current assets** | | **1,621,311** | **1,615,770** |
| | | | |
| **Current assets** | | | |
| Kundfordringar | | - | 8 |
| Receivables from group companies | 14 | 88,629 | 29,046 |
| Prepaid expenses and accrued income | 16 | 1,281 | 1,607 |
| Other receivables | | 1 | 1 |
| Tax receivables | | 6,622 | 6,622 |
| **Total current receivables** | | **96,533** | **37,284** |
| | | | |
| Cash and cash equivalents | 17 | 145,106 | 124,399 |
| **Total current assets** | | **241,639** | **161,683** |
| | | | |
| **Total assets** | | **1,862,950** | **1,777,453** |
| | | | |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| **Resticted equtiy** | | | |
| Share capital | 18 | 515 | 515 |
| | | | |
| **Non-restricted equity** | | | |
| Share premium reserve | | 1,091,433 | 1,091,433 |
| Retained earnings | | 59,535 | 64,759 |
| Profit (loss) for the period | | -18,842 | -8,492 |
| **Total equity** | | **1,132,641** | **1,148,215** |
| | | | |
| **Untaxed reserves** | | | |
| Tax allocation reserves | | 13,575 | 13,575 |
| **Total untaxed reserves** | | **13,575** | **13,575** |
| | | | |
| **Non-current liabilities** | | | |
| Non-current interest-bearing liabilities | 19.23 | 421,767 | 430,148 |
| **Total non-current liabilities** | | **421,767** | **430,148** |
| | | | |
| **Current liabilities** | | | |
| Current interest-bearing liabilities | 19.23 | 9,200 | 9,200 |
| Overdraft facility | | 336 | 807 |
| Liabilities to group companies | | 272,527 | 164,156 |
| Other current liabilities | | 2,647 | 2,223 |
| Tax liabilities | 10 | 1,074 | 3,286 |
| Accrued expenses and deferred income | 22 | 9,183 | 5,843 |
| **Total current liabilities** | | **294,967** | **185,515** |
| | | | |
| **Total equity and liabilities** | | **1,862,950** | **1,777,453** |

# Parent Company statement of changes in equity

| | Resticted equity | Non restricted equity | | | |
|---|---|---|---|---|---|
| *TSEK* | ***Share capital*** | ***Share premium reserve*** | ***Retained earning*** | ***Net profit (loss) for the period*** | ***Total equtiy*** |
| **Balance at 1 January 2023** | **515** | **1,091,433** | **33,230** | **28,203** | **1,153,381** |
| **Transactions with owners of the company** | | | | | |
| Incentive programme | | | 3,326 | | 3,326 |
| **Comprehensive income for the period** | | | | | |
| Net profit (loss) for the period | - | - | - | -8,492 | -8,492 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **-8,492** | **-8,492** |
| Appropriations of profit | - | - | 28,203 | -28,203 | - |
| **Balance at 31 December 2023** | **515** | **1,091,433** | **64,759** | **-8,492** | **1,148,215** |

| | Resticted equity | Non restricted equity | | | |
|---|---|---|---|---|---|
| *TSEK* | ***Share capital*** | ***Share premium reserve*** | ***Retained earning*** | ***Net profit (loss) for the period*** | ***Total equtiy*** |
| **Balance at 1 January 2024** | **515** | **1,091,433** | **64,759** | **-8,492** | **1,148,215** |
| **Transactions with owners of the company** | | | | | |
| Incentive programme | | | **3,268** | | **3,268** |
| **Comprehensive income for the period** | | | | | |
| Net profit (loss) for the period | - | - | - | -18,842 | -18,842 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **-18,842** | **-18,842** |
| Appropriations of profit | - | - | -8,492 | 8,492 | - |
| **Balance at 31 December 2024** | **515** | **1,091,433** | **59,535** | **-18,842** | **1,132,641** |

# Parent Company cash flow statement

**1 January - 31 December**

| TSEK | Note | 2024 | 2023 |
|---|---|---|---|
| | 31 | | |
| ***Cash flow from operating activities*** | | | |
| Profit (loss) after financial items | | -33,420 | -35,478 |
| Income tax paid | | -2,895 | -6,034 |
| Adjustments for non-cash items | | 3,837 | 3,260 |
| | | -32,478 | -38,252 |
| Increase (-)/decrease (+) in operating receivables | | -59,248 | 24,230 |
| Increase (+)/decrease (-) in operating liabilities | | 111,664 | 47,387 |
| **Cash flow from operating activities** | | **19,938** | **33,365** |
| **Investing activities** | | | |
| Acquisition of tangible assets | | -31 | - |
| **Cash flow from investing activities** | | **-31** | **-** |
| **Financing activities** | | | |
| Proceeds of loans | | - | 33,326 |
| Repayment of loans | | -9,200 | -42,526 |
| Received group contribution | | 10,000 | 29,600 |
| **Cash flow from financing activities** | | **800** | **20,400** |
| Cash flow for the year | | 20,707 | 53,765 |
| Cash and cash equivalents at the beginning of the year | | 124,399 | 70,634 |
| **Cash and cash equivalents at the end of the year** | | **145,106** | **124,399** |

# Notes

## Not 1 Significant accounting policies

### (A) Basis of accounting
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. The Swedish Financial Reporting Board recommendation RFR 1 Supplementary Accounting Rules for Groups has also been applied.

The Parent Company applies the same accounting policies as the Group except in the cases specified below in the section "Parent Company accounting policies."

The annual report and consolidated financial statements were approved for publication by the Board of Directors and CEO on 14 April 2024. The consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, and statement of financial position and the Parent Company income statement and balance sheet will be adopted at the Annual General Meeting on 21 May 2025.

### (B) Functional currency and reporting currency
The Parent Company's functional currency is Swedish kronor, which also constitutes the reporting currency for the Parent Company and the Group. Accordingly, the financial statements are presented in Swedish kronor. Unless otherwise stated, all amounts are rounded to the nearest thousand.

### (C) Judgements and estimates in the financial statements
Preparing the financial statements in accordance with IFRS requires management to make judgements and estimates, and to make assumptions that impact the application of the accounting policies and the recognised amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates and judgements.

Estimates and assumptions are regularly reviewed.

### (D) Significant accounting policies applied
The accounting policies stated below have been applied consistently to all periods presented in the consolidated financial statements. Moreover, the Group's accounting policies have been consistently applied by the Group companies.

### (E) Changes in accounting policies as a result of new or amended IFRS
The IASB has implemented amendments to IAS 1 Presentation of Financial Statements regarding the separate classification of current and non-current liabilities. The amendments take effect as of 1 January 2024 and have been adopted by the EU. The amendments to IAS 1 have not resulted in any reclassifications between current and non-current liabilities for Kjell Group.

### (F) New IFRS that have not yet been applied
The new or amended IFRS or IFRIC interpretations that take effect in future financial years have not been applied in advance in the preparation of these financial statements. The Group does not plan to apply new or amended standards with future application in advance.

None of the IFRS or IFRIC interpretations that have not yet taken effect are expected to have a material impact on the consolidated financial statements.

### (G) Operating segment reporting
Kjell Group's operations are divided into three geographical operating segments that reflect how the chief operating decision maker monitors the operations:

- "Sweden", which covers service points and online-generated sales from the legal Swedish company,
- "Norway", which covers service points and online-generated sales from the legal Norwegian company, and
- "Denmark", which covers online-generated sales from the legal Danish company.

Refer to Note 2 for a more detailed description of the Group's division and a presentation of operating segments.

### (H) Basis of consolidation
Subsidiaries are recognised using the acquisition method. Transaction costs that arise, except for transaction fees attributable to issues of equity instruments or debt instruments, are recognised directly in profit or loss.

Consideration transferred in connection with the acquisition does not include amounts related to the settlement of pre-existing relationships. This type of settlement is usually recognised in profit or loss.

Contingent considerations are recognised at fair value on the acquisition date. If the contingent consideration is classified as equity, no remeasurement is performed and the adjustment is made to equity. Other contingent considerations are remeasured for each financial statement and the difference is recognised in profit or loss.

### (I) Revenue

#### (i) Performance obligations and revenue recognition policies
Revenue is recognised based on the remuneration specified in the contract with the customer. The Group recognises revenue when control of goods or services is transferred to the customer.

Information on the character of and time of fulfilment of the performance obligations in contracts with customers, including essential payment conditions and the associated revenue recognition principles, are summarised below.

**Sale of goods**
Revenue recognition takes place at a point in time for both store-generated and online sales. For goods sold in stores (service points), revenue is recognised when the customer receives the goods. For online sales, recognition takes place when the goods are delivered or collected at the service point.

Nearly all customer contracts allow goods to be returned through either an exchange or a refund. Revenue is recognised only insofar as the risk of a material reversal is low. Expected returns are adjusted on the basis of historical data, and a repayment liability and a right to receive returned goods are recognised.

A deduction corresponding to the goods expected to be returned is made from the revenue and cost of goods sold. The repayment liability is recognised under accrued expenses and deferred income, while the right to receive returned goods is included in inventory. Kjell Group reviews its estimate of returns on every reporting date and updates assets and liabilities accordingly.

The Group also has sales of services in which revenue is recognised when the service has been completed. However, the proportion of services in total sales is insignificant.

**Customer loyalty club**

Kjell & Company's customers are offered the opportunity to participate in a customer loyalty club, earning points for bonus checks that can be used as payment at a later date. Kjell & Company allocates a portion of amounts received from customers participating in the customer loyalty club to loyalty points. The allocation is based on relative independent selling prices. The amount allocated to the loyalty club is recognised as revenue when the loyalty points are used, or when the likelihood that the customer will use the points is low or the loyalty points become void. Not all bonus checks issued are redeemed, which is why participants' probable future redemptions are continuously taken into account.

### (ii) Government grants

Government grants are recognised in the statement of financial position as accrued income when there is reasonable certainty that the funding will be received and that Kjell & Company will meet the conditions that are associated with the funding. The funding is systematically allocated in profit or loss in the same manner and over the same periods as the costs the funding is intended to offset, provided that the terms for receiving the funding are not met after the related costs have been recognised. In these cases, the funding is recognised in the period in which Kjell & Company obtains a receivable from the state.

## (J) Leases

Kjell Group acts only as a lessee, and not a lessor. The principles below thus pertain only to how the Group recognises leases as a lessee.

Refer to Note 25 for more information on the Group's lease terms.

The lease payments are normally discounted with the Group's incremental borrowing rate at the time the lease liability is measured, which in addition to the Group's credit risk reflects the respective lease terms of the contracts, currency and quality of the underlying asset intended as collateral. The lease liability comprises the present value of fixed (including fixed in substance) and variable lease payments linked to an index or an interest rate that will be paid during the estimated lease term.

The lease liability for the Group's property leases with rent indexation is calculated based on the rent in effect at the end of the respective reporting periods. At that point in time, the liability is adjusted and a corresponding adjustment is mode to the carrying amount of the right-of-use asset. Similarly, when the lease term is reviewed, the value of both the liability and the asset is adjusted. Such a review is carried out when the final cancellation date within the previously determined lease term has elapsed, or when significant events occur or circumstances change significantly in a way that is within the Group's control and impacts the determination of the current lease term.

The Group presents right-of-use assets and lease liabilities as separate items in the statement of financial position.

For leases that have a lease term of 12 months or less or with an underlying asset of low value, under TSEK 50, no right-of-use asset and lease liability is reported. Lease payments for these leases are expensed straight-line over the lease term.

## (K) Financial income and expenses

Financial expenses comprise interest expenses on the Group's credit facilities, interest expenses on lease liabilities, changes in the fair value of contingent earnouts, coupon rates on interest-rate swaps and other financial expenses. The Group has only insignificant financial income.

Interest income or interest expenses are recognised using the effective interest rate method.

## (L) Taxes

Income tax comprises current tax and deferred tax. Income tax is recognised in profit or loss, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is recognised in other comprehensive income or in equity.

## (M) Financial instruments

### (i) Recognition and initial measurement

Accounts receivable and issued debt instruments are recognised when they are issued. Other financial assets and financial liabilities are recognised when the Group becomes a party to the contractual terms of the instrument. A financial asset or financial liability is measured on initial recognition at fair value plus, when it concerns financial instruments that are not measured at fair value via profit or loss, transaction costs that are directly attributable to the acquisition or issue. Accounts receivable are measured at the transaction price established under IFRS 15.

### (ii) Classification and subsequent measurement

**Financial assets**

The Group's financial assets comprise accounts receivable, accrued income, other receivables and cash and cash equivalents. All financial assets are recognised at amortised cost using the effective interest rate method since they are held as part of a business model whose objective is to receive the contractual cash flows while the assets only give rise to payments of principal and interest on the outstanding principal.

**Financial liabilities**

The Group's financial liabilities consist of liabilities as part of the Group's credit facilities, accounts payable and accrued expenses.

### (iii) Impairment

The loss allowance for accounts receivable is always recognised at an amount corresponding to expected credit losses during the remaining maturity of the receivable. The Group uses a matrix for calculating the loss allowance with expected loss percentages divided by the number of days a receivable is past due, and which customer category the receivable originates from. The loss percentage rates are based on historical experience, and specific conditions and expectations at the end of the reporting period. The loss allowance is deducted from the gross value of the receivable in the statement of financial position. The recognised gross value of the receivable is written off when the Group no longer has any reasonable expectations of recovering the amount of the receivable.

### (iv) Hedge accounting

*Financial derivatives and hedge accounting*

The Group does not currently apply hedge accounting through financial derivative instruments.

## (N) Tangible assets

### (i) Owned assets

Tangible assets are recognised in the Group at cost less accumulated depreciation and any impairment losses. Accounting policies for impairment are presented below.

Any gain or loss arising from the sale or disposal of an asset consists of the difference between the selling price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating income/expenses.

### (ii) Depreciation

Depreciation is implemented on a straight-line basis over the estimated useful life of the asset; land is not depreciated. Lease assets are also depreciated over their estimated useful lives or over the contractual lease term if it is shorter. The Group applies component depreciation, which means that the components' estimated useful lives are used as a basis for depreciation.

Estimated useful lives:

- Buildings 50 years
- Equipment, tools, fixtures and fittings 5 years
- Computers 3 years
- Leasehold improvements 3–5 years

The depreciation methods applied, the residual value and the useful life of assets are assessed annually.

## (O) Intangible assets

### (i) Intangible assets with indefinite useful lives

**Goodwill**

Goodwill is recognised at cost less any accumulated impairment losses. Goodwill is distributed to cash-generating units and is tested for impairment at least once annually.

**Brands**

Brands are recognised at cost less any accumulated impairment losses. Brands are distributed to cash-generating units and are tested for impairment at least once annually.

### (ii) Intangible assets with finite useful lives

**Development expenditure**

Development expenditure pertains to the e-commerce platform, analysis tools and the check-in solution for the company's service points. These assets are recognised at cost less accumulated amortisation and any impairment losses.

**Licences and similar rights**

Licences and similar rights comprise software and associated licences. These assets are recognised at cost less accumulated amortisation and any impairment losses.

**Customer relationships**

Customer relationships were received on the acquisition of AV-Cables and are recognised at cost less accumulated amortisation and any impairment losses.

