



# Interim report Q2

1 JANUARY–30 JUNE 2024

## Second quarter

- Net sales increased 4.5% to MSEK 594.4 (568.5)
- Comparable growth amounted to 3.7% (-9.0)
- Gross profit declined 0.7% to MSEK 242.2 (243.9) and the gross margin decreased to 40.8% (42.9)
- Adjusted EBITA totalled MSEK 0.3 (-2.3) and the adjusted EBITA margin was 0.1% (-0.4)
- The company's operating loss amounted to MSEK -8.7 (-7.0) and the operating margin to -1.5% (-1.2)
- The net loss for the quarter was MSEK -18.4 (-17.9)
- Cash flow from operating activities totalled MSEK 13.0 (-9.1)
- Earnings per share before and after dilution amounted to SEK -0.59 (-0.57)

## 1 January–30 June (the period)

- Net sales increased 3.4% to MSEK 1,185.8 (1,146.7).
- Comparable growth amounted to 3.1% (-8.6)
- Gross profit declined 1.1% to MSEK 490.0 (495.4) and the gross margin decreased to 41.3% (43.2)
- Adjusted EBITA totalled MSEK -5.3 (8.8) and the adjusted EBITA margin was -0.4% (0.8)
- The company's operating loss amounted to MSEK -21.3 (-0.6) and the operating margin to -1.8% (0.0)
- The net loss for the period amounted to MSEK -40.1 (-25.4)
- Cash flow from operating activities totalled MSEK 8.1 (-28.8)
- Earnings per share before and after dilution amounted to SEK -1.29 (-0.81)

## Significant events during and after the end of the quarter

- Thomas Pehrsson took up his position as CFO on 15 April, replacing Anders Hofvander who had served as interim CFO following the departure of the Group's former CFO.
- During the quarter, two new service points were established, one in Sweden and one in Norway.
- During the quarter, Kjell & Company began a collaboration with the electronic repair company Mentech to offer flexible electronic repairs for private individuals and companies at all service points.

## Performance measures

MSEK	Q2		Jan-Jun		Jul-Jun	Jan-Dec
	2024	2023	2024	2023	23/24	2023
Net Sales	594.4	568.5	1,185.8	1,146.7	2,598.4	2,559.4
Sales growth, %	4.5%	-7.4%	3.4%	-6.7%	2.9%	-1.9%
Comparable growth, %	3.7%	-9.0%	3.1%	-8.6%	-	-3.2%
Gross profit	242.4	243.9	490.0	495.4	1,073.2	1,078.6
Gross margin, %	40.8%	42.9%	41.3%	43.2%	41.3%	42.1%
Adjusted EBITA	0.3	-2.3	-5.3	8.8	66.1	80.1
Adjusted EBITA-margin, %	0.1%	-0.4%	-0.4%	0.8%	2.5%	3.1%
Operating profit (EBIT)	-8.7	-7.0	-21.3	-0.6	38.8	59.6
Cash flow from operating activities	13.0	-9.1	8.1	-28.8	296.6	259.7
Equity ratio	41.2%	42.1%	41.2%	42.1%	-	41.8%
Basic earnings (loss) per share, SEK	-0.59	-0.57	-1.290	-0.810	-	0.40
Members in loyalty club, thousand	3,294	3,127	3,294	3,127	-	3,254

# Positive earnings and growth for second quarter of the year

We are pleased to present positive earnings for the Group and increased sales for all segments during the second quarter of the year. Sales increased 4.5% to MSEK 594.4 (568.5) in the quarter. This strong performance is particularly impressive in what is historically the toughest quarter of the year, both for the Group and for the industry as a whole.

Sales of external brands increased more than own brands during the quarter, which is the reason for the weaker gross margin. We are continually working with our customer offering to strengthen our margins in both the medium and the long term through a more balanced product mix.

Our efficiency programme is continuing to have positive effects, and operational efforts to improve our purchasing, logistics, store operations and central functions are ongoing. These efforts also contributed to a year-on-year decline in net debt.

## **Growth in all markets**

Sales in Norway increased 17.3% during the quarter, which demonstrates that our brand initiatives over the past year are having the desired effect. In segment Denmark, sales increased 3.5%. While the establishment of global companies in Denmark has increased our costs for attracting customer traffic in the past six months, which has negatively impacted growth and profitability, we saw positive signs on this front in the latter half of the quarter. In Sweden, a gradually improving market climate resulted in a sales increase of 2.3%.

## **New investments increasing customer satisfaction**

We can see that a relevant offering and good service are still very much in demand among customers. We are now expanding our service offering and providing efficient electronic repairs for private individuals and companies, together with the electronic repair company Mentech.

We also launched a new initiative in charging products for mobiles and computers during the quarter to boost our offering and consolidate our market-leading position in the category – an initiative that has received a very warm reception from consumers. We will continue to adapt our offering during the year to become even more relevant for our customers.



We are continuously monitoring customer behaviour and what customers think about our products, and it was gratifying to achieve a new record in customer satisfaction in the second quarter.