**Other intangible assets**

Other intangible assets comprise primarily property rentals. These assets are recognised at cost less accumulated amortisation and any impairment losses.

### (iii) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the intangible asset, unless the asset has an indefinite useful life. Useful lives are reviewed at least annually.

The estimated useful lives are:

- Software 3–10 years
- Capitalised development expenditure 5 years
- Customer relationships 5 years

## (P) Impairment of tangible assets, intangible assets and right-of-use assets

If there is an indication of impairment, the recoverable amount of the asset is calculated (see below). For goodwill, other intangible assets with an indefinite useful life and intangible assets not yet brought into use, the recoverable amount is also calculated annually.

The recoverable amount is the higher of the fair value less selling expenses and value in use. In calculating value in use, future cash flows are discounted at a discount rate that takes into account the risk-free interest rate and the risk that is associated with the specific asset.

In calculating the recoverable amount for cash-generating units that contain lease assets, the choice has been made to deduct future lease payments from the expected cash flows. Right-of-use assets are included in the carrying amount of the unit. To obtain a carrying amount for the unit that is consistent with the estimated recoverable amount, the carrying amount is reduced by the lease liability of the unit. Using this approach, the lease assets are managed as part of the operations, rather than as financing, with the effect that the discount rates constitute a weighted average cost of debt and equity financing where lease liabilities are not included in the debt component.

## (Q) Inventories

Inventories are recognised at the lower of cost and net realisable value less deductions for obsolescence. Cost is calculated using weighted average prices. The cost includes expenditure that arose in conjunction with the acquisition of inventories and their transportation to their current locations in their present condition.

## (R) Earnings per share

Kjell Group AB has ongoing long-term incentive programmes in the form of performance share savings programmes with a total shareholder return (TSR) criterion (see Note 18). The dilutive effect of the performance share rights depends on the extent to which the TSR condition has been fulfilled on the reporting date. To calculate the dilutive effect, an exercise price is applied for the share rights that corresponds to the value of future services per outstanding share right, calculated as the remaining expense to be recognised in accordance with IFRS 2.

## (S) Employee benefits

### (i) Pensions

The Group has only defined contribution pension plans. Company obligations pertaining to fees for defined contribution pension plans are expensed in profit or loss at the rate they are vested as the employees perform services for the company during a specific period.

### (ii) Share-based payments

In conjunction with the IPO, the Group introduced a long-term incentive programme in the form of a performance programme targeted at senior executives and key employees. A further incentive programme was introduced in 2022 and 2023. More information on these incentive programmes can be found in the respective annual reports. The Annual General Meeting on 15 May resolved to introduce an incentive programme for 2024 for senior executives and key employees. To participate in the long-term incentive programme, participants have acquired shares (known as “savings shares”) in Kjell Group AB. Participants who retain their savings shares during the vesting period of about three years and remain an employee within the Group for the entire vesting period will be entitled to receive performance shares free of charge, on the condition that the performance criterion has been fulfilled. The performance criterion refers to the total shareholder return on the company’s share during the vesting period of about three years, known as a “TSR criterion.” The number of performance shares vested and allotted depends on the extent to which the performance criterion has been fulfilled in relation to the set minimum and maximum levels. For each saving share, the CEO may be allotted a maximum of seven performance shares, while the CFO, CRO, CMO, CPCO, CSCO and CTO may be allotted a maximum of six performance shares. Other participants may be allotted a maximum of three performance shares. The minimum and maximum levels for the TSR criterion are set at 30% and 60%. If the minimum level is achieved, 25% of the highest number of performance shares will be vested. Between the minimum and maximum levels, vesting is straight line.

Since the incentive programmes will be paid out in shares in Kjell Group AB, they are classified as “equity-settled” under IFRS 2. Accordingly, personnel costs for the value of services received are accrued over the vesting period, calculated as the fair value of the share rights allotted to participants in the programme. A contra entry is made directly against equity under “Other contributed capital”. TSR comprises a market condition, which is included in the initial valuation of the share rights. The cost of the share rights is based on the fair value of the share, which is calculated by an external party through a so-called Monte Carlo simulation. During the vesting period, no assessments or adjustments are made of the cost for expected or confirmed outcomes, and the full number of share rights that are conditional on the share return are used for expense recognition, regardless of outcome. When share rights are vested and shares allotted, social security contributions are to be paid for the value of the employee’s benefit. An expense and provision are recognised allocated over the vesting period for these social security contributions. The provision for social security contributions is based on the number of share rights expected to be vested and on the fair value of the share rights on each reporting date and finally on allotment of shares.

## (T) Provisions

#### Guarantees

A provision for guarantees is recognised when the underlying products are sold. The provision is based on historical data about guarantees and an aggregation of possible outcomes in relation to the likelihood of the outcomes they are associated with.

## Parent Company accounting policies

The Parent Company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and Swedish Financial Reporting Board recommendation *RFR 2 Accounting for Legal Entities*. The recommendations for listed companies issued by the Swedish Financial Reporting Board are also applied. RFR 2 requires that the Parent Company, in the annual report for the legal entity, applies all IFRS and statements adopted by the EU to the extent that this is possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act and with consideration given to the relationship between accounting and taxation. The recommendation specifies the exceptions and amendments to IFRS that must be applied.

### Differences between Group and Parent Company accounting policies

The differences between Group and Parent Company accounting policies are presented below. The accounting policies stated below for the Parent Company have been consistently applied in all periods presented in the Parent Company’s financial statements.

#### Classification and presentation formats

For the Parent Company, the terms income statement, balance sheet and cash flow statement are used for the financial statements titled statement of profit or loss, statement of financial position and statement of cash flows. The Parent Company income statement and balance sheet have been prepared in accordance with the schedules in the Annual Accounts Act, while the statement of profit or loss and comprehensive income, statement of changes in equity and cash flow statement are based on *IAS 1 Presentation of Financial Statements* and *IAS 7 Statement of Cash Flows*. The differences in relation to the consolidated financial statements that are reflected in the Parent Company income statement and balance sheet consist primarily of financial income and expenses, non-current assets and equity.

#### Subsidiaries

Participations in subsidiaries are recognised in the Parent Company in accordance with the cost method. This entails that transaction costs are included in the carrying amount of holdings in subsidiaries. In the consolidated financial statements, transaction costs attributable to subsidiaries are recognised directly in profit or loss as they arise.

#### Financial instruments

The Parent Company has chosen not to apply *IFRS 9 Financial Instruments*. In the Parent Company, financial non-current assets are measured at cost less any impairment and financial current assets at the lower of cost and net realisable value. For financial assets recognised at amortised cost, the impairment rules of IFRS 9 are applied.

#### Group contributions

Group contributions are recognised as appropriations.

## Not 2 Operating segments

The Group's operations are divided into operating segments based on the parts of the organisation monitored by the company's chief operating decision maker, known as the management approach.

The Group's operations are divided into three segments: Sweden, Norway and Denmark, which correspond to the operations in each country. The segments encompass sales via service points and online sales in Sweden and Norway from each legal entity as well as online sales in Denmark from the Danish legal entity. Segment Sweden is charged with costs for Group-wide functions, including the purchasing organisation in Shanghai, since this reflects how the segments are monitored internally by the Group. The operations are similar for all segments, and no sales are conducted between the segments. Accordingly, all revenue for the segments is from sales to external customers. The same accounting policies are applied to the segments as for the Group.

Information about each reportable segment is provided below.

Adjusted EBITA is used to measure profitability since management believes that it provides the most relevant assessment of each segment. Adjusted EBITA is defined as profit before amortisation and impairment of intangible assets arising in connection with business combinations, excluding items affecting comparability.

For information about items affecting comparability, refer to the section "Reconciliations of alternative performance measures".

### Group's operating segments

| | 2024 | | | |
|---|---|---|---|---|
| **TSEK** | **Sweden** | **Norway** | **Denmark** | **Total** |
| Net sales | 1,862,660 | 409,571 | 311,339 | 2,583,570 |
| Amortisation excl. amortisation on intangible assets related to business combinations | 134,812 | 35,024 | 1,961 | 171,797 |
| **Adjusted EBITA** | **28,776** | **6,636** | **13,647** | **49,059** |
| Amortisation on intangible assets related to business combinations | | | | -18,919 |
| Items affecting comparability | 13,785 | 694 | 2,261 | -16,740 |
| **Operating profit** | | | | **13,400** |
| Net financial items | | | | -38,358 |
| **Profit (loss) before tax** | | | | **-24,958** |

| | 2023 | | | |
|---|---|---|---|---|
| **TSEK** | **Sweden** | **Norway** | **Denmark** | **Total** |
| Net sales | 1,853,422 | 381,813 | 324,133 | 2,559,368 |
| Amortisation excl. amortisation on intangible assets related to business combinations | 141,517 | 31,193 | 1,756 | 174,466 |
| **Adjusted EBITA** | **52,171** | **1,894** | **26,057** | **80,122** |
| Amortisation on intangible assets related to business combinations | | | | -18,949 |
| Items affecting comparability | | | | -1,545 |
| **Operating profit** | | | | **59,628** |
| Net financial items | | | | -41,499 |
| **Profit (loss) before tax** | | | | **18,129** |

None of the Group's customers accounted for more than 10% of net sales in 2024 or 2023.

### Non-current assets

Non-current assets excluding deferred tax assets.

| **TSEK** | **31/12/2024** | **31/12/2023** |
|---|---|---|
| Sweden | 1,240,443 | 1,237,168 |
| Norway | 56,103 | 71,565 |
| Denmark | 374,078 | 381,390 |
| Other countries | 909 | 1,808 |
| | **1,671,533** | **1,691,931** |

# Not 3 Revenue

## Revenue streams

The Group mainly generates revenue from sales of technical products to consumers through stores and online sales. Sales proceeds are recognised less VAT, returns and discounts as net sales in the consolidated statement of profit or loss. Sales take place in Sweden, Norway and Denmark.

Revenue is recognised in connection with sale and delivery to the customer. Points earned under the Group's loyalty club that have not yet been utilised by the customer are recognised as a liability and reduce revenue to offset future costs arising for the loyalty points issued.

The Group's revenue displays seasonal variations with the fourth quarter of the financial year normally reporting higher sales figures compared with other quarters.

### Revenue per geographic area

| TSEK | 2024 | 2023 |
|---|---|---|
| Sweden | 1,862,660 | 1,853,422 |
| Norway | 409,571 | 381,813 |
| Denmark | 311,339 | 324,133 |
| | **2,583,570** | **2,559,368** |

**Contract balances**

The Group recognises the following assets and liabilities attributable to contracts with customers:

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Gross amount of accounts receivable | 33,813 | 24,481 |
| Loss allowance | -330 | -599 |
| **Carrying amount, accounts receivable** | **33,483** | **23,882** |
| Customer loyalty programme recognised as other liabilities | 2,908 | 3,058 |
| Gift vouchers and other balances recognised as other liabilities | 6,968 | 6,933 |
| **Total contract liabilities** | **9,876** | **9,991** |

All contract liabilities recognised at the start of 2024 and 2023 were recognised as revenue in subsequent periods. No information is provided about transaction price allocated to outstanding performance obligations since, as of 31 December 2024, no such obligations exist with an original expected maturity of more than one year.

For disclosures on the Group's guarantee provisions, refer to Note 20.

# Not 4 Other operating income

**Group**

| TSEK | 2024 | 2023 |
|---|---|---|
| Grants and compensation | 8 | 2,085 |
| Exchange rate gains on operating receivables/liabilities | - | 4,991 |
| Insurance compensation and damages | 111 | 1,279 |
| Investment grants | 2,229 | 4,450 |
| Other | 1,009 | 1,529 |
| | **3,357** | **14,334** |

# Not 5 Other operating expenses

**Group**

| TSEK | 2024 | 2023 |
|---|---|---|
| Exchange rate losses on operating receivables/liabilities | -12,460 | -5,136 |
| Other | | |
| | **-12,460** | **-5,136** |

## Not 6 Employees, personnel costs and remuneration of senior executives

**Costs for remuneration to employees**

| TSEK | 2024 | 2023 |
|---|---|---|
| **Group** | | |
| Salaries and other remuneration | 390,621 | 388,623 |
| (whereof bonuses) | 16,761 | 21,239 |
| Share related compensation | 3,268 | 3,328 |
| Pension costs, defined contribution plans | 24,238 | 22,884 |
| Social security contributions | 102,295 | 101,552 |
| | **520,422** | **516,387** |
| **Parent company** | | |
| Salaries and other remuneration | 19,770 | 14,946 |
| (whereof bonuses) | 1,001 | 290 |
| Share related compensation | 3,015 | 2,429 |
| Pension costs, defined contribution plans | 4,016 | 3,730 |
| Social security contributions | 6,204 | 4,993 |
| | **33,005** | **26,098** |

**Average no. of employees**

| | 2024 | whereof men | 2023 | whereof men |
|---|---|---|---|---|
| **Parent company** | | | | |
| Sweden | 7 | 73% | 6 | 72% |
| *Total parent company* | **7** | 73% | 6 | 72% |
| **Subsidiaries** | | | | |
| Sweden | 561 | 72% | 568 | 72% |
| Norway | 111 | 83% | 112 | 83% |
| Denmark | 48 | 58% | 50 | 64% |
| China, Shanghai | 22 | *23%* | 23 | 26% |
| *Total, subsidiaries* | **743** | 72% | 753 | 72% |
| **Group total** | **750** | **72%** | **759** | **72%** |

**Gender distribution in board and other senior executives**

| | Share women | |
|---|---|---|
| | 31/12/2024 | 31/12/2023 |
| **Parent company** | | |
| Board | 29% | 29% |
| Other senior executives | 27% | 29% |
| **Group** | | |
| Board | 29% | 29% |
| Other senior executives | 27% | 29% |

| **Total salaries, other remuneration, pension costs and pension obligations for senior executives** | **Senior officers** | **Senior officers** |
|---|---|---|
| **TSEK** | **2024** | **2023** |
| **Group** | | |
| Numbers of senior executives | 14 | 13 |
| | | |
| Salaries and other remuneration | 22,785 | 17,995 |
| (of which bonuses, etc.) | 1,001 | 290 |
| Pension costs | 4,016 | 3,034 |
| | | |
| **Parent company** | | |
| Numbers of senior executives | 14 | 13 |
| | | |
| Salaries and other remuneration | 22,785 | 17,995 |
| (of which bonuses, etc.) | 1,001 | 290 |
| Pension costs | 4,016 | 3,034 |

### Salary and other remuneration for senior executives, Parent Company 2024

| TSEK | | Base salary/Board remuneration | Variable renem- uration | Pension cost | Other benefits | Shate related costs | Total |
|---|---|---|---|---|---|---|---|
| **Chairman of the Board** | | | | | | | |
| Jan Friedman | | | | | | | |
| Remuneration from Parent Company | | 344 | - | - | - | - | 344 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **Board members** | | | | | | | |
| Fredrik Dahnelius | * | | | | | | |
| Remuneration from Parent Company | | 300 | - | - | - | - | 300 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Ingrid Johansson Blank | | | | | | | |
| Remuneration from Parent Company | | 362 | - | - | - | - | 362 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Joel Eklund | ** | | | | | | |
| Remuneration from Parent Company | | - | - | - | - | - | - |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Sandra Gadd | | | | | | | |
| Remuneration from Parent Company | | 279 | - | - | - | - | 279 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Simon Larsson | *** | | | | | | |
| Remuneration from Parent Company | | - | - | - | - | - | - |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Ola Bjurmark | | | | | | | |
| Remuneration from Parent Company | | 325 | - | - | - | - | 325 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **President and CEO** | | | | | | | |
| Andreas Rylander | | | | | | | |
| Remuneration from Parent Company | | 3,262 | 570 | 912 | 106 | 1,050 | 5,900 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **Other senior executives** | | | | | | | |
| (6 individuals) | | | | | | | |
| Remuneration from Parent Company | | 13,275 | 431 | 3,104 | 516 | 1,965 | 19,291 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **Total** | | **18,147** | **1,001** | **4,016** | **622** | **3,015** | **26,801** |
| Remuneration from Parent Company | | 18,147 | 1,001 | 4,016 | 622 | 3,015 | 26,801 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |

*) This Board member represents the Dahnelius family.
**) This Board member represents the Eklund family. No Board fees were paid by Kjell Group AB.
***) This Board member represents FSN Capital. No Board fees were paid by Kjell Group AB.