## **Well positioned for a new wave of technologies**

The latest technological innovations are now firmly becoming a part of people's everyday lives. We are seeing a sharp decline in prices for 5G equipment and thus clear growth in the category, with a particular increase in volumes of 5G routers as a result. At the same time, the assumption is that new AI-compatible computers with demanding processors and operating systems will result in a wave of computer upgrades, which will significantly boost accessory sales. We command an excellent position in the market in an exciting time for consumer electronics and retail as a whole.

We have implemented a number of improvements recently, both in terms of our customer relevance and to our internal processes. Our entrepreneurial spirit has made us a better company, and with positive earnings and growth in the second quarter, we are hopeful for a strong remainder of 2024.

Malmö,  
24 July 2024  
**Andreas Rylander**  
President and CEO

# Summary of the Group's financial performance

## Net sales

Net sales increased 4.5% to MSEK 594.4 (568.5) in the quarter and 3.4% to MSEK 1,185.8 (1,146.7) in the period. Comparable growth amounted to 3.7% (-9.0) in the quarter and 3.1% (-8.6) in the period.

Segment Sweden increased 2.3% to MSEK 421.3 (411.8). Sales increased 3.0% to MSEK 844.6 (819.8) in the period. Norway increased a full 17.3% in the quarter to MSEK 92.4 (78.7). Sales increased 9.1% to MSEK 178.4 (163.4) in the period. Net sales for segment Denmark increased 3.5% to MSEK 80.7 (78.0) in the quarter. Sales declined 0.4% to MSEK 162.9 (163.5) in the period.

The growth in Sweden and Norway during the quarter and the period was mainly attributable to higher sales per purchase. The performance of our online operations in Denmark during the quarter and the period was attributable to more purchases. Online sales accounted for 28% (29) of sales for the rolling 12-month period, and Click&Collect for an additional 8% (8) of sales.

## Operating expenses

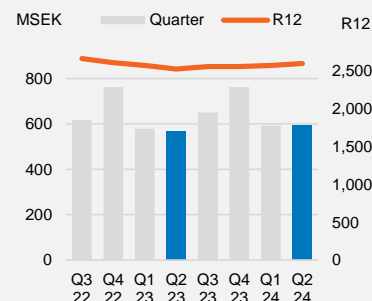
Operating expenses increased 4.5% to MSEK 607.4 (581.2) in the quarter and 4.9% to MSEK 1,211.8 (1,155.0) in the period.

Costs of goods for resale increased 8.5% to MSEK 352.0 (324.6) in the quarter and to MSEK 695.8 (651.3) in the period. Gross profit amounted to MSEK 242.4 (243.9) for the quarter, down 0.7%, and to MSEK 490.0 (495.4) for the period, down 1.1%. The gross margin amounted to 40.8% (42.9) for the quarter and 41.3% (43.2) for the period. The gross margin declined in the quarter and in the period as a result of a higher share of sales of external brands in relation to own brands.

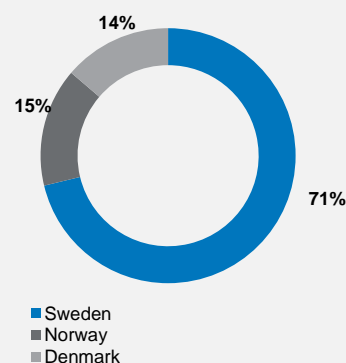
Personnel costs amounted to MSEK 130.5 (128.1) for the quarter and to MSEK 260.9 (253.6) for the period, an increase of 1.9% and 2.9%, respectively. Efforts to increase the efficiency of our store network and cost-saving measures in central functions are continuing and developed positively in the quarter. This was offset by an increased cost base during the year, primarily related to general wage indexation in all markets and raised employer contributions for young people in Sweden. Items affecting comparability of MSEK 4.3 (-) were included in the quarter and MSEK 6.7 (-) in the period pertaining to restructuring costs.

Other external expenses amounted to MSEK 76.4 (76.9) for the quarter and to MSEK 152.8 (149.0) for the period, a decrease of 0.7% and an increase of 2.6%, respectively. The cost decrease in the quarter was a result of the comprehensive market initiatives carried out in our growth markets in the preceding year, which were replaced by more cost-efficient alternatives this year. This cost reduction was partly offset by inflation and increased costs for temporary resources. The cost increase in the period was mainly related to inflation, temporary resources and costs attributable to long-term sustainability efforts.

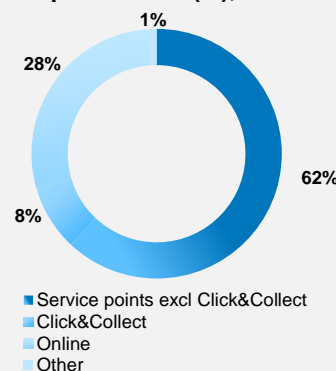
**Net sales (MSEK)**



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



**Sales<sup>1</sup> per channel (%), R12**



<sup>1</sup>Sales before deduction for customer loyalty bonuses

Other operating expenses amounted to MSEK 0.0 (4.8) for the quarter and MSEK 5.4 (7.7) for the period and consisted of currency losses. Other operating income amounted to MSEK 4.3 (5.6) for the quarter and MSEK 4.7 (7.7) for the period and consisted of currency gains and moving compensation related to the relocation of service points. Operating income for the preceding year was primarily attributable to moving compensation in conjunction with the relocation of service points and investment contributions for the new establishment of service points. Total currency effects amounted to a net gain of MSEK 2.2 in the quarter and a net loss of MSEK 3.1 for the period, compared with a loss of MSEK 4.6 in the comparative quarter and MSEK 7.7 in the comparative period.