### Salary and other remuneration for senior executives, Parent Company 2023

| TSEK | | Base salary/Board remuneration | Variable renem-uration | Pension cost | Other benefits | Shate related costs | Total |
|---|---|---|---|---|---|---|---|
| **Chairman of the Board** | | | | | | | |
| Ingrid Johansson Blank | | | | | | | |
| Remuneration from Parent Company | | 550 | - | - | - | - | 550 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **Board members** | | | | | | | |
| Fredrik Dahnelius | * | | | | | | |
| Remuneration from Parent Company | | 300 | - | - | - | - | 300 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Joel Eklund | ** | | | | | | |
| Remuneration from Parent Company | | - | - | - | - | - | - |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Sandra Gadd | | | | | | | |
| Remuneration from Parent Company | | 183 | - | - | - | - | 183 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Simon Larsson | *** | | | | | | |
| Remuneration from Parent Company | | - | - | - | - | - | - |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| Ola Bjurmark | | | | | | | |
| Remuneration from Parent Company | | 325 | - | - | - | - | 325 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **President and CEO** | | | | | | | |
| Andreas Rylander | | | | | | | |
| Remuneration from Parent Company | | 2,760 | 90 | 676 | 105 | 766 | 4,397 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |
| **Other senior executives** | | | | | | | |
| (5 individuals) | | | | | | | |
| Remuneration from Parent Company | | 10,289 | 200 | 2,358 | 764 | 1,663 | 15,274 |
| Remuneration from subsidiaries | | | | | | | |
| **Total** | | **14,407** | **290** | **3,034** | **869** | **2,429** | **21,029** |
| Remuneration from Parent Company | | 14,407 | 290 | 3,034 | 869 | 2,429 | 21,029 |
| Remuneration from subsidiaries | | - | - | - | - | - | - |

*) This Board member represents the Dahnelius family.
**) This Board member represents the Eklund family. No Board fees were paid by Kjell Group AB.
***) This Board member represents FSN Capital. No Board fees were paid by Kjell Group AB.

## Remuneration of senior executives

**Terms of employment for the CEO**

The Group's CEO has a nine-month period of notice if the CEO terminates employment and 12 months if employment is terminated by the company. During the period of notice, the CEO retains the salary and benefits that apply on the date of termination. The total remuneration of the CEO comprises fixed base salary, variable salary, pension and other benefits. Variable salary is linked to predetermined and measurable financial criteria. The maximum outcome is 50% of the annual base salary and amounted to 19% (10) for 2024.

Pension costs to be paid by the company amount to 25% of base salary.

Other benefits comprise company car and private health insurance. The total value of such benefits is a minor part of the total remuneration.

**Terms of employment for other senior executives**

The total remuneration of other senior executives comprises fixed salary, variable salary, pension and other benefits, similar to the CEO. The variable remuneration is based on predetermined financial targets and can correspond to up to four monthly salaries. The outcome for 2024 was 12% (10).

The defined contribution pension costs for senior executives based in Sweden is capped at 25% of the annual base salary including holiday pay. Other benefits comprise company car and private health insurance. The total value of such benefits is a minor part of the total remuneration.

If the company terminates employment, the period of notice is between nine and 12 months. If the employee terminates employment, the period of notice ranges between six and nine months.

**Incentive programmes**

Kjell Group AB has three ongoing incentive programmes.

*Incentive programme 2024*

The Annual General Meeting on 15 May 2024 resolved to introduce a long-term incentive programme in the form of a performance share savings programme. In order to participate in the long-term incentive programme, participants are required to acquire shares (known as "savings shares") in Kjell Group AB. The maximum investment in savings shares varied from approximately SEK 7,000 to approximately SEK 280,000 depending on the participants' seniority in the organisation.

Participants who retain their savings shares during the vesting period of about three years and remain an employee of Kjell & Company for the entire vesting period are entitled to receive performance shares free of charge, on the condition that the performance criterion has been fulfilled. The performance criterion refers to the total shareholder return on the company's share during the vesting period of about three years, known as a "TSR criterion." The number of performance shares vested and allotted depends on the extent to which the performance criterion has been fulfilled in relation to the set minimum and maximum levels. For each saving share, the CEO may be allotted a maximum of seven performance shares, the CFO, CRO, CMO, CPCO, CSCO and CTO may be allotted a maximum of six performance shares, and other participants may be allotted a maximum of three performance shares. The minimum and maximum levels for the TSR criterion are set at 30% and 60%. If the minimum level is achieved, 25% of the highest number of performance shares will be vested. If the maximum level is achieved or exceeded, 100% of the performance shares will be vested. Between the minimum and maximum levels, vesting is straight line.

The vesting period for the programme is three years. The fair value per share right was SEK 9.85 on the allotment date. The cost of the share rights is based on the fair value of the share, which is calculated by an external party through a so-called Monte Carlo simulation. In addition to the Monte Carlo simulation, valuation variables include vesting period, the share's IPO price and potential dividends during the vesting period.

The costs for the incentive programme are presented in the following table.

*Incentive programme 2023*

The Annual General Meeting on 16 May 2023 resolved to introduce a long-term incentive programme in the form of a performance share savings programme. In order to participate in the long-term incentive programme, participants are required to acquire shares (known as "savings shares") in Kjell Group AB. The maximum investment in savings shares varied from approximately SEK 20,000 to approximately SEK 250,000 depending on the participants' seniority in the organisation.

Participants who retain their savings shares during the vesting period of about three years and remain an employee of Kjell & Company for the entire vesting period are entitled to receive performance shares free of charge, on the condition that the performance criterion has been fulfilled. The performance criterion refers to the total shareholder return on the company's share during the vesting period of about three years, known as a "TSR criterion." The number of performance shares vested and allotted depends on the extent to which the performance criterion has been fulfilled in relation to the set minimum and maximum levels. For each saving share, the CEO may be allotted a maximum of seven performance shares, the CFO, CRO, CMO, CPCO, CSCO and CTO may be allotted a maximum of six performance shares, and other participants may be allotted a maximum of four performance shares. The minimum and maximum levels for the TSR criterion are set at 30% and 60%. If the minimum level is achieved, 25% of the highest number of performance shares will be vested. If the maximum level is achieved or exceeded, 100% of the performance shares will be vested. Between the minimum and maximum levels, vesting is straight line.

The vesting period for the programme is three years. The fair value per share right was SEK 8.40 on the allotment date. The cost of the share rights is based on the fair value of the share, which is calculated by an external party through a so-called Monte Carlo simulation. In addition to the Monte Carlo simulation, valuation variables include vesting period, the share's IPO price and potential dividends during the vesting period.

The costs for the incentive programme are presented in the following table.

*Incentive programme 2022*

The Annual General Meeting on 16 May 2022 resolved to introduce a long-term incentive programme in the form of a performance share savings programme. In order to participate in the long-term incentive programme, participants are required to acquire shares (known as "savings shares") in Kjell Group AB. The maximum investment in savings shares varied from approximately SEK 50,000 to approximately SEK 200,000 depending on the participants' seniority in the organisation.

Participants who retain their savings shares during the vesting period of about three years and remain an employee of Kjell & Company for the entire vesting period are entitled to receive performance shares free of charge, on the condition that the performance criterion has been fulfilled. The performance criterion refers to the total shareholder return on the company's share during the vesting period of about three years, known as a "TSR criterion." The number of performance shares vested and allotted depends on the extent to which the performance criterion has been fulfilled in relation to the set minimum and maximum levels. For each saving share, the CEO, CFO, CSCO, CRO and CTO may be allotted a maximum of seven performance shares, while other participants may be allotted a maximum of four performance shares. The minimum and maximum levels for the TSR criterion are set at 30% and 60%. If the minimum level is achieved, 25% of the highest number of performance shares will be vested. If the maximum level is achieved or exceeded, 100% of the performance shares will be vested. Between the minimum and maximum levels, vesting is straight line.

The vesting period for the programme is three years. The fair value per share right was SEK 13.97 on the allotment date. The cost of the share rights is based on the fair value of the share, which is calculated by an external party through a so-called Monte Carlo simulation. In addition to the Monte Carlo simulation, valuation variables include vesting period, the share's IPO price and potential dividends during the vesting period.

The costs for the incentive programme are presented in the following table.

*Incentive programme 2021*

An extraordinary general meeting on 15 September 2021 resolved to introduce a long-term incentive programme in the form of a performance share savings programme. The incentive programme expired in 2024 without any allotment made. More information regarding incentive programme 2021 can be found in the 2021 Annual Report, available at www.kjellgroup.com.

| TSEK | 2024 | 2023 |
|---|---|---|
| IFRS 2 costs | 3,268 | 3,328 |
| Social security contributions | -194 | 505 |
| | **3,074** | **3,833** |

Changes in the total number of share rights outstanding are as follows:

| Number of share rights | 2024 | 2023 |
|---|---|---|
| **Balance at the beginning of the period** | 943,384 | 589,664 |
| Granted | 301,650 | 353,720 |
| Forfeited | - 484,587 | - |
| **Balance at the end of the period** | **760,447** | **943,384** |

No share rights have been vested yet. Full allotment of the remaining share rights will result in dilution of approximately 0.8% for incentive programme 2022, 1.14% for incentive programme 2023 and 0.97% for incentive programme 2024.

## Not 7 Fees and remuneration of auditors

| TSEK | 2024 | 2023 |
|---|---|---|
| **Group** | | |
| *KPMG AB* | | |
| Audit assignment | 2,008 | 1,743 |
| Audit services in addition to audit assignment | 165 | 113 |
| Tax advisory services | 226 | 94 |
| | **2,399** | **1,950** |
| Other audit firms | **37** | 13 |
| **Parent Company** | | |
| *KPMG AB* | | |
| Audit assignment | 972 | 728 |
| Audit services in addition to audit assignment | - | 74 |
| Tax advisory services | - | 34 |
| | **972** | **836** |

Audit assignment pertains to the statutory auditing of the Annual Report and consolidated financial statements, the accounting records and the administration of the Board and the CEO, as well as other audits and reviews conducted in accordance with agreements or contracts.

This includes other assignments that are incumbent upon the company's auditors as well as advisory services or other assistance resulting from the findings of such reviews or the performance of such other assignments.

## Not 8 Net financial items

| TSEK | 2024 | 2023 |
|---|---|---|
| **Group** | | |
| Interest income cashpool | - | 1,340 |
| Other interest income | 2,642 | 624 |
| **Financial income** | **2,642** | **1,964** |
| Interest expenses | -29,967 | -30,374 |
| Interest expenses on lease liabilities | -10,316 | -9,108 |
| Interest expense cashpool | - | -1,371 |
| Other | -717 | -2,610 |
| **Financial expenses** | **-41,000** | **-43,463** |
| **Net financial items recognised in profit or loss** | **-38,358** | **-41,499** |
| **Parent Company** | | |
| Interest income cashpool | 2,105 | 662 |
| Other interest income | 2,132 | 332 |
| **Financial income** | **4,237** | **994** |
| Financial expenses | -28,813 | -27,126 |
| Other | -825 | -1,976 |
| **Financial expenses** | **-29,638** | **-29,102** |
| **Net financial items recognised in profit or loss** | **-25,401** | **-28,108** |

## Not 9 Appropriations

| TSEK | 2024 | 2023 |
|---|---|---|
| **Parent Company** | | |
| Group contribution | 10,000 | 29,600 |
| Change in untaxed reserves | - | -4,300 |
| | **10,000** | **25,300** |

# Not 10 Taxes

## Recognised in statement of profit or loss and other comprehensive income/statement of profit or loss

**Group**

| TSEK | 2024 | 2023 |
|---|---|---|
| **Current tax expense (-) / tax revenue (+)** | | |
| Current tax expense / tax revenue | -6,755 | -11,374 |
| Adjustment of tax attributable to prior years | 251 | - |
| | **-6,504** | **-11,374** |
| | | |
| **Deferred tax expense (-) / tax revenue (+)** | | |
| Deferred tax attributable to temporary differences | 6,312 | 1,286 |
| Tax value of loss carry-forwards | 5,261 | 4,362 |
| | **11,573** | **5,648** |
| | | |
| **Total recognised tax expense** | **5,069** | **-5,726** |

**Parent Company**

| TSEK | 2024 | 2023 |
|---|---|---|
| **Current tax expense (-) / tax revenue (+)** | | |
| Current tax expense / tax revenue | - 541 | -2,676 |
| Adjustment of tax attributable to prior years | - 143 | - |
| | **- 684** | **-2,676** |
| | | |
| **Deferred tax expense (-) / tax revenue (+)** | | |
| Tax value of unutilized interest deduction (loss carry-forwards) | 5,261 | 4,362 |
| | **5,261** | **4,362** |
| | | |
| **Total recognised tax expense** | **4,577** | **1,686** |

## Reconciliation of effective tax

**Group**

| TSEK | | 2024 | | 2023 |
|---|---|---|---|---|
| Profit (loss) before tax | | -24,958 | | 18,130 |
| Tax according to applicable tax rate for Parent Company | 20.6% | 5,141 | 20.6% | -3,735 |
| Effect of other tax rates for foreign subsidiaries | 0.8% | 193 | 2.9% | -521 |
| Non-deductible expenses | -1.8% | -452 | 4.9% | -881 |
| Non-taxable revenue | 0.3% | 66 | -0.2% | 45 |
| Increase/Decrease in remaining negative net interest income without corresponding capitalisation of deferred tax | 0.0% | -4 | 0,0% | -4 |
| Change in loss carry-forwards | 0.0% | - | 0.0% | -10 |
| Standard interest rate on tax allocation reserve | -1.2% | -293 | 1.6% | -290 |
| Other | 1.7% | 418 | 1.8% | -329 |
| **Effective tax recognised** | **20.3%** | **5,069** | **31.6%** | **-5,726** |

**Parent company**

| TSEK | | 2024 | | 2023 |
|---|---|---|---|---|
| Profit (loss) before tax | | -23,420 | | -10,178 |
| Tax according to applicable tax rate for Parent Company | 20.6% | 4,824 | 20.6% | 2,097 |
| Non-deductible expenses | -0.3% | -81 | 3.5% | -360 |
| Non-taxable revenue | 0.1% | 14 | 0.0% | - |
| Standard interest rate on tax allocation reserve | -0.2% | -37 | 0.0% | - |
| Other | -0.6% | -143 | 0.5% | -51 |
| **Effective tax recognised** | **19.5%** | **4,577** | **16.6%** | **1,686** |

### Tax attributable to other comprehensive income

| TSEK | 2024 Before tax | Tax | After tax |
|---|---|---|---|
| Exchange differences of foreign operations | 12,782 | - | 12,782 |
| **Other comprehensive income** | **12,782** | **-** | **12,782** |

| TSEK | 2023 Before tax | Tax | After tax |
|---|---|---|---|
| Exchange differences of foreign operations | -5,315 | - | -5,315 |
| **Other comprehensive income** | **-5,315** | **-** | **-5,315** |

Deductible temporary differences and tax loss carry-forwards for which deferred tax assets have not been recognised in the statement of financial position:

| Group<br>TSEK | 2024 | 2023 |
|---|---|---|
| Tax losses | - | - |
| | **-** | **-** |

TSEK 48,761 of the tax loss carry-forwards comprises the net interest income outstanding, of which TSEK 2,046 falls due in 2027, TSEK 21,177 in 2029 and TSEK 25,536 in 2030.

### Change in deferred tax in temporary differences and loss carry-forwards

**Koncernen**

| TSEK | Balance on 1 January 2024 | Recognised in profit or loss | Recognised in other comprehensive income | Recognised in equity | Recognised by acquisition | Balance on 31 December 2024 |
|---|---|---|---|---|---|---|
| Tangible assets | 2,444 | 369 | | | | 2,813 |
| Intangible assets | -109,108 | 3,574 | | | | -105,534 |
| Inventories | 829 | 95 | | | | 924 |
| Accounts receivable | 149 | 219 | | | | 368 |
| Tax allocation reserves | -16,168 | 2,289 | | | | -13,879 |
| Capitalised negative net interest income | 4,783 | 5,261 | | | | 10,044 |
| Other | -5,184 | -234 | | -607 | | -6,025 |
| Capitalised loss carry-forwards | 258 | | | | | 258 |
| | **-121,997** | **11,573** | **-** | **-607** | **-** | **-111,031** |

| TSEK | Balance on 1 January 2023 | Recognised in profit or loss | Recognised in other comprehensive income | Recognised in equity | Recognised by acquisition | Balance on 31 December 2023 |
|---|---|---|---|---|---|---|
| Tangible assets | 4,319 | -1,875 | | | | 2,444 |
| Intangible assets | -113,240 | 4,132 | | | | -109,108 |
| Inventories | 1,098 | -269 | | | | 829 |
| Accounts receivable | 225 | -76 | | | | 149 |
| Tax allocation reserves | -15,235 | -933 | | | | -16,168 |
| Capitalised negative net interest income | 421 | 4,362 | | | | 4,783 |
| Other | -4,938 | -246 | | | | -5,184 |
| Capitalised loss carry-forwards | 258 | | | | | 258 |
| | **-127,092** | **5,095** | **-** | **-** | **-** | **-121,997** |

## Not 11 Earnings per share

Earnings per share are calculated as net profit for the period divided by the weighted average number of shares during the period.

Taking into consideration the Group's incentive programme, which is described in Note 6, there is a potential dilutive effect on the company's shares provided that certain conditions are met. Full allotment will result in dilution of approximately 0.8% of the total number of shares outstanding for the programme launched in 2022 and a potential dilutive effect of 1.14% for the programme launched in 2023. The incentive programme for 2024 will result in a possible dilutive effect of 0.97%.

| | 2024 | 2023 |
|---|---|---|
| Basic earnings per share, SEK | -0.64 | 0.40 |
| Diluted earnings per share, SEK | -0.64 | 0.40 |

The amounts used in numerators and denominators are shown below.

**Basic earnings before dilution per share, SEK**

| | 2024 | 2023 |
|---|---|---|
| Net profit for the year attributable to Parent Company shareholders | -19,889 | 12,404 |
| **Profit attributable to the ordinary equity holders of the Parent Company** | **-19,889** | **12,404** |

The weighted average number of shares was 31,151,514 (31,151,514), which is also the number of common shares outstanding at year-end.

### Diluted earnings per share

In calculating diluted earnings per share, earnings attributable to the Parent Company's shareholders correspond to what is stated above for the calculation of basic earnings per share. The table below shows a specification of the weighted average number of common shares used in calculating diluted earnings per share.

| | 2024 | 2023 |
|---|---|---|
| **Average number of shares before dilution** | **31,151,514** | **31,151,514** |
| Effect from incentive programme | - | - |
| **Average number of shares after dilution** | **31,151,514** | **31,151,514** |

### Instruments that may result in future dilutive effects

Kjell Group AB has two ongoing incentive programmes classified as long-term incentive programmes in the form of performance share savings programmes with a TSR criterion (see Note 6). The dilutive effect of the performance share rights depends on the extent to which the TSR condition has been fulfilled on the reporting date.

# Not 12 Intangible assets

| Group | Internally generated intangible assets | Acquired intangible assets | | | | | |
|---|---|---|---|---|---|---|---|
| TSEK | Development costs | Licenses and similar rights | Brands | Goodwill | Customer relation | Other | Total |
| **Accumulated cost** | | | | | | | |
| Opening balance 1 January 2023 | 68,574 | 38,947 | 486,583 | 782,610 | 90,096 | 4,949 | 1,471,759 |
| Internally generated assets | - | - | - | - | - | - | - |
| Business combinations | 10,447 | 337 | - | - | - | - | 10,784 |
| Other changes | - | - | - | - | -2,603 | - | -2,603 |
| Disposals | - | -5,493 | - | - | - | - | -5,493 |
| Exchange rate differences for the year | -53 | -20 | -193 | -1,190 | -398 | - | -1,854 |
| **Closing balance 31 December 2023** | **78,968** | **33,771** | **486,390** | **781,420** | **87,095** | **4,949** | **1,472,593** |
| Opening balance 1 January 2024 | 78,968 | 33,771 | 486,390 | 781,420 | 87,095 | 4,949 | 1,472,593 |
| Internally generated assets | - | - | - | - | - | - | - |
| Business combinations | 8,356 | - | - | - | - | 1,877 | 10,234 |
| Other changes | 4,468 | -4,468 | - | - | - | - | - |
| Divestments | - | - | - | - | - | - | - |
| Exchange rate differences for the year | 262 | - | 1,351 | 8,348 | 2,790 | - | 12,751 |
| **Closing balance 31 December 2024** | **92,054** | **29,303** | **487,741** | **789,768** | **89,885** | **6,826** | **1,495,578** |
| **Accumulated amortisation and impairment** | | | | | | | |
| Opening balance 1 January 2023 | -28,508 | -34,495 | - | - | -31,775 | -4,949 | -99,727 |
| Amortisation for the year | -14,888 | -1,882 | - | - | -18,025 | - | -34,795 |
| Other changess | - | - | - | - | 2,610 | - | 2,610 |
| Disposals | - | 5,486 | - | - | - | - | 5,486 |
| Exchange rate differences for the year | 24 | 36 | - | - | 739 | - | 799 |
| **Closing balance 31 December 2023** | **-43,372** | **-30,855** | **-** | **-** | **-46,451** | **-4,949** | **-125,627** |
| Opening balance 1 January 2024 | -43,372 | -30,855 | - | - | -46,451 | -4,949 | -125,627 |
| Amortisation for the year | -17,510 | -347 | - | - | -17,996 | - | -35,853 |
| Other changes | -2,385 | 2,385 | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - |
| Exchange rate differences for the year | -126 | -2 | - | - | -1,533 | -1 | -1,661 |
| **Closing balance 31 December 2024** | **-63,393** | **-28,818** | **-** | **-** | **-65,979** | **-4,950** | **-163,141** |
| **Carrying amounts** | | | | | | | |
| 2023-01-01 | 40,066 | 4,452 | 486,583 | 782,610 | 58,321 | - | 1,372,032 |
| **2023-12-31** | **35,596** | **2,916** | **486,390** | **781,420** | **40,644** | **-** | **1,346,967** |
| 2024-01-01 | 35,596 | 2,916 | 486,390 | 781,420 | 40,644 | - | 1,346,967 |
| **2024-12-31** | **28,661** | **485** | **487,741** | **789,768** | **23,906** | **1,877** | **1,332,439** |

Customer relationships pertain to the value arising in connection with the acquisition of AV-Cables. The category of “other” includes rental rights and advance payments to suppliers for intangible assets. The category of “licences and similar rights” includes licences for various types of programmes for the operations. Capitalised development costs refer to the e-commerce platform, analysis tools and the check-in solution for the Group’s service points. The amount of internally generated assets includes personnel costs of TSEK 1,030 (939).

All intangible assets, apart from goodwill and brands, are amortised. “Brands” refers to “Kjell & Company” and “AV-Cables.” Management’s intention is to retain and develop the brand by offering competitive and attractive products. The assessment is that the Group is working actively to maintain the brand in relevant markets, for which each brand is deemed to have an indefinite useful life.

For information about amortisation, refer to Note 1 of the accounting policies.

## Impairment testing of cash-generating units containing goodwill and brands

The Group tests the carrying amount of goodwill and brands for impairment at least annually. In addition, impairment testing is performed whenever there is an indication of impairment.

The accumulated carrying amount of goodwill and brands is allocated to cash-generating units as follows:

| Goodwill | 2024 | 2023 |
|---|---|---|
| TSEK | | |
| Sweden | 520,866 | 520,866 |
| Denmark | 268,903 | 260,554 |
| | **789,768** | **781,420** |

| Brand | | |
|---|---|---|
| TSEK | | |
| Sweden | 444 258 | 444 258 |
| Denmark | 43 483 | 42 133 |
| | **487,741** | **486,391** |

Impairment testing of goodwill and brands involves comparing the recoverable amount with the carrying amount of the cash-generating unit. The recoverable amount of the cash-generating unit in the Group was calculated using a value in use and determined by discounting the future cash flows that may be generated from the continued use of the cash-generating unit. The value in use was determined based on a forecast period of four years (four years).

The recoverable amount exceeds the carrying amount for all financial years presented, which is why there is no impairment losses.

### Assumptions applied to estimates of value in use

Important assumptions when calculating the recoverable amount are growth drivers (the market as a whole and market share), the trend in purchase costs and other cost items and investments relevant to each group of cash-generating units. The amounts that can be attributed to the assumptions applied to cash flow forecasts are based on Group management's assessments for long-term business plans, normally with a four-year horizon. These plans reflect previous experiences and take into consideration future trends that are relevant to the industry (based on external sources and internal historical data tracking the market trend) when preparing forecasts for important drivers.

| Important variables | Determination of values assigned to key assumptions |
|---|---|
| Market share and growth | Expected market growth, based on historical growth and observed trends, combined with new market shares due to a strengthened market position through further development of the customer experience and range offering. |
| Purchase price | Inflation in line with macroeconomic trends, cost increases driven by further developing the customer experience and range, offset by continuous negotiations of improved conditions in market-leading positions. |
| Personnel costs | Inflation and trends in salary increases, trade union agreements, training costs and potential efficiency enhancements. |
| Investment requirements | Investments according to assessed needs. |

Cash flow is forecast for a period of four years, with assumptions about subsequent constant annual growth. After four years, the cash flows are extrapolated with constant annual growth that is deemed reasonable given the long-term average rate of growth for the industry. The annual forecast growth for the cash-generating unit for the final period is based on the assumed rate of inflation of 2.00%. This is in line with management's expectations of future market growth.

The following table presents the discount rate before tax applied when determining the recoverable amount and the final growth factor used:

| | Discount rate | | Terminal growth rate | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| *Percent* | | | | |
| Sweden | 13.7% | 13.2% | 2.0% | 2.0% |
| Denmark | 14.9% | 15.3% | 2.0% | 2.0% |

### Sensitivity to changes in assumptions

Group management estimates that no reasonable changes in key assumptions will lead to impairment.

## Not 13 Tangible assets

**Group**

| TSEK | Buildings and land | Equipment, tools, fixtures and fittings | Improvement expenses on someone else's property | Total |
|---|---|---|---|---|
| **Accumulated cost** | | | | |
| Opening balance 1 January 2023 | 35,507 | 246,103 | 10,344 | 291,954 |
| Acquisitions | - | 7,163 | 5,754 | 12,917 |
| Other changes | 2,903 | -9,006 | - | -6,103 |
| Divestments | - | -2,778 | - | -2,778 |
| Exchange rate differences | -161 | -4,424 | - | -4,585 |
| **Closing balance 31 December 2023** | **38 249** | **237,058** | **16,098** | **291,405** |
| Opening balance 1 January 2024 | 38,249 | 237,058 | 16,098 | 291,405 |
| Acquisitions | - | 29,726 | 2,002 | 31,728 |
| Other changes | - | - | 1,032 | 1,032 |
| Divestments | - | -21,641 | - | -21,641 |
| Exchange rate differences | 1,225 | -759 | - | 466 |
| **Closing balance 31 December 2024** | **39 474** | **244,384** | **19,131** | **302,990** |
| **Accumulated depreciations** | | | | |
| Opening balance 1 January 2023 | -1,456 | -188,641 | -1,343 | -191,440 |
| Depreciation for the year | -593 | -22,318 | -2,823 | -25,734 |
| Divestments | - | 2,743 | - | 2,743 |
| Other changes | -2,338 | 9,111 | - | 6,773 |
| Exchange rate differences | -692 | 3,053 | - | 2,361 |
| **Closing balance 31 December 2023** | **-5 079** | **-196,052** | **-4,166** | **-205,297** |
| Opening balance 1 January 2024 | -5,079 | -196,052 | -4,166 | -205,297 |
| Depreciation for the year | -747 | -18,690 | -3,452 | -22,889 |
| Divestments | - | 21,222 | - | 21,222 |
| Other changes | - | - | - | - |
| Exchange rate differences | - 165 | 641 | - | 476 |
| **Closing balance 31 December 2024** | **-5 991** | **-192,879** | **-7,618** | **-206,488** |
| **Carrying amounts** | | | | |
| 2023-01-01 | 34,051 | 57,462 | 9,001 | 100,514 |
| **2023-12-31** | **33,170** | **41,006** | **11,932** | **86,108** |
| 2024-01-01 | 33,170 | 41,006 | 11,932 | 86,108 |
| **2024-12-31** | **33,483** | **51,506** | **11,513** | **96,502** |

**Equipment, tools, fixtures and fittings**

| TSEK | 2024 | 2023 |
|---|---|---|
| **Parent company** | | |
| Accumulated cost | | |
| **Opening balance** | **39** | **39** |
| Other acquisitions | 31 | - |
| **Closing balance** | **70** | **39** |
| Accumulated depreciations | | |
| **Opening balance** | **-21** | **-8** |
| Depreciation for the year | -22 | -13 |
| **Closing balance** | **-43** | **-21** |
| **Carrying amounts** | **27** | **18** |

## Not 14 Receivables from Group companies

**Parent Company**

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Accumulated cost | | |
| At the beginning of the period | 29,046 | 53,069 |
| Reclassification | 77,773 | - |
| Group contribution | 10,000 | 29,600 |
| Disposal | -28,190 | -53,623 |
| **At the end of the period** | **88,629** | **29,046** |

For information on credit risk associated with Group receivables, refer to Note 24 Financial risks and risk management.