Total depreciation and amortisation amounted to MSEK 48.5 (46.8) for the quarter and to MSEK 96.9 (93.4) for the period, of which MSEK 4.7 (4.7) in the quarter and MSEK 9.4 (9.4) 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 33.5 (31.7) for the quarter and to MSEK 66.8 (63.3) for the period.

## Adjusted EBITA

The Group's adjusted EBITA improved to MSEK 0.3 (-2.3) for the quarter and to MSEK -5.3 (8.8) for the period.

## Operating profit

The Group posted an operating loss (EBIT) of MSEK -8.7 (-7.0) for the quarter and MSEK -21.3 (-0.5) for the period, corresponding to an operating margin of -1.5% (-1.2) for the quarter and -1.8% (0.0) for the period.

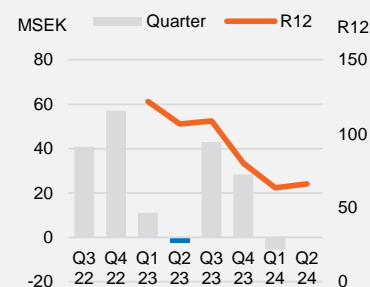
## Net financial items

The Group's net financial items amounted to MSEK -11.1 (-10.1) for the quarter and to MSEK -19.5 (-19.2) for the period. Net financial items include interest expenses pertaining to lease liabilities in an amount of MSEK 2.6 (2.3) for the quarter and MSEK 5.1 (4.5) for the period.

## Net loss for the period

Earnings amounted to MSEK -18.4 (-17.9) for the quarter and to MSEK -40.1 (-25.4) for the period.

### Adjusted EBITA (MSEK)



### Adjusted EBITA margin

Period: -0.9% (1.9)

## Cash flow and financial position

The company's natural seasonal variation in working capital requirements during the year entails that the company traditionally has a negative cash flow during the first half of the year, which was also the case this year.

The Group's cash flow from operating activities totalled MSEK 13.0 (-9.1) for the quarter and MSEK 8.1 (-28.8) for the period. Changes in cash flow from operating activities in the quarter and in the period were mainly due to increases in inventories and accounts payable. Inventories have increased from low levels, both from the start of the quarter and from the start of the year, partly as a result of higher sales. Core working capital was lower at the end of the quarter, in absolute terms and as a share of net sales, compared with the preceding year.

Cash flow from investing activities amounted to MSEK -5.9 (-6.6) for the quarter and to MSEK -9.6 (-15.4) for the period.

Cash flow from financing activities amounted to MSEK -33.5 (-1.8) for the quarter and MSEK -72.5 (-43.6) for the period. Cash flow for the quarter and for the period this year comprised the repayment of lease liabilities and bank financing according to plan.

The Group's cash and cash equivalents amounted to MSEK 124.5 at the end of the reporting period, compared with MSEK 196.3 at the beginning of the year.

The Group's financial net debt amounted to MSEK 380.1 (518.8) at the end of the quarter, 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 3.9 (3.7).

The Group's equity amounted to MSEK 981.5 at the end of the reporting period, compared with MSEK 1,009.2 at the beginning of the year.

## Significant events during and after the second quarter of 2024

- Thomas Pehrsson took up his position as CFO on 15 April, replacing Anders Hofvander who had served as interim CFO following the departure of the Group's former CFO.
- During the quarter, two new service points were established, one in Sweden and one in Norway.
- During the quarter, Kjell & Company began a collaboration with the electronic repair company Mentech to offer flexible electronic repairs for private individuals and companies at all service points.

## Financial targets

The Group has the following financial targets:

### NET SALES

Net sales to reach at least SEK 4 billion by the 2025 financial year.

### PROFITABILITY

Adjusted EBITA margin of 8% in the medium term.

### CAPITAL STRUCTURE

Financial net debt in relation to adjusted EBITDAaL (rolling 12 months) should be below 2.5x.

### DIVIDEND POLICY

To pay a dividend of at least 60% of net profit, considering the Group's financial position, acquisition opportunities and future growth prospects.

## 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 8.1 (5.3) for the quarter and MSEK 15.0 (12.2) for the period, and pertained entirely to intra-Group invoicing. Operating expenses amounted to MSEK 9.3 (6.5) for the quarter and MSEK 17.9 (14.4) for the period, and consisted of personnel costs of MSEK 7.5 (5.3) in the quarter and MSEK 14.7 (12.0) in the period. The management team has increased in number compared with the year-earlier quarter and period. Other external expenses comprised other operating expenses of MSEK 1.8 (1.2) for the quarter and MSEK 3.1 (2.4) for the period as well as depreciation and amortisation. The quarter and the period were charged with interest expenses of MSEK 9.0 (6.8) and MSEK 15.7 (12.2), respectively, for the Group's credit facility as a result of increased interest-rate levels for financing given the prevailing market conditions. A loss after financial items of MSEK -9.0 (-7.6) was reported for the quarter and MSEK -15.6 (-14.1) for the period.