## Not 15 Inventories

**Group**

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Finished goods and goods for resale | 478,043 | 431,452 |
| Right to receive returned goods | 1,632 | 5,958 |
| | **479,675** | **437,410** |

## Not 16 Prepaid expenses and accrued income

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Group** | | |
| Accrued income, suppliers according to contract | 41,637 | 23,452 |
| Prepaid cost of premises | 12,484 | 14,218 |
| Accrued marketing grants | 12,834 | 5,229 |
| Insurance | 1,894 | 2,409 |
| Store start-up costs | 427 | 384 |
| Other | 334 | 3,134 |
| | **69,610** | **48,826** |
| **Parent company** | | |
| Insurance | 1,085 | 1,417 |
| Other | 196 | 189 |
| | **1,281** | **1,606** |

## Not 17 Cash and cash equivalents

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Group** | | |
| *The following subcomponents are included in cash and cash equivalents:* | | |
| Cash and bank balances | 178,826 | 196,275 |
| | **178,826** | **196,275** |
| **Parent company** | | |
| *The following subcomponents are included in cash and cash equivalents:* | | |
| Cash and bank balances | 145,106 | 124,399 |
| | **145,106** | **124,399** |

For information on credit risk associated with cash and cash equivalents, refer to Note 24 Financial risks and risk management.

## Not 18 Share capital

**2023**

| Number of shares, thousand | Common shares | Preferens shares | Total |
|---|---|---|---|
| Issued 1 January | 31,151,514 | - | 31,151,514 |
| **Issued 31 December** | **31,151,514** | **-** | **31,151,514** |

**2024**

| Number of shares, thousand | Common shares | Preferens shares | Total |
|---|---|---|---|
| Issued 1 January | 31,151,514 | - | 31,151,514 |
| **Issued 31 December** | **31,151,514** | **-** | **31,151,514** |

As of 31 December 2024, the share capital amounted to 31,151,514 common shares. Holders of common shares are entitled to receive dividends that are determined in accordance with a resolution and the shareholding carries entitlement to vote at general meetings with one vote per share. Each vote has a quotient value of SEK 0.017.

## Incentive programmes

Kjell Group AB has three term incentive programmes in the form of performance share savings programmes with terms described in Note 1 Accounting policies.

Full allotment of the remaining performance shares could result in dilution of approximately 0.8% (incentive programme 2022), 1.14% (incentive programme 2023) and 0.97% (incentive programme 2024) of the total number of shares outstanding.

## Dividend

The Board of Directors proposes that the Annual General Meeting resolve to pay a dividend of SEK 0 per share for the 2024 financial year.

## Translation reserve

The translation reserve encompasses all exchange rate differences that arise when translating the financial statements of foreign operations that have prepared their financial statements in a currency other than the currency in which the consolidated financial statements are presented. The translation reserve also includes the exchange rate differences arising on the remeasurement of liabilities recognised as hedging instruments for a net investment in a foreign operation.

## Parent Company

**Share capital**

This item pertains to share capital in the Parent Company, Kjell Group AB. As of 31 December 2024, the share capital amounted to 31,151,514 common shares. There are no other classes of share capital. Each share entitles the holder to one vote.

**Restricted reserves**

Restricted reserves may not be reduced through the payment of dividends.

**Non-restricted equity**

Along with net profit for the year, the following funds comprise non-restricted equity, meaning the amount available for dividends to shareholders.

**Share premium reserve**

When shares are issued at a premium, meaning that the price to be paid for the shares exceeds the quotient value of the shares, a provision in an amount corresponding to the amount in excess of the quotient value is to be made in the share premium reserve.

**Retained earnings:**

Retained earnings comprise the preceding year's retained earnings and profit less any dividends paid during the year.

# Not 19 Interest-bearing liabilities

## Refinancing of credit facilities

In conjunction with its IPO, Kjell Group AB signed a new financing agreement with Nordea for credit facilities of MSEK 910. In 2022, the agreement was renegotiated and the nominal value was adjusted to MSEK 785.

The facilities have a term of three years from 20 September 2021, with the option of two extensions of one year each. At year-end 2024, the Group had exercised both extension options.

The facilities will be subject to interest periods of one, two, three or six months. The credit facilities are conditional on the ratio between the Group's total net debt to adjusted EBITDAaL (calculated in accordance with the terms of the credit facilities) not exceeding the levels stipulated in the credit agreement.

As of the reporting date, the Group had met these conditions.

The following presents information on the credit facilities' contractual terms for interest-bearing liabilities. For more information on the company's exposure to interest-rate risk, refer to Note 24.

In connection with the refinancing in 2021, the Parent Company signed a new credit facility. In accordance with the loan agreement, the utilised portion of the revolving credit facility was signed by the subsidiary Kjell Elektronik AB. At the year-end 2024, the utilised credit facilities in the Parent Company amounted to TSEK 430,967 (439,348). No portion of these facilities falls due for payment later than within five years.

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Non-current liabilities** | | |
| Credit facility | 478,529 | 493,503 |
| | **478,529** | **493,503** |
| **Current liabilities** | | |
| Current component of non-current part of interest bearing liabilities | 21,945 | 15,358 |
| | **21,945** | **15,358** |

**Terms and repaymentperiods**

| TSEK | Currency | Nominal interest rate | Maturity | 2024 Nominal value | Reported value |
|---|---|---|---|---|---|
| Credit facility B | SEK | 4.4% | 2026-09-18 | 18,400 | 18,400 |
| Credit facility A | SEK | 4.4% | 2026-09-18 | 414,000 | 412,560 |
| Aquisition facility | SEK | 4.4% | 2026-09-18 | 69,514 | 69,514 |
| Revolving credit facility | SEK, EUR, NOK, DKK | 4.4% | 2026-09-18 | 325,000 | - |
| **Total interest bearing liabilities** | | | | **826,914** | **500,474** |

| TSEK | Currency | Nominal interest rate | Maturity | 2023 Nominal value | Reported value |
|---|---|---|---|---|---|
| Credit facility B | SEK | 5.6% | 2026-09-18 | 27,600 | 27,600 |
| Credit facility A | SEK | 5.6% | 2026-09-18 | 414,000 | 411,748 |
| Aquisition facility | SEK | 5.6% | 2026-09-18 | 69,514 | 69,514 |
| Revolving credit facility | SEK, EUR, NOK, DKK | 5.6% | 2026-09-18 | 250,000 | - |
| **Total interest bearing liabilities** | | | | **761,114** | **508,862** |

## Not 20 Provisions

**Group**

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| *Provisions classified as current liabilities* | | |
| Guarantee commitments | 7,721 | 7,225 |
| **Total** | **7,721** | **7,225** |

**Guarantees**

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Carrying amount at the beginning of the period | 7,225 | 7,608 |
| Provisions for the period | 7,721 | 7,225 |
| Amount utilised for the period | -7,225 | -7,608 |
| **Carrying amount at the end of the period** | **7,721** | **7,225** |

Provisions that will be utilised within one year are classified as current liabilities. Provisions have been made for estimated warranty costs for products that have been sold with the guarantee still valid at the end of the financial year. The Group normally offers 12-month guarantees. Management assesses provisions based on historical outcome, and on development trends that indicate that future outcomes may deviate from historical amounts. The estimates have been made using the same methodology for all periods presented.

## Not 21 Other liabilities

| Group | | |
|---|---|---|
| **TSEK** | **31/12/2024** | **31/12/2023** |
| **Other current liabilities** | | |
| Loyalty bonus | 2,908 | 3,058 |
| Gift vouchers and other balances | 6,968 | 6,933 |
| Value added tax | 58,825 | 48,874 |
| Employee withholding taxes and social security contributions | 16,454 | 17,025 |
| Other | 395 | 1,319 |
| | **85,550** | **77,209** |

## Not 22 Accrued expenses and deferred income

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Group** | | |
| Accrued personnel costs | 74,008 | 77,759 |
| Repayment liabilities | 11,072 | 10,013 |
| Accrued freight costs | 3,924 | 2,440 |
| Accrued electricity costs | 382 | 1,319 |
| Accrued rental costs | 250 | 295 |
| Accrued consultancy fees | 2,685 | 2,146 |
| Accrued inventory purchasing costs | 13,489 | 2,631 |
| Accrued marketing expenses | 8,626 | - |
| Restructuring costs | 5,132 | - |
| Other | 22,183 | 10,248 |
| | **141,752** | **106,851** |
| **Parent Company** | | |
| Accrued personnel costs | 2,463 | 3,920 |
| Other | 6,720 | 1,923 |
| | **9,183** | **5,843** |

### Repayment liabilities

When a customer has a right to return a product within a certain period of time, a repayment liability is recognised amounting to the compensation received (or that will be received) that the Group does not expect to be entitled to. The Group also reports a right to the returned products that is measured at the previous carrying amount of the product; refer to Note 15. The cost of reclaiming the products is not material since customers usually return goods in resaleable condition.

## Not 23 Financial assets and financial liabilities

### Fair value

The fair value of the liabilities in the Group's credit facility is estimated at TSEK 501,914 (511,114), compared with the carrying amount of TSEK 500,474 (508,862). The facility carries a floating interest rate plus a margin. Management estimates that there has been no change in credit margins since the loan agreement was signed that could have a material impact on the fair value of the loan. The difference between the fair value and the carrying amount is thus primarily attributable to the carrying amount of the loan, including transaction costs that remain to be allocated as part of the effective interest rate of the bank loans.

The carrying amounts of all other financial liabilities and financial assets are considered to be a reasonable estimate of their fair values.

### Classification of financial assets and financial liabilities

The tables below show the carrying amounts of the Group's financial assets and financial liabilities by measurement category according to IFRS 9.

**2024**

| TSEK | Note | Financial liabilities measured at fair value | Financial assets measured at amortised cost | Financial liabilities measured at amortised cost | Total |
|---|---|---|---|---|---|
| *Financial assets not measured at fair value* | | | | | |
| Accounts receivable | | - | 33,483 | - | 33,483 |
| Accrued income | 16 | - | 41,637 | - | 41,637 |
| Other receivables | | - | 1,296 | - | 1,296 |
| Cash and cash equivalents | 17 | - | 178,826 | - | 178,826 |
| | | - | 255,242 | - | 255,242 |
| **Total financial assets** | | **-** | **255,242** | **-** | **255,242** |
| *Financial liabilities not measured at fair value* | | | | | |
| Credit facility | 19 | - | - | 478,529 | 478,529 |
| Accounts payable | | - | - | 369,318 | 369,318 |
| Accrued expenses | 22 | - | - | 130,680 | 130,680 |
| Current component of credit facility | 19 | - | - | 21,945 | 21,945 |
| | | **-** | **-** | **1,000,472** | **1,000,472** |
| **Total financial liabilites** | | **-** | **-** | **1,000,472** | **1,000,472** |

**2023**

| TSEK | Note | Financial liabilities measured at fair value | Financial assets measured at amortised cost | Financial liabilities measured at amortised cost | Total |
|---|---|---|---|---|---|
| *Financial assets not measured at fair value* | | | | | |
| Accounts receivable | | - | 23,882 | - | 23,882 |
| Accrued income | 16 | - | 23,452 | - | 23,452 |
| Other receivables | | - | 955 | - | 955 |
| Cash and cash equivalents | 17 | - | 196,275 | - | 196,275 |
| | | - | 244,564 | - | 244,564 |
| **Total financial assets** | | **-** | **244,564** | **-** | **244,564** |
| *Financial liabilities not measured at fair value* | | | | | |
| Credit facility | 19 | - | - | 493,503 | 493,503 |
| Accounts payable | | - | - | 337,782 | 337,782 |
| Accrued expenses | 22 | - | - | 90,638 | 90,638 |
| Current component of credit facility | 19 | - | - | 15,358 | 15,358 |
| | | **-** | **-** | **937,281** | **937,281** |
| **Total financial liabilites** | | **-** | **-** | **937,281** | **937,281** |

## Not 24 Financial risks and risk management

### Framework for financial risk management

The Group's finance policy for managing financial risks was prepared by the Board and forms a framework of guidelines and rules in the form of risk mandates and limits for financial activities. The responsibility for the Group's financial transactions and risks is managed by the Group's CFO. The finance function's overall objective is to provide cost-efficient financing and to minimise the negative effects of financial risks on the Group's earnings. The Group's CFO regularly reports to the Group's CEO and the company's Board.

Through its operations, the Group is primarily exposed to financing risk, interest-rate risk, currency risk and credit risk.

### Financing risk

Financing risk is the risk that the Group may not have liquidity due to inadequate access to financing or the Group experiencing difficulties in refinancing existing credit facilities when they fall due. The Group is to endeavour to have access to both long and short-term financing at any given point in time, which is achieved by planning and maintaining good relationships with banks and other creditors. According to the Group's guidelines, the average remaining maturity of non-current loans is to always exceed 12 months. Furthermore, the Group is to have liquidity available in the form of cash and cash equivalents, short-term deposits and unutilised credit facilities in accordance with the Board's guidelines.

In 2021, Kjell Group AB signed a new financing agreement comprising credit facilities totalling MSEK 910. In 2022, the agreement was renegotiated at a nominal value of MSEK 785. Refer to Note 19 for more information.

The facility is made up of the following part facilities:

| TSEK<br>**Credit facility** | **Nominal** | **Used** | **Available** |
|---|---|---|---|
| Credit facility A | 18,400 | 18,400 | - |
| Credit facility B | 414,000 | 414,000 | - |
| Acquisition facility | 69,514 | 69,514 | - |
| Revolving credit facility | 325,000 | - | 325,000 |
| **Total** | **826,914** | **501,914** | **325,000** |

The revolving credit facility can be drawn in SEK, EUR, DKK, NOK or any other currency agreed with the lender.

A maturity analysis for the Group's financial liabilities (including lease liabilities) is presented below, which shows payment of capital amounts and interest (undiscounted). Interest on liabilities that carry interest at floating interest rates has been paid based on the prevailing interest rate as of the respective reporting dates.