Financial non-current assets amounted to MSEK 1,616 (1,611). Short-term receivables amounted to MSEK 167.3 (166.0), which largely consisted of inter-company transactions due to the cash pool.

Equity has declined during the year as a result of the net loss for the period. Long-term interest-bearing liabilities were in line with the preceding quarter. Other operating liabilities primarily related to inter-company transactions.

## Kjell Group AB's Annual General Meeting

Kjell Group AB's 2024 Annual General Meeting (AGM) was held on 15 May in Malmö. The Board proposed to the Meeting that profit for the 2023 financial year be carried forward and that no dividend be distributed for 2023. The Annual General Meeting resolved to discharge the Board members and the CEO from liability for the 2023 financial year and re-elected all Board members as well as electing Jan Friedman as a new member of the Board. Jan Friedman was elected as the new Chairperson of the Board and Ingrid Jonasson Blank was elected as deputy Chairperson of the Board. Audit firm KPMG was re-elected as the company's auditor and the proposed long-term incentive programme (Performance Share Programme 2024) was adopted. The Board was also authorised to resolve on a new share issue on one or more occasions before the next Annual General Meeting. More information about Kjell Group AB's AGM is available at [www.kjellgroup.com](http://www.kjellgroup.com)

## 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 and lowest share prices during the quarter were SEK 22.60 and SEK 17.20 on 5 June and 25 April, respectively.

A total of 879,316 shares were traded during the quarter, corresponding to a turnover rate of 2.8% during the measurement period.

As of 30 June 2024, Kjell Group AB (publ) had approximately 4,100 shareholders, the largest of which were FSN Capital (22.87%), Fosielund Holding (10.98%), Cervantes Capital (6.95%), AMF Pension & Fonder (6.14%) and Nordea Fonder (5.52%).

The number of shares issued as of 30 June 2024 was 31,151,514, all of which were common shares.

For more information, visit [www.kjellgroup.com](http://www.kjellgroup.com)

## Condensed consolidated statement of profit or loss

TSEK	Note	Q2		Jan-Jun		Jan-Dec
		2024	2023	2024	2023	2023
<b>Operating income</b>						
Net sales	4	594,406	568,540	1,185,789	1,146,742	2,559,368
Other operating income		4,281	5,637	4,671	7,720	14,931
		<b>598,687</b>	<b>574,177</b>	<b>1,190,460</b>	<b>1,154,462</b>	<b>2,574,299</b>
<b>Operating expenses</b>						
Goods for resale		-352,046	-324,593	-695,818	-651,328	-1,480,729
Personnel costs		-130,458	-128,082	-260,886	-253,572	-516,386
Other external expenses		-76,374	-76,909	-152,802	-148,999	-319,004
Other operating expenses		0	-4,823	-5,373	-7,694	-5,136
Depreciation/amortisation of tangible and intangible assets		-48,521	-46,814	-96,924	-93,418	-193,415
<b>Operating profit</b>		<b>-8,712</b>	<b>-7,044</b>	<b>-21,343</b>	<b>-549</b>	<b>59,629</b>
<b>Financial items</b>						
Financial income		-1,495	19	1,253	153	1,965
Financial expenses		-9,592	-10,084	-20,707	-19,394	-43,464
<b>Net financial items</b>		<b>-11,087</b>	<b>-10,065</b>	<b>-19,454</b>	<b>-19,241</b>	<b>-41,499</b>
<b>Profit (loss) before tax</b>		<b>-19,799</b>	<b>-17,109</b>	<b>-40,797</b>	<b>-19,790</b>	<b>18,130</b>
Income tax		1,382	-778	721	-5,560	-5,726
<b>Net profit (loss) for the period</b>		<b>-18,417</b>	<b>-17,887</b>	<b>-40,076</b>	<b>-25,350</b>	<b>12,404</b>
<b>Net profit (loss) for the period attributable to:</b>						
Parent Company's shareholders		-18,417	-17,887	-40,076	-25,350	12,404
<b>Net profit (loss) for the period</b>		<b>-18,417</b>	<b>-17,887</b>	<b>-40,076</b>	<b>-25,350</b>	<b>12,404</b>
<b>Earnings (loss) per share</b>						
Basic earnings (loss) per share, SEK	5	-0.59	-0.57	-1.29	-0.81	0.40
Diluted earnings (loss) per share, SEK	5	-0.59	-0.57	-1.29	-0.81	0.40

## Condensed consolidated statement of profit or loss and other comprehensive income

TSEK	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<b>Net profit (loss) for the period</b>	<b>-18,417</b>	<b>-17,887</b>	<b>-40,076</b>	<b>-25,350</b>	<b>12,404</b>
<b>Other comprehensive income</b>					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Exchange differences of foreign operations	-6,410	22,968	10,018	22,594	-5,315
<b>Other comprehensive income for the period</b>	<b>-6,410</b>	<b>22,968</b>	<b>10,018</b>	<b>22,594</b>	<b>-5,315</b>
<b>Total comprehensive income for the period</b>	<b>-24,827</b>	<b>5,081</b>	<b>-30,058</b>	<b>-2,756</b>	<b>7,089</b>
<b>Comprehensive income for the period attributable to:</b>					
Parent Company's shareholders	-24,827	5,081	-30,058	-2,756	7,089
<b>Total comprehensive income for the period</b>	<b>-24,827</b>	<b>5,081</b>	<b>-30,058</b>	<b>-2,756</b>	<b>7,089</b>



## Condensed consolidated statement of financial position

TSEK	Note	30 Jun		31 Dec
		2024	2023	2023
<b>Assets</b>				
Intangible assets		1,343,090	1,382,603	1,346,967
Tangible assets		79,519	97,089	86,108
Right-of-use assets		241,797	266,115	258,856
Deferred tax assets		527	175	255
<b>Total non-current assets</b>		<b>1,664,933</b>	<b>1,745,982</b>	<b>1,692,186</b>
Inventory		492,155	507,456	437,410
Tax assets		27,767	24,380	17,542
Accounts receivable		30,111	29,849	23,882
Prepaid expenses and accrued income		39,406	26,073	48,826
Other receivables		606	2,800	955
Cash and cash equivalents		124,543	30,568	196,275
<b>Total current assets</b>		<b>714,588</b>	<b>621,126</b>	<b>724,890</b>
<b>Total assets</b>		<b>2,379,521</b>	<b>2,367,108</b>	<b>2,417,076</b>
<b>Equity</b>				
Share capital		515	515	515
Other contributed capital		461,843	457,607	459,439
Reserves		46,383	64,274	36,365
Retained earnings including net profit (loss) for the period		472,797	475,120	512,874
<b>Equity attributable to Parent Company's shareholders</b>		<b>981,538</b>	<b>997,516</b>	<b>1,009,193</b>
<b>Total equity</b>		<b>981,538</b>	<b>997,516</b>	<b>1,009,193</b>
<b>Liabilities</b>				
Non-current interest-bearing liabilities	6	487,182	500,419	493,503
Non-current lease liabilities		119,829	142,888	132,493
Deferred tax liabilities		121,176	128,742	122,252
<b>Total non-current liabilities</b>		<b>728,187</b>	<b>772,049</b>	<b>748,248</b>
Current interest-bearing liabilities	6	17,466	48,993	15,358
Current lease liabilities		104,423	106,049	107,518
Accounts payable		353,898	245,519	337,782
Tax liabilities		6,367	13,812	7,692
Other liabilities	6	52,649	55,080	77,209
Accrued expenses and deferred income		127,615	120,804	106,851
Provisions		7,378	7,286	7,225
<b>Total current liabilities</b>		<b>669,796</b>	<b>597,543</b>	<b>659,635</b>
<b>Total liabilities</b>		<b>1,397,983</b>	<b>1,369,592</b>	<b>1,407,883</b>
<b>Total equity and liabilities</b>		<b>2,379,521</b>	<b>2,367,108</b>	<b>2,417,076</b>

# Condensed consolidated statement of changes in equity

TSEK	Equity attributable to Parent Company's shareholders					Retained earnings incl. net profit (loss) for the period	Total equity
	Share capital	Other contributed capital	Translation reserve	Hedge reserve			
Balance at 1 Jan 2024	515	459,439	36,365	-	512,874	1,009,193	
<b>Transactions with owners of the company</b>							
Incentive programme		2,404				2,404	
Adjustment							
<b>Comprehensive income for the period</b>							
Net profit (loss) for the period	-	-	-	-	-40,076	-40,076	
Other comprehensive income for the period	-	-	10,018	-	-	10,018	
<b>Total comprehensive income for the period</b>	-	-	<b>10,018</b>	-	<b>-40,076</b>	<b>-30,058</b>	
<b>Closing balance 30 Jun 2024</b>	<b>515</b>	<b>461,843</b>	<b>46,383</b>	-	<b>472,797</b>	<b>981,538</b>	
Balance at 1 Jan 2023	515	456,111	41,680	-	500,470	998,776	
<b>Transactions with owners of the company</b>							
Incentive programme	-	1,496	-	-	-	1,496	
<b>Comprehensive income for the period</b>							
Net profit (loss) for the period	-	-	-	-	-25,350	-25,350	
Other comprehensive income for the period	-	-	22,594	-	-	22,594	
<b>Total comprehensive income for the period</b>	-	-	<b>22,594</b>	-	<b>-25,350</b>	<b>-2,756</b>	
<b>Closing balance</b>	<b>515</b>	<b>457,607</b>	<b>64,274</b>	<b>0</b>	<b>475,120</b>	<b>997,516</b>	