**2024**

| **TSEK** | **2025** | **2026** | **2027** | **2028** | **2029** | **>2029** |
|---|---|---|---|---|---|---|
| Credit facility A | 9,977 | 9,524 | - | - | - | - |
| Credit facility B | 23,308 | 431,481 | - | - | - | - |
| Acquisition facility | 9,457 | 60,622 | - | - | - | - |
| Revolving credit facility | - | - | - | - | - | - |
| Lease liabilities | 109,397 | 72,641 | 29,093 | 10,026 | 6,418 | 130 |
| Accounts payable | 369,318 | - | - | - | - | - |
| Accrued expenses | 130,680 | - | - | - | - | - |
| | **652,137** | **574,268** | **29,093** | **10,026** | **6,418** | **130** |

**2023**

| **TSEK** | **2024** | **2025** | **2026** | **2027** | **2028** | **>2028** |
|---|---|---|---|---|---|---|
| Credit facility A | 10,495 | 9,977 | 9,524 | - | - | - |
| Credit facility B | 23,308 | 23,308 | 431,481 | - | - | - |
| Acquisition facility | 10,464 | 9,457 | 60,622 | - | - | - |
| Revolving credit facility | - | - | - | - | - | - |
| Lease liabilities | 124,280 | 89,558 | 43,418 | 7,812 | 2,831 | 1,194 |
| Accounts payable | 337,782 | - | - | - | - | - |
| Accrued expenses | 90,638 | - | - | - | - | - |
| | **596,967** | **132,300** | **545,045** | **7,812** | **2,831** | **1,194** |

## Interest-rate risk in interest-bearing liabilities

Interest-rate risk is defined as the risk that changes in market interest rates will have a negative impact on the Group's net financial items and the risk that fixed interest rates may be locked in at levels above the prevailing market interest rates for protracted periods of time. According to the guidelines, the Group will as a rule have short fixed terms of the floating interest on interest-bearing liabilities, since short fixed terms are judged to incur lower interest expenses over time while the Group avoids lengthy contracts with fixed prices in relation to customers.

The Group's exposure to interest-rate risk arises primarily through the interest on the credit facility being regulated by net debt in relation to adjusted EBITDAaL at the end of each reporting period, at which point an interest margin is calculated. In accordance with the agreement, interest rates vary from 1.45% to 2.25%. In addition to the interest margin attributable to net debt in relation to adjusted EBITDAaL, total interest is impacted by a variable component (IBOR). Adjustments for changes in interest rates are made in the subsequent period. The total interest rate at the end of 2024 was 4.4%.

The effect on interest expenses during the coming twelve-month period of a 1-percentage-point increase in the interest rate would be TSEK 4,952 (5,089) given the interest-bearing assets and liabilities existing on 31 December of the preceding year.

## Currency risk

Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure pertains to exposure to the risk that the value of future transactions is negatively impacted by fluctuations in exchange rates without the possibility of the Group being able to offset this through changed prices. Translation exposure arises from the translation of assets or liabilities in foreign currency, and from the translation of foreign subsidiaries to SEK upon consolidation.

**Transaction exposure**

The Group's direct transaction exposure arises primarily in conjunction with purchases paid for in DKK, EUR, USD and CNY. In 2024, the Group made purchases in DKK totalling TDKK 143,559 (111,519), purchases in EUR totalling TEUR 62,054 (47,970), purchases in USD totalling TUSD 29,395 (27,094) and purchases in CNY totalling TCNY 21,035 (19,918).

In accordance with the guidelines, the exposure can be hedged using currency derivatives. However, there were no currency derivatives outstanding as of 31 December 2024. The table below illustrates what effects a 10% weakening or strengthening of DKK, EUR, USD and CNY against SEK would have on the Group's expenditure for purchases of goods and thereby the costs of goods for resale when these goods are sold to customers. The calculations are based on the assumption that all other variables remain unchanged and on the volume of purchases in the various currencies made each year.

### Transaction exposure – sensitivity analysis of effect of 10% weakening/strengthening against SEK

| | Impact on expenses for purchases of goods (TSEK) | |
|---|---|---|
| **Currency** | **2024** | **2023** |
| EUR | +/- 70 941 | +/- 55 053 |
| USD | +/- 31 045 | +/- 28 754 |
| CNY | +/- 3 088 | +/- 2 984 |
| DKK | +/- 22 003 | +/- 17 177 |
| **Total** | **+/- 127 077** | **+/- 103 968** |

**Translation exposure**

The Group's translation exposure pertains primarily to subsidiaries in Norway, Denmark and China, which gives rise to translation exposure in NOK, DKK and CNY since the subsidiaries' financial statements are translated into SEK, the Group's presentation currency and the Parent Company's functional currency. The table below shows the Group's net investments in these currencies as of the reporting date.

### Translation exposure – net investments in foreign currency

| Currency | 2024 | 2023 |
|---|---|---|
| NOK | 65,130 | 54,465 |
| DKK | 79,290 | 74,345 |
| CNY | 5,361 | 4,993 |

### Translation exposure – sensitivity analysis of effect of 10% weakening/strengthening against SEK

| | Impact on equity (TSEK) | | Impact on operating profit (TSEK) | |
|---|---|---|---|---|
| **Currency** | **2024** | **2023** | **2024** | **2023** |
| NOK | +/- 6 147 | +/- 5 307 | +/- 1 342 | +/- 1 381 |
| DKK | +/- 18 719 | +/- 16 479 | +/- 1 407 | +/- 3 541 |
| CNY | +/- 1 224 | +/- 997 | +/- 80 | +/- 100 |

The sensitivity analysis is based on the assumption that all other variables remain unchanged.

## Credit risk

Credit risk is the risk that a customer or counterparty is unable to fulfil its commitments, thus resulting in a loss for the Group. Credit risk can be divided into commercial exposure, in the form of credit risk exposure to accounts receivable, and financial credit risk, which for the Group is related primarily to cash and cash equivalents. The carrying amount of financial assets comprises the maximum credit exposure. Sales against invoices occur to only a limited extent.

## Commercial exposure to credit risk

The Group's sales are primarily made to private individuals, at service points or online. Payment for sales at service points normally occur via bank card or in cash. For credit card sales, the card issuer bears the credit risk. For online sales, the Group has a contract with a partner that provides a payment solution. The partner acquires a receivable against the customer and also bears the credit risk associated with this receivable. The Group has a receivable against the partner for sales completed. However, these receivables are settled shortly after the sale is completed, which means that the maturity is extremely brief and the credit risk thereby limited. The Group's exposure to commercial credit risk is therefore deemed to be low.

**Change in loss allowance for accounts receivable**

Movement in the reserve for impairment of accounts receivable during the year was as follows:

| TSEK | 2024 | 2023 |
|---|---|---|
| Opening balance on 1 January | 599 | 2,699 |
| Amounts written-off | -844 | -3,460 |
| Remeasurement of loss allowance, net | 575 | 1,360 |
| **Closing balance on 31 December** | **330** | **599** |

### Financial exposure to credit risk

The Group's exposure to financial credit risk is related primarily to cash and cash equivalents. On 31 December 2024, cash and cash equivalents amounted to TSEK 178,826 (196,275). Cash and cash equivalents consist entirely of cash in hand and bank balances. The bank balances are deposited in banks with a short-term credit rating of A-1 from Standard & Poor and can be disbursed to the Group upon request. The credit risk in cash and cash equivalents is therefore deemed to be very low and is insignificant.

### Capital management

The Group's financial objective is to have a strong financial position that helps it to retain the confidence of investors, creditors and the market and constitutes a basis for continued development of business operations, while the long-term return generated for shareholders remains satisfactory.

In 2024, the Board adopted the following target for the Group's capital structure and policy for dividends to shareholders:

- Financial net debt (net debt excluding IFRS 16 lease liabilities) should be less than 2 times adjusted EBITDAaL. As of 31 December, financial net debt was 4.1 (2.8) times higher than adjusted EBITDAaL.
  - Adjusted EBITDAaL includes the periods in which acquired companies were not included in the Group's consolidated financial statements for the most recent 12-month period.
- Dividends are to comprise at least 60% of earnings per share after tax, taking into account the Group's financial position and growth potential.

Capital is defined as total equity, including common and preference shares (as of 31 December 2024, there were no outstanding preference shares).

| Capital<br>TSEK | 2024 | 2023 |
|---|---|---|
| **Total equity** | **1,005,354** | **1,009,193** |

## Not 25 Leases

The Group has leases for several types of assets, primarily for premises (stores and office space) but to some extent also other asset types such as vehicles, forklifts and office equipment. None of the leases contain covenants or other limitations apart from the collateral in the asset covered by the lease.

### Right-of-use assets

| Group<br>TSEK | Properties | Vehicles | Machinery | Total |
|---|---|---|---|---|
| Depreciation for the year | 128,567 | 2,588 | 1,673 | 132,828 |
| **Closing balance, 31 December 2023** | **252,461** | **4,424** | **1,971** | **258,856** |
| Depreciation for the year | 127,672 | 2,573 | 997 | 131,242 |
| **Closing balance, 31 December 2024** | **239,057** | **1,856** | **1,679** | **242,592** |

Additions to right-of-use assets in 2024 amounted to TSEK 118,380 (121,592). This amount includes the cost of right-of-use assets newly acquired during the year, TSEK 47,024 (49,032), and additional amounts on the remeasurement of lease liabilities, TSEK 71,356 (70,637).

### Lease liabilities

| Group<br>TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Current lease liabilities | 109,397 | 107,518 |
| Non-current lease liabilities | 118,308 | 132,493 |
| **Lease liabilities included in statement of financial position** | **227,705** | **240,011** |

For a maturity analysis of the lease liabilities, refer to Note 24.

### Amount recognised in profit or loss

| TSEK | 2024 | 2023 |
|---|---|---|
| Depreciation of right-of-use assets | 131,242 | 132,828 |
| Interest on lease liabilities | 10,317 | 9,131 |
| Variable lease payments not included in the measurement of the lease liability*) | -541 | -517 |
| Costs for low-value leases | 4,839 | 4,390 |

***Amount recognised in statement of cash flows***

**Group**

| TSEK | 2024 | 2023 |
|---|---|---|
| Total cash outflow attributable to leases | 130,214 | 140,468 |

*) The amount does not include property tax.

The above cash outflow includes amounts for leases recognised as lease liabilities as well as amounts paid for variable lease payments and low-value leases.

### Property leases

The Group mainly has leases for properties, primarily store premises but also office space. These leases normally run for three to five years. In most cases, there is an option at the end of the current lease term to extend the lease for an additional one to three years. The extension periods are included in the lease term if, at the start of the lease (or alternately on transition to IFRS), the Group deems it reasonable that they will be utilised.

As of the reporting date, 31 December 2024, the Group assessed that the limit for reasonable certainty was 12 months. This means that when new leases are signed or the lease term changes for existing leases, the end of the lease term is normally set so that it occurs beyond 12 months. The remaining average lease term for the Group's property leases subject to estimates of the lease liability and right-of-use asset was calculated at 1.7 (1.7) years. The Group expects that the lease liability will increase in 2025 as a result of investments in a new warehouse property. For additional information, refer to Note 26 Investment commitments.

The leases normally contain lease payments that are based on changes in local price indexes while some leases also contain variable lease payments that are based on the Group's sales in the leased stores during the year. In addition to the above, the Group pays fees that are attributable to property taxes levied on the property owner.

### Other leases

The Group has leases for vehicles and equipment (forklifts, machinery, etc.) with lease terms of one to four years, including extension periods, that the Group is reasonably certain of utilising. In some cases, the Group has an opportunity to purchase the asset at the end of the lease term. In other cases, the Group guarantees the residual value of the asset at the end of the lease term. Normally, it is not reasonably certain at the start of the lease that the Group will buy out the asset. The Group also has leases for office equipment and IT equipment with lease terms of a maximum of three years. These are low-value leases. The Group has chosen not to recognise right-of-use assets and lease liabilities for these leases.

## Not 26 Investment commitments

**Group**

In 2024, the Group signed an agreement to invest in a new automated central warehouse. The investment mainly pertains to the acquisition of tangible assets and is expected to amount to approximately TSEK 80,000. The commitment is expected to be settled in 2025–2026.
The Group also entered into a long-term lease for the warehouse property in 2024. The commitment will impact IFRS 16 and increase the company's lease liabilities by approximately MSEK 110 in late 2025 when the property becomes operational.

**Parent Company**

The Parent Company had no investment commitments in 2024.

## Not 27 Pledged assets, contingent liabilities and contingent assets

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Group** | | |
| **Pledged assets** | | |
| *In the form of pledged assets for own liabilities and provisions* | | |
| Floating charges | 910,000 | 910,000 |
| | **910,000** | **910,000** |
| **Contingent liabilities** | | |
| Leasing guarantees | 6,650 | 7,024 |
| | **6,650** | **7,024** |

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Parent company** | | |
| **Pledged assets** | | |
| *In the form of pledged assets for own liabilities and provisions* | | |
| Floating charges | 910,000 | 910,000 |
| | **910,000** | **910,000** |
| **Contingent liabilities** | | |
| Leasing guarantees | - | - |
| | **-** | **-** |

## Not 28 Proposed dividend

The following funds are available for distribution by the Annual General Meeting:

| TSEK | 2024 |
|---|---|
| Retained earnings | 59,535 |
| Share premium reserve | 1,091,433 |
| Profit for the period | -18,842 |
| **Total** | **1,132,126** |
| Carried forward | 1,132,126 |
| **Total** | **1,132,126** |

Kjell Group’s Board of Directors has adopted a dividend policy stipulating that at least 60% of net profit is to be distributed, taking into consideration the Group’s financial position and growth prospects.

The Board’s proposal to the Meeting is that profit for the 2024 financial year be disposed of in accordance with the above proposal.

## Not 29 Related-party transactions

The shares in Kjell Group AB are listed on Nasdaq First North Growth Market. 22.87% of the shares are owned by FSN Capital. The Group’s related parties include FSN Capital and the portfolio companies managed by FSN Capital, the subsidiaries and Kjell & Company’s Board of Directors and Group management along with their related parties.

The Parent Company has a related-party relationship with its subsidiaries. Information about participations in subsidiaries is presented in Note 30. Transactions between Kjell Group AB and its subsidiaries have taken place on market terms.

Remuneration of the Board and senior executives is presented in Note 6. Kjell Group has not provided any guarantees or sureties on behalf of its Board members or senior executives. Related-party transactions between Kjell & Co Elektronik AB and Position Green AB for the purchase of services valued at TSEK 866 took place during the year. As of 31 December 2024, outstanding accounts payable amounted to TSEK 224. Transactions between Kjell & Co Elektronik AB and Position Green AB took place on market terms. The CEO of Position Green, who is also a Board member of the company, is a related party to the Group’s Board member Sandra Gadd. The Group has not identified any related-party transactions other than those specified in this note and the other notes referred to herein.