## Condensed consolidated statement of cash flows

TSEK	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<b>Cash flow from operating activities</b>					
Profit (loss) before tax	-19,799	-17,109	-40,797	-19,790	18,130
Adjustments for non-cash items	46,913	47,478	103,277	88,878	190,022
Income tax paid	-4,341	-2,996	-12,642	-10,258	-14,540
	<b>22,773</b>	<b>27,373</b>	<b>49,838</b>	<b>58,830</b>	<b>193,612</b>
Increase (-)/decrease (+) in inventories	-27,313	16,245	-53,306	-21,252	47,355
Increase (-)/decrease (+) in operating receivables	-5,225	-1,431	3,752	5,864	-6,324
Increase (+)/decrease (-) in operating liabilities	22,796	-51,249	7,770	-72,261	25,065
<b>Cash flow from operating activities</b>	<b>13,031</b>	<b>-9,062</b>	<b>8,054</b>	<b>-28,819</b>	<b>259,708</b>
<b>Investing activities</b>					
Acquisition of tangible assets	-2,746	-4,003	-3,758	-8,802	-12,899
Acquisition of intangible assets	-3,118	-2,573	-5,864	-6,558	-11,197
<b>Cash flow from investing activities</b>	<b>-5,864</b>	<b>-6,576</b>	<b>-9,622</b>	<b>-15,360</b>	<b>-24,096</b>
Proceeds of loans	410	33,326	410	33,326	33,326
Repayment of loans	-205	-2,351	-4,600	-6,951	-48,012
Repayment of lease liabilities	-33,713	-32,806	-68,311	-69,946	-140,468
<b>Cash flow from financing activities</b>	<b>-33,508</b>	<b>-1,831</b>	<b>-72,501</b>	<b>-43,571</b>	<b>-155,154</b>
<b>Cash flow for the period</b>	<b>-26,341</b>	<b>-17,469</b>	<b>-74,069</b>	<b>-87,750</b>	<b>80,458</b>
Cash and cash equivalents at the beginning of the period	151,206	47,244	196,275	117,619	117,619
Exchange rate differences in cash and cash equivalents	-322	793	2,337	699	-1,802
<b>Cash and cash equivalents at the end of the period</b>	<b>124,543</b>	<b>30,568</b>	<b>124,543</b>	<b>30,568</b>	<b>196,275</b>

# Condensed notes to the financial statements

## Note 1 General information

Kjell Group AB (publ) (the “company”), Corp. Reg. No. 559115-8448, is a company with its registered offices in Malmö, Sweden. This consolidated interim report for the Group (the “Interim Report”) for the period January–June 2024 encompasses the Company and its subsidiaries, referred to jointly below as the “Group”. The Group’s consolidated accounting currency is SEK. All of the amounts are presented in thousands of SEK (TSEK), unless otherwise stated.

## Note 2 Accounting policies

This interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the applicable provisions in the Swedish Annual Accounts Act, and should be read together with the Group’s annual report for 2023. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, *Interim Report*. This interim report does not contain all the information required for comprehensive reporting in accordance with IFRS. However, explanatory notes have been included to explain events and transactions that are material for understanding the changes in the Group’s financial position and performance. The accounting policies applied in this interim report are the same as those applied in the annual reports for 2023 for both the Group and the Parent Company. The Group did not apply any new IFRS or new interpretations published by the IFRS Interpretations Committee in advance. Issued standards and interpretations that have not yet come into effect are not expected to have any material impact on the Group.

## Note 3 Important estimates and judgements

The management of the Group makes estimates and assumptions about the future, and makes judgements on which accounting policies should be applied to the preparation of the financial statements. Estimates and judgements are reviewed continuously and assumptions are based on historical experience and other factors, including expectations of future events considered reasonable under the prevailing circumstances. The resulting accounting estimates will, by definition, seldom correspond to the actual results. The material estimates made by management when applying the Group’s accounting policies and the most important sources of uncertainty in the estimates are the same as those described in Note 32 of the Group’s annual report for 2023.

## Note 4 Revenue and 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. For Kjell Group, this means that 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 in Sweden and Norway and online-generated sales in all countries. Segment Denmark includes Danish online sales in Sweden. Segment Sweden includes costs for Group-wide functions, including the purchasing organisation in Shanghai, since this reflects how the segments are monitored internally by the Group. All revenue for the segments is from sales to external customers. The same accounting policies are applied to the segments as for the Group. The performance measure recognised for the segments is “Adjusted EBITA.” Information about each reportable segment is provided below.

Apr-Jun TSEK	Sweden		Norway		Denmark		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Net sales	421,309	411,774	92,364	78,728	80,733	78,038	594,406	568,540
Depreciation excl.amortisation on intangible assets related to business combinations	33,807	34,446	9,521	7,089	461	547	43,789	42,082
<b>Adjusted EBITA</b>	<b>-2,394</b>	<b>-2,784</b>	<b>2,238</b>	<b>-3,111</b>	<b>460</b>	<b>3,582</b>	<b>304</b>	<b>-2,313</b>
Amortisation on intangible assets related to business combinations							-4,733	-4,731
Items affecting comparability							-4,283	-
<b>Operating profit</b>							<b>-8,712</b>	<b>-7,044</b>
Net financial items							-11,087	-10,065
<b>Profit (loss) before tax</b>							<b>-19,799</b>	<b>-17,109</b>

Jan-Jun TSEK	Sweden		Norway		Denmark		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Net sales	844,587	819,774	178,345	163,430	162,857	163,538	1,185,789	1,146,742
Depreciation excl.amortisation on intangible assets related to business combinations	68,182	68,715	18,453	14,504	914	839	87,549	84,058
<b>Adjusted EBITA</b>	<b>-14,308</b>	<b>-2,310</b>	<b>1,664</b>	<b>-4,990</b>	<b>7,384</b>	<b>16,110</b>	<b>-5,260</b>	<b>8,810</b>
Amortisation on intangible assets related to business combinations							-9,375	-9,359
Items affecting comparability							-6,708	-
<b>Operating profit</b>							<b>-21,343</b>	<b>-549</b>
Net financial items							-19,454	-19,241
<b>Profit (loss) before tax</b>							<b>-40,797</b>	<b>-19,790</b>

## Note 5 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.

## Note 6 Fair value of financial instruments

The fair value of the liabilities in the Group's credit facility is estimated at TSEK 503,896 (552,074), compared with the carrying amount of TSEK 506,558 (549,412). 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 of the bank facilities is thus primarily attributable to the carrying amount of the loan including transaction costs that remain to be amortised as part of the effective interest rate.

The fair value belongs to Level 2 of the fair value hierarchy. The carrying amounts of all other financial liabilities and financial assets are considered to be a reasonable estimate of their fair values.

## Note 7 Seasonal variations

The Group's operations are impacted by the effect of seasonal variations on demand and the Group's revenue also displays seasonal variations, with higher sales figures normally reported in the fourth quarter of the financial year compared with other quarters.

## Note 8 Risks and uncertainties

The development of the Group is increasingly being impacted by consumer behaviour in the markets where we operate. To ensure that we maintain a continually attractive offering to our customers and thereby ensure the company's competitiveness, the development of the business environment must be understood and monitored. The Group works continuously to identify, measure and manage risks that may arise in the business environment, the industry and the company. The aim is to avoid and minimise the impact of risk-related occurrences.

The Group carries out continuous efforts to assess its risk situation by systematically identifying strategic, operating and financial risks. The risks are identified, assessed and managed based on priority, which highlights the greatest negative impacts on the operations. The risk assessment then forms part of the strategic and operational management of the Group.

From both a short- and a long-term perspective, strategic risks mainly include risks associated with changes in the operating environment and increased competition, technology shifts and customer purchasing behaviour, market position, assortment and offering, and growth. Operating risks mainly comprise risks associated with purchasing, inventories, sustainability, IT systems, logistics and transportation, employees, leases, waste and regulatory risks. Financial risks comprise risks associated with currency exposure, interest-rate exposure and undercapitalisation.

The Group's Board of Directors and management have reviewed the development of these material risks and uncertainties since the publication of the annual report for 2023. At the time of publication of this interim report, the business environment continues to be characterised by geopolitical turbulence. The Group has no direct exposure to these markets. However, evaluations are continually being made of the potential negative impact on demand for the Group's products due to declining consumer confidence stemming from indirect effects such as higher energy prices, rising interest rates and increased inflation.

## Note 9 Other disclosures

### *Incentive programmes*

The AGM on 15 May 2024 introduced a long-term incentive programme (2024) 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. 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 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 for the company's share during the vesting period of about three years, known as a "TSR criterion."

Full allotment will result in a dilution of approximately 1.30% of the total number of shares outstanding. The costs for the long-term incentive programme are estimated at approximately MSEK 3.8 excluding social security contributions of about MSEK 1.7.

The long-term incentive programme is recognised in accordance with IFRS 2 *Share-based Payment*. Accordingly, the cost for the programme is recognised over the vesting period of approximately three years. For more information about the performance share savings programme 2024, refer to the minutes of the AGM at [www.kjellgroup.com](http://www.kjellgroup.com).

Kjell Group has three previously adopted performance share programmes (2023, 2022 and 2021) currently in effect. The total IFRS 2 cost for Kjell Group's performance share savings programme is reported under Equity.

## Note 10 Significant events after the reporting date

No significant events took place after the end of the period.

## Condensed Parent Company income statement

TSEK	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<b>Net sales</b>					
Net sales	8,075	5,313	15,029	12,152	23,851
	<b>8,075</b>	<b>5,313</b>	<b>15,029</b>	<b>12,152</b>	<b>23,851</b>
<b>Operating expenses</b>					
Other external expenses	-1,835	-1,243	-3,109	-2,423	-5,112
Personnel costs	-7,477	-5,284	-14,742	-11,983	-26,097
Depreciation of tangible assets	-6	-4	-10	-7	-13
<b>Operating profit</b>	<b>-1,243</b>	<b>-1,218</b>	<b>-2,832</b>	<b>-2,261</b>	<b>-7,371</b>
<b>Financial items</b>					
Financial income	1,331	354	2,986	384	994
Financial expenses	-9,044	-6,779	-15,710	-12,239	-29,101
<b>Profit (loss) after financial items</b>	<b>-8,956</b>	<b>-7,643</b>	<b>-15,556</b>	<b>-14,116</b>	<b>-35,478</b>
Appropriations	-	-	-	-	25,300
<b>Profit (loss) before tax</b>	<b>-8,956</b>	<b>-7,643</b>	<b>-15,556</b>	<b>-14,116</b>	<b>-10,178</b>
Income tax	-143	-	-143	-	1,686
<b>Profit (loss) for the period</b>	<b>-9,099</b>	<b>-7,643</b>	<b>-15,699</b>	<b>-14,116</b>	<b>-8,492</b>