## Not 30 Group companies

| Group TSEK | 31/12/2024 | 31/12/2023 |
| --- | --- | --- |
| **Accumulated cost** | | |
| At the beginning of the year | 1,610,967 | 1,610,068 |
| Acquisitions | 272 | 899 |
| **At the end of the year** | **1,611,239** | **1,610,967** |

**Specification of all holdings of participations in Group companies**

| | Country of incorporation | Owner interest, % 31/12/2024 | Owner interest, % 31/12/2023 |
| --- | --- | --- | --- |
| Kjell MidCo AB, 559117-3934 | Malmö, Sweden | 100.0% | 100.0% |
| . Kjell BidCo AB, 559113-2583 | Malmö, Sweden | 100.0% | 100.0% |
| .. Kjell Koncern AB, 556965-5136 | Malmö, Sweden | 100.0% | 100.0% |
| … Kjell Elektronik AB, 556400-5378 | Malmö, Sweden | 100.0% | 100.0% |
| …. Kjell & Co Norway, 815420292 | Sandvika, Norway | 100.0% | 100.0% |
| …. Scandinavia Sourcing Team Ltd, 61949671 | Hongkong | 100.0% | 100.0% |
| ….. Scandsource Co Ltd, 310000400726926 | Shanghai, China | 100.0% | 100.0% |
| …. AV-Cables, 31260485 | Hornsyld, Denmark | 100.0% | 100.0% |

## Not 31 Specifications for the statement of cash flows

**Cash and bank balances**

| TSEK | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Group** | | |
| The following subcomponents are included in cash and cash equivalents: | | |
| Cash and bank balances | 178,826 | 196,275 |
| | **178,826** | **196,275** |
| **Parent Company** | | |
| The following subcomponents are included in cash and cash equivalents: | | |
| Cash and bank balances | 145,106 | 124,399 |
| | **145,106** | **124,399** |

**Adjustments for non-cash items**

| TSEK | 2024 | 2023 |
|---|---|---|
| **Group** | | |
| Depreciation/amortisation | 190,716 | 193,415 |
| Unrealised exchange differences | 5,192 | -2,012 |
| Provision, guarantees | - | -785 |
| Bad debt | 496 | - |
| Share-based payment transaction | 3,268 | 3,328 |
| Capitalised loan fees | 819 | 819 |
| Other | 834 | -4,743 |
| | **201,325** | **190,022** |
| **Parent Company** | | |
| Depreciation/amortisation | 22 | 13 |
| Share-based payment transaction | 2,996 | 2,429 |
| Capitalised loan fees | 819 | 819 |
| Other | - | -1 |
| | **3,837** | **3,260** |

## Changes in liabilities in financing activities

| TSEK | Credit facility | Leasing liabilities |
|---|---|---|
| **Group** | | |
| Opening balance 2023 | 522,728 | 266,617 |
| Cash flow from financing activities | | |
| Proceeds from loans | 33,326 | - |
| Loan repayments | -48,012 | - |
| Repayment of lease liabilities | - | -140,468 |
| **Total cash flow from financing activities** | **-14,686** | **-140,468** |
| Exchange rate differences | - | -5,186 |
| Additional lease liabilities | - | 119,047 |
| Capitalised borrowing costs | 819 | - |
| Interest expenses | 30,333 | - |
| Interest paid | -30,333 | - |
| **Closing balance 2023** | **508,861** | **240,010** |
| **Opening balance 2024** | **508,861** | **240,010** |
| Cash flow from financing activities | | |
| Loan repayments | -9,200 | - |
| Repayment of lease liabilities | - | -130,214 |
| **Total cash flow from financing activities** | **-9,200** | **-130,214** |
| Exchange rate differences | | -773 |
| Additional lease liabilities | - | 118,682 |
| Capitalised borrowing costs | 813 | - |
| Interest expenses | 38,527 | - |
| Interest paid | -38,527 | - |
| **Closing balance 2024** | **500,474** | **227,705** |
| **Parent Company** | | |
| Opening balance 2023 | 447,729 | - |
| Cash flow from financing activities | | |
| Loan repayments | -9,200 | - |
| **Total cash flow from financing activities** | **-9,200** | **-** |
| Capitalised borrowing costs | 819 | - |
| Interest expenses | 26,366 | - |
| Interest paid | -26,366 | - |
| **Closing balance 2023** | **439,348** | **-** |
| **Opening balance 2024** | **439,348** | **-** |
| Cash flow from financing activities | | |
| Loan repayments | -9,200 | - |
| **Total cash flow from financing activities** | **-9,200** | **-** |
| Capitalised borrowing costs | 819 | - |
| Interest expenses | 26,120 | - |
| Interest paid | -26,120 | - |
| **Closing balance 2024** | **430,967** | **-** |

## Not 32 Events after the reporting date

In December 2024, Kjell & Company announced an investment in a new automated warehouse and a fully guaranteed rights issue. After the reporting date, the Board of Directors approved the proposed share issue and convened an Extraordinary General Meeting. The General Meeting resolved to approve the Board's decision to implement a new share issue of approximately MSEK 199.1 before the deduction of issue costs, with preferential rights for the company's shareholders.

In February 2025, Board member Sandra Gadd was appointed as the new President and CEO of Kjell Group. The company's current CEO, Andreas Rylander, will remain in his current position until Sandra Gadd takes up the role, which is scheduled to take place in September 2025.

## Not 33 Important judgements made in the application of the Group's accounting policies

Management and the Board have discussed the Group's most important accounting policies and estimates, and how they are applied and reported.

### Important judgements made in the application of the Group's accounting policies

The following section describes the important judgements made in the application of the Group's accounting policies.

### Intangible assets

Assumptions made by the Group in connection with impairment testing of intangible assets, such as goodwill and brands, are deemed to be of material significance. The reason for this is that the judgements and assumptions that encompass a number of areas described in more detail in Note 12 are based on in-depth insight about the business as well as the industry and other macroeconomic aspects. When testing intangible assets for impairment, the carrying amount is compared with the recoverable amount, which comprises the higher of the asset's net realisable value and value in use. After testing and assessing the value in use, no need for impairment was identified for intangible assets, including goodwill and brands.

### Leases

The Group's leases essentially comprise store contracts for the service points that the Group uses in its operations. The Group's leases have the option of extending or terminating a lease when it expires or terminating the lease in advance if this option exists. Under IFRS 16, extension options that entitle the lessee to extend a lease or terminate it in advance are to be included in the lease term if it is deemed reasonably certain that this option will be exercised. Accordingly, the assessment impacts the amount of the lease liability and the right-of-use asset. Regular assessments are made as to whether the Group will exercise an extension option when it is reasonably certain based on strategic decisions about local presence at retail locations.

## Not 34 Information about the Parent Company

Kjell Group AB (publ) is a Swedish-registered limited liability company with its registered offices in Malmö. The Parent Company's shares are listed on Nasdaq First North Growth Market in Stockholm. The address of the head office is Tärnögatan 6, Malmö.

The consolidated financial statements for 2024 comprise the Parent Company and its subsidiaries, jointly referred to as the "Group."

The Board of Directors and the CEO give their assurance that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden, and that the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in the European Parliament and Council's Regulation (EC) no. 1606/2002 of 19 July 2002 on the application of international accounting standards. The annual report and consolidated financial statements provide a true and fair view of the Parent Company's and the Group's position and earnings. The Administration Report for the Parent Company and the Group provides a fair overview of the Parent Company's and the Group's performance and the Group's activities, position and earnings, and describes significant risks and uncertainties facing the Parent Company and the companies included in the Group.

**Malmö, 14 April 2025**

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**Jan Friedman**
Chairperson of the Board

**Ingrid Jonasson Blank**
Deputy Chairperson of the Board

**Sandra Gadd**
Board member

**Fredrik Dahnelius**
Board member

**Joel Eklund**
Board member

**Simon Larsson**
Board member

**Ola Burmark**
Board member

**Andreas Rylander**
CEO

Our audit report was submitted on 14 April 2025

KPMG AB

Camilla Alm Andersson
Authorised public accountant
Auditor in Charge

Elisabeth Lundström
Authorised public accountant

# Auditor’s Report

To the Annual General Meeting of Kjell Group AB (publ), Corporate Identity Number 559115-8448

## Report on the Annual Report and the Consolidated Financial Statements

### Opinions

We have audited the annual accounts and consolidated accounts of Kjell Group AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 16-65 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

### Grund för uttalanden

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

### Annan information än årsredovisningen och koncernredovisningen

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-15 and 65-74. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Styrelsens och verkställande direktörens ansvar

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company’s and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director’s responsibilities and tasks in general, among other things oversee the company’s financial reporting process.

### Revisorns ansvar

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

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 annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. 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 the company’s internal control relevant to our 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any 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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

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## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Kjell Group AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### Grund för uttalanden

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

### Styrelsens och verkställande direktörens ansvar

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.
The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Revisorns ansvar

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö den 14 april 2025

KPMG AB

Camilla Alm Andersson

Authorized Public Accountant
Auditor in charge

KPMG AB

Elisabeth Lundström

Authorized Public Accountant

## Selected financial information

| MSEK | 2024 | 2023 |
|---|---|---|
| Members in loyalty club, thousand | 3,387 | 3,254 |
| Customer NPS | - | 65 |
| Net sales | 2,583.6 | 2,559.4 |
| Sales growth, % | 0.9% | -1.9% |
| Comparable growth, % | 0.8% | -3.2% |
| Gross profit | 1,046.9 | 1,078.6 |
| Gross margin, % | 40.5% | 42.1% |
| Adjusted EBITA | 49.1 | 80.1 |
| Adjusted EBITA margin, % | 1.9% | 3.1% |
| Items affecting comparability | 16.7 | 1.6 |
| Cash flow from operating activities | 139.2 | 259.7 |
| Working capital | -5.8 | -8.1 |
| Core working capital | 143.8 | 123.5 |
| Financial net debt | 321.6 | 312.6 |
| Financial net debt/Adjusted EBITDAaL | 4.1 | 2.8 |
| Equity ratio, % | 41.0% | 41.8% |
| Investments tangible assets | -7.7 | -12.9 |
| Investments intangible assets | -10.2 | -11.2 |
| Number of outstanding shares before dilution | 31,151,514 | 31,151,514 |
| Number of outstanding shares after dilution | 31,151,514 | 31,151,514 |
| Average number of outstanding shares befor dilution | 31,151,514 | 31,151,514 |

## Quarterly data

| MSEK | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 24 | Q4 24 |
|---|---|---|---|---|---|---|
| Net sales | 650.8 | 761.9 | 591.4 | 594.4 | 624.3 | 773.4 |
| Gross profit | 279.7 | 303.5 | 247.6 | 242.4 | 252.5 | 304.5 |
| Gross margin, % | 43.0% | 39.8% | 41.9% | 40.8% | 40.4% | 39.4% |
| Adjusted EBITA | 42.9 | 28.4 | -5.6 | 0.3 | 21.0 | 33.3 |
| Adjusted EBITA margin, % | 6.6% | 3.7% | -0.9% | 0.1% | 3.4% | 4.3% |
| Cash flow from operating activities | 131.2 | 157.4 | -5.0 | 13.0 | -12.2 | 142.7 |
| Working capital | 94.3 | -8.1 | 25.0 | 42.1 | 107.1 | -5.8 |
| Core working capital | 228.7 | 123.5 | 158.4 | 168.4 | 203.6 | 143.8 |
| Investments | -3.7 | -5.1 | -3.8 | -5.9 | -2.7 | -5.6 |

## Reconciliations of alternative performance measures

Certain information in this annual report that is used by management and analysts to assess the company's performance has not been prepared in accordance with International Financial Reporting Standards (IFRS). Management is of the opinion that this information makes it easier for investors to analyse the Group's performance for the reasons stated below. These measures are not a substitute for or better than financial measures reported in accordance with IFRS and should be presented together with such measures. Note that the Group's definitions of these measures may differ from other companies' definitions of the same name. Investors are encouraged not to place undue reliance on these alternative performance measures.

### Adjusted EBITA

Management has presented the performance measure of adjusted EBITA because it monitors this performance measure at Group level and believes that this measure is relevant for understanding the Group's financial performance.

Adjusted EBITA is calculated by adjusting net profit for the period so that it excludes the impact of tax, net financial items, amortisation and impairment of intangible assets arising in connection with business combinations and items affecting comparability.

## Operating profit (EBIT), EBITA, EBITA margin, adjusted EBITA, adjusted EBITA margin, EBITDA, adjusted EBITDA and adjusted EBITDAaL

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Profit (loss) for the period | -19,889 | 12,404 | 71,200 | 62,419 |
| Income tax | -5,069 | 5,726 | 16,660 | 18,259 |
| Net financial items | 38,358 | 41,499 | 29,321 | 59,347 |
| **Operating profit (EBIT)** | **13,400** | **59,629** | **117,181** | **140,025** |
| | | | | |
| Amortisation on intangible assets related to business combinations | 18,919 | 18,949 | 17,575 | 11,187 |
| **EBITA** | **32,319** | **78,578** | **134,756** | **151,212** |
| Depreciation excl. amortisation on intangible assets related to business combinations | 171,797 | 174,466 | 158,298 | 144,914 |
| **EBITDA** | **204,116** | **253,044** | **293,054** | **296,126** |
| | | | | |
| EBITA | 32,319 | 78,578 | 134,756 | 151,212 |
| Items affecting comparability | 16,740 | 1,545 | - | 36,929 |
| **Adjusted EBITA** | **49,059** | **80,123** | **134,756** | **188,141** |
| | | | | |
| EBITDA | 204,116 | 253,044 | 293,054 | 296,126 |
| Items affecting comparability | 16,740 | 1,545 | - | 36,929 |
| **Adjusted EBITDA** | **220,856** | **254,589** | **293,054** | **333,055** |
| Depreciation right-of-use assets | -131,242 | -132,798 | -119,242 | -110,948 |
| Interest on lease liabilities | -10,317 | -9,126 | -8,726 | -10,070 |
| **Adjusted EBITDAaL** | **79,297** | **112,665** | **165,086** | **212,037** |
| | | | | |
| Net sales | 2,583,570 | 2,559,368 | 2,607,929 | 2,398,033 |
| EBITA margin, % | 0.5% | 2.3% | 4.5% | 5.8% |
| **Adjusted EBITA margin, %** | **1.9%** | **3.1%** | **5.2%** | **7.8%** |

### Items affecting comparability

Income and cost items that are presented separately due to their nature and amounts. Items affecting comparability are used by management to explain fluctuations in historical profitability. 2024 includes items affecting comparability of MSEK 16.7 (1.5) for restructuring costs attributable to staffing changes.

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Cost for listing | - | - | - | 19,308 |
| Bonuses related to the IPO | - | - | - | 11,186 |
| Costs for business combinations | - | - | - | 5,508 |
| Damages received and compensation for legal costs | - | - | - | - |
| Severance pay | 16,740 | 1,545 | - | 927 |
| **Items affecting comparability** | **16,740** | **1,545** | **-** | **36,929** |

### Net sales growth

| % | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Net sales current period | 2,583,570 | 2,559,368 | 2,607,929 | 2,398,033 |
| Net sales preceeding period | 2,559,368 | 2,607,929 | 2,398,033 | 1,999,000 |
| **Net sales growth, %** | **0.9%** | **-1.9%** | **8.8%** | **20.0%** |

## Comparable growth

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| *Comparable sales comparative period* | | | | |
| Recognised net sales comparative period | 2,559,368 | 2,607,929 | 2,398,033 | 1,999,000 |
| Adjustment for returns and loyalty programme comparative period | 8,631 | 8,492 | 11,349 | 10,141 |
| Revenue new service points and other channels | -15,355 | -13,164 | -9,419 | -5,501 |
| **Total comparable sales comparative period** | **2,552,644** | **2,603,257** | **2,399,963** | **2,003,640** |
| | | | | |
| *Comparable sales current period* | | | | |
| Recognised net sales current period | 2,583,570 | 2,559,368 | 2,607,929 | 2,398,033 |
| Recognised net sales current period | 9,843 | 8,707 | 8,414 | 11,306 |
| Revenue new service points and other channels | -31,207 | -43,256 | -65,735 | -53,817 |
| Revenue from business combinations | - | - | -100,236 | -204,375 |
| Currency effects | 10,799 | -5,593 | -33,779 | -11,739 |
| **Total comparable sales current period** | **2,573,005** | **2,519,226** | **2,416,593** | **2,139,408** |
| | | | | |
| Total comparable sales comparative period | 2,552,644 | 2,603,257 | 2,399,963 | 2,003,640 |
| Total comparable sales current period | 2,573,005 | 2,519,226 | 2,416,593 | 2,139,408 |
| Comparable growth, % | 0.8% | -3.2% | 0.7% | 6.8% |

## Gross profit and gross margin

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Net sales | 2,583,570 | 2,559,368 | 2,607,929 | 2,398,033 |
| Goods for resale | -1,536,669 | -1,480,729 | -1,508,760 | -1,374,762 |
| **Gross Profit** | **1,046,901** | **1,078,639** | **1,099,169** | **1,023,271** |
| | | | | |
| Gross Profit | 1,046,901 | 1,078,639 | 1,099,169 | 1,023,271 |
| Net sales | 2,583,570 | 2,559,368 | 2,607,929 | 2,398,033 |
| **Gross margin, %** | **40.5%** | **42.1%** | **42.1%** | **42.7%** |

## Net debt, financial net debt and financial net debt/adjusted EBITDAaL

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Non-current interest bearing liabilities | 478,529 | 493,503 | 513,528 | 446,909 |
| Current interest bearing liabilities | 21,945 | 15,358 | 9,200 | 149,200 |
| **Interest bearing liabilities** | **500,474** | **508,861** | **522,728** | **596,109** |
| Cash and cash equivalents | -178,826 | -196,275 | -117,619 | -193,770 |
| **Net financial debt** | **321,648** | **312,586** | **405,109** | **402,339** |
| | | | | |
| Non-current lease liabilities | 118,308 | 132,493 | 153,152 | 158,750 |
| Current lease liabilities | 109,397 | 107,518 | 113,465 | 103,318 |
| **Lease liabilities** | **227,705** | **240,011** | **266,617** | **262,068** |
| | | | | |
| Total interest bearing liabilities | 500,474 | 508,861 | 522,728 | 596,109 |
| Total lease liabilities | 227,705 | 240,011 | 266,617 | 262,068 |
| **Total financial liabilites** | **728,179** | **748,872** | **789,345** | **858,177** |
| Cash and cash equivalents | -178,826 | -196,275 | -117,619 | -193,770 |
| **Ned debt** | **549,353** | **552,597** | **671,726** | **664,407** |
| | | | | |
| Net financial debt | 321,648 | 312,586 | 405,109 | 402,339 |
| Adjusted EBITDAaL, R12 | 79,297 | 112,665 | 165,086 | 236,458 |
| **Net financial debt/Adjusted EBITDAal, times** | **4.1** | **2.8** | **2.5** | **1.7** |

## Working capital

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Current assets | 780,857 | 724,890 | 698,224 | 846,089 |
| Cash and cash equivalents | -178,826 | -196,275 | -117,619 | -193,770 |
| Current liabilities excl. interest bearing liabilities and lease liabilities | -607,826 | -536,759 | -531,343 | -686,852 |
| **Working capital** | **-5,795** | **-8,144** | **49,262** | **-34,533** |
| | | | | |
| **Current liabilities excl. interest bearing liabilities and lease liabilities** | | | | |
| Accounts payable | 369,318 | 337,782 | 330,028 | 377,181 |
| Tax liabilities | 3,485 | 7,692 | 22,342 | 39,853 |
| Other liabilities | 85,550 | 77,209 | 74,592 | 153,175 |
| Accrued expenses and deferred income | 141,752 | 106,851 | 96,773 | 109,278 |
| Provisions | 7,721 | 7,225 | 7,608 | 7,365 |
| **Total** | **607,826** | **536,759** | **531,343** | **686,852** |

## Core working capital

| TSEK | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Inventory | 479,675 | 437,410 | 487,525 | 545,737 |
| Accounts receivable | 33,483 | 23,882 | 28,369 | 26,687 |
| Accounts payable | -369,318 | -337,782 | -330,028 | -377,181 |
| **Core working capital** | **143,840** | **123,510** | **185,866** | **195,243** |

## Equity/assets ratio

| % | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Total equity | 1,005,354 | 1,009,193 | 998,776 | 889,447 |
| Total assets | 2,452,903 | 2,417,076 | 2,446,916 | 2,564,664 |
| **Equity ratio, %** | **41.0%** | **41.8%** | **40.8%** | **34.7%** |

## Definitions – Alternative performance measures

| Earnings measures | Definition | Reason why the earnings measure is used |
|---|---|---|
| Gross margin, % | Gross profit divided by net sales. | The gross margin shows the company's profitability after the costs of goods for resale, which facilitates a comparison of the average gross margin on goods sold over time. |
| Gross profit | Net sales less costs of goods for resale. | The company's gross profit shows the amount that remains for financing other expenses after goods for resale have been sold. |
| Core working capital | Inventories plus accounts receivable less accounts payable. | This performance measure shows the business's tied-up capital for sales of goods. |
| EBIT margin, % | EBIT divided by net sales. | The performance measure shows the company's profitability generated by the operating activities after amortisation, depreciation and impairment. |
| EBITA | Operating profit before amortisation and impairment of intangible assets arising in connection with business combinations. | EBITA provides an overview of the profit generated in the operations before amortisation and impairment of intangible assets arising in connection with business combinations, which provides a more comparable performance measure over time. |
| EBITA margin, % | EBITA divided by net sales. | This performance measure shows the company's profitability from the operating activities before amortisation and impairment of intangible assets arising in connection with business combinations. |
| EBITDA | Profit before tax, financial items, amortisation, depreciation and impairment. | EBITDA provides an overview of the profit generated in the operations before amortisation, depreciation and impairment, which provides a more comparable performance measure over time. |
| Financial net debt | Net debt excluding current and non-current lease liabilities. | Used to monitor the debt trend and evaluate the level of refinancing requirements. |
| Financial net debt/Adjusted EBITDAaL (multiple) | Financial net debt in relation to 12 months' adjusted EBITDAaL. | This performance measure illustrates the company's capacity to repay its debts. Management uses the performance measure to monitor the level of financial gearing. |
| Investments | Acquisitions of tangible and intangible assets. | This performance measure describes the company's continuous investments in the operations. |
| Adjusted EBITA | EBITA excluding items affecting comparability. | Management has presented the performance measure of adjusted EBITA because it monitors this performance measure and believes that this measure is relevant for understanding the Group's financial results.<br>The measure shows the financial results of the operations without the effect of material cost or income items that impact comparability over time, as described under the heading "Items affecting comparability." |
| Adjusted EBITA margin, % | EBITA excluding items affecting comparability divided by net sales. | This performance measure shows the company's profitability from the operating activities excluding items affecting comparability and amortisation and impairment of intangible assets arising in connection with business combinations, which enables a comparison with the underlying operating profitability. |

| Earnings measures | Definition | Reason why the earnings measure is used |
|---|---|---|
| Adjusted EBITDA | EBITDA excluding items affecting comparability. | This measure indicates the company's underlying profit generated by the operating activities before amortisation, depreciation and impairment excluding items affecting comparability, which provides a more comparable performance measure over time. |
| Adjusted EBITDAaL | Adjusted EBITDA less amortisation, depreciation and interest expenses related to leases under IFRS 16 plus adjusted EBITDAaL for the periods in which acquired companies were not included in the Group's consolidated financial statements for the relevant period. | Adjusted EBITDAaL is used as the denominator in financial net debt/adjusted EBITDAaL for monitoring financial gearing. |
| Comparable growth, % | The change in comparable sales between the current and comparative period in which comparable sales are sales in comparable units and channels, excluding currency translation effects. Comparable units and channels are sales units and channels that were operational for the current and the comparative period. | The measure facilitates a comparison of net sales over time by excluding revenue from sales units and channels that were not operational for corresponding periods, adjusted for currency effects. The measure makes it possible to evaluate sales growth in existing channels. |
| Items affecting comparability | Income and cost items that are presented separately due to their nature and amounts. All items that are included are larger and material in certain periods and smaller or non-existent in other periods. | Items affecting comparability are used by management to explain fluctuations in historical profitability. Presenting and specifying items affecting comparability separately makes it possible for readers of the financial statements to understand and evaluate the adjustments made by management when presenting adjusted EBITA. Taking into account items affecting comparability increases comparability and thus understanding of the Group's financial performance. |
| Net sales growth, % | Net sales for the current period less net sales for the relevant comparative period, in relation to net sales for the relevant comparative period, expressed as a percentage. | The measure makes it possible to analyse the Group's total net sales growth and compare it in relation to the market as a whole and competitors. |
| Net debt | The total of current and non-current interest-bearing liabilities and current and non-current lease liabilities less cash and cash equivalents. | Net debt illustrates the company's total indebtedness. |
| Working capital | Total current assets excluding cash and cash equivalents, less total current liabilities excluding interest-bearing and lease liabilities. | The measure is used to analyse the company's short-term tied-up capital. |
| Operating profit (EBIT) | Operating profit (EBIT) refers to the company's net sales and other operating income less goods for resale, personnel costs, other external expenses, other operating expenses, and depreciation, amortisation and impairment of tangible and intangible assets. | The measure indicates the company's underlying profit generated by the operating activities. |
| Equity/assets ratio, % | Total equity divided by total assets. | This performance measure describes the company's long-term payment capacity. |

## Definitions – Operating performance measures

| Operating performance measures | Definition |
|---|---|
| Number of customer club members | Number of unique individuals who actively choose to be a member of Kjell & Company's customer club. |

# The share

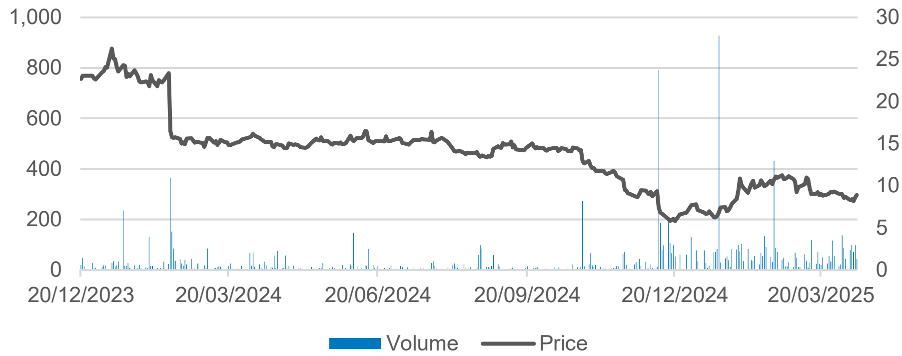
Kjell Group AB's (publ) share is listed on Nasdaq First North Growth Market under the ticker KJELL, with the ISIN SE0016797591. The highest price paid, SEK 34.70, and lowest price paid, SEK 7.00, were quoted on 8 January and 20 December, respectively.

A total of 7,004,377 shares were traded during the period, corresponding to a turnover rate of approximately 22% during the measurement period.

As of 31 December 2023, Kjell Group AB (publ) had approximately 4,000 shareholders, the largest of which were FSN Capital (22.87%), the Eklund family (10.98%), Cervantes Capital (8.20%), Nordea Fonder (5.85%) and AMF Pension & Fonder (5.44%).

The number of shares issued as of 31 December 2023 was 31,151,514, all of which were common shares.

For more information, visit www.kjellgroup.com




| Owner | Country | Amount | Share/vote |
|---|---|---|---|
| FSN Capital | Jersey | 7 123 353 | 22,9% |
| Familjen Eklund | Sweden | 3 420 000 | 11,0% |
| Cervantes Capital | Sweden | 2 555 828 | 8,2% |
| Nordea Fonder | Finland | 1 820 891 | 5,9% |
| AMF Pension & Fonder | Denmark | 1 693 560 | 5,4% |
| Håkan Roos (RoosGruppen) | USA | 909 090 | 2,9% |
| LMK-bolagen & Stiftelse | Sweden | 894 000 | 2,9% |
| Fredrik Dahnelius | Sweden | 709 990 | 2,3% |
| Mariatorp Oy | Finland | 700 000 | 2,2% |
| Wipunen varainhallinta Oy | Finland | 700 000 | 2,2% |

# Annual General Meeting

The Annual General Meeting of Kjell Group AB (publ) will be held on Wednesday, 21 May 2025 at 10:00 a.m. at Lokgatan 10, Malmö. Shareholders may choose to exercise their voting rights in person at the meeting or by proxy. The notice of the Annual General Meeting and agenda are available on www.kjellgroup.com.

### Right to participate in the Annual General Meeting

Shareholders who wish to exercise their voting rights at the Annual General Meeting must:

- be included in the share register maintained by Euroclear Sweden AB ("Euroclear") as of Tuesday, 13 May 2025 (the "Record Date"), and
- notify the company of their intention to attend the Annual General Meeting in accordance with the instructions set out in the section "Notification of attendance in person or by proxy" no later than Thursday, 15 May 2025.

### Nominee-registered shares

In order to be entitled to participate in the meeting, shareholders whose shares are registered in the name of a nominee must, in addition to giving notice of their participation in the Annual General Meeting, register their shares in their own name so that the shareholder is listed in the preparation of the share register as of the Record Date on Tuesday, 13 May 2025. Re-registration may be temporary (so-called voting rights registration), and requests for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such time in advance as decided by the nominee. Voting right registration that has been made by the nominee no later than Thursday, 15 May 2025 will be taken into account in the preparation of the share register.

### Notification of participation

Notification of participation at the Annual General Meeting is to be made in writing to Kjell Group AB (publ), c/o Advokatfirman Lindahl KB, Pråmplatsen 4, 211 19 Malmö, Sweden or by email to kjellgroup@lindahl.se.

The notification must state the shareholder's name or company name, personal or corporate identity number (or equivalent), address, telephone number, shareholding, information about any assistants (no more than two) and, where applicable, information about proxies.

Shareholders represented by proxy shall issue a dated power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document ("certificate") for the legal entity shall be appended to the notification of attendance. The power of attorney and certificate may not be more than one year old. However, the validity of the power of attorney may be a maximum of five years from the date of issue, if specifically stated. The original power of attorney and, where applicable, the certificate should be sent by post to the Company at the address stated above well in advance of the Annual General Meeting. Power of attorney forms are available on the Company's website at www.kjellgroup.com, and will be sent to shareholders who so request and inform the Company of their address.

### Personal data

Personal data obtained from the share register, notices of attendance at the Annual General Meeting and information on proxies will be used for registration, preparation of the voting list for the Annual General Meeting and, where applicable, the minutes of the Annual General Meeting.

For information about how your personal data is processed, please refer to the Privacy Policy available on Euroclear's website: https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf, and on Kjell Group's website: https://www.kjellgroup.com/integritetspolicy

Kjell Group, which offers one of the market's most comprehensive product ranges in electronic accessories, including advisory services and installation. The business is conducted online in Sweden, Norway and Denmark and via 145 service points, of which 114 in Sweden and 31 in Norway. Headquartered in Malmö, the Group generated SEK 2.6 billion in revenue in 2024.

With Kjell & Company's customer club, which boasts over three million members, and its wholly owned Danish subsidiary AV-Cables, the Group has a unique understanding of people's technology needs. Approximately 1,350 employees work every day to improve lives through technology.

Kjell & Company

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