## Condensed Parent Company balance sheet

TSEK	Not	30 Jun		31 Dec
		2024	2023	2023
<b>Assets</b>				
<b>Non-current assets</b>				
<b>Tangible assets</b>				
Machinery and equipment		39	25	19
<b>Total Tangible assets</b>		<b>39</b>	<b>25</b>	<b>19</b>
<b>Financial non-current assets</b>				
Participation in group companies		1,611,028	1,610,479	1,610,967
Deferred tax assets		4,784	422	4,784
<b>Total financial non-current assets</b>		<b>1,615,812</b>	<b>1,610,901</b>	<b>1,615,751</b>
<b>Total non-current assets</b>		<b>1,615,851</b>	<b>1,610,926</b>	<b>1,615,770</b>
<b>Current assets</b>				
Account receivables		-	-	8
Current receivables from group companies		154,701	153,390	29,046
Prepaid expenses and accrued income		2,363	2,136	1,607
Other receivables		-	199	1
Tax receivables		10,233	10,234	6,622
<b>Total current receivables</b>		<b>167,297</b>	<b>165,959</b>	<b>37,284</b>
Cash and cash equivalents		81,655	-	124,399
<b>Total current assets</b>		<b>248,952</b>	<b>165,959</b>	<b>161,683</b>
<b>Total assets</b>		<b>1,864,803</b>	<b>1,776,885</b>	<b>1,777,453</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
<b>Restricted equity</b>				
Share capital		515	515	515
<b>Non-restricted equity</b>				
Share premium reserve		1,091,433	1,091,433	1,091,433
Retained earnings		58,531	62,927	64,759
Profit (loss) for the period		-15,699	-14,116	-8,492
<b>Total equity</b>		<b>1,134,780</b>	<b>1,140,759</b>	<b>1,148,215</b>
<b>Untaxed reserves</b>				
Tax allocation reserves		13,575	9,275	13,575
<b>Total untaxed reserves</b>		<b>13,575</b>	<b>9,275</b>	<b>13,575</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Non-current interest-bearing liabilities	6	425,957	434,338	430,148
Other non-current liabilities		-	-	-
<b>Total non-current liabilities</b>		<b>425,957</b>	<b>434,338</b>	<b>430,148</b>
<b>Current liabilities</b>				
Current interest-bearing liabilities	6	9,200	40,075	9,200
Accounts payable		590	-	807
Current liabilities to group companies		266,734	138,378	164,156
Other current liabilities		2,729	2,903	2,223
Tax liabilities		3,795	7,015	3,286
Accrued expenses and deferred income		7,443	4,142	5,843
<b>Total current liabilities</b>		<b>290,491</b>	<b>192,513</b>	<b>185,515</b>
<b>Total equity and liabilities</b>		<b>1,864,803</b>	<b>1,776,885</b>	<b>1,777,453</b>



The Board of Directors and CEO give their assurance that the interim report provides a fair review of the development of the Group's and Parent Company's operations, profit and financial position and describes the material risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

**Malmö, 24 April 2024**

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**Jan Friedman**  
Chairperson of the Board

**Simon Larsson**  
Board member

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

**Fredrik Dahnelius**  
Board member

**Joel Eklund**  
Board member

**Sandra Gadd**  
Board member

**Ola Burmark**  
Board member

**Andreas Rylander**  
CEO

The information in this interim report has not been reviewed by the company's auditors.

## Selected financial information

MSEK	Q2		Jul-Jun	Jan-Dec
	2024	2023	23/24	2023
Members in loyalty club, thousand	3,294	3,127	3,294	3,254
Net sales	594.4	568.5	2,598.4	2,559.4
Sales growth, %	4.5%	-7.4%	2.9%	-1.9%
Comparable growth, %	3.7%	-9.0%	2.1%	-3.2%
Gross profit	242.4	243.9	1,073.2	1,078.6
Gross margin, %	40.8%	42.9%	41.3%	42.1%
Adjusted EBITA	0.3	-2.3	66.1	80.1
Adjusted EBITA margin, %	0.1%	-0.4%	2.5%	3.1%
Items affecting comparability	4.3	-	8.3	1.5
Cash flow from operating activities	13.0	-9.1	296.6	259.7
Working capital	42.1	148.1	-	-8.1
Core working capital	168.4	291.8	-	123.5
Financial net debt	380.1	518.8	-	312.6
Financial net debt/Adjusted EBITDAaL	3.9	3.7	-	2.8
Equity ratio, %	41.2%	42.1%	-	41.8%
Investments	-5.9	-6.6	-18.4	-24.1
Number of outstanding shares before dilution	31,151,514	31,151,514	31,151,514	31,151,514
Number of outstanding shares after dilution	31,151,514	31,151,514	31,151,514	31,151,514
Average number of outstanding shares before dilution	31,151,514	31,151,514	31,151,514	31,151,514
Average number of outstanding shares after dilution	31,151,514	31,151,514	31,151,514	31,151,514

## Quarterly data

MSEK	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Net sales	578.2	568.5	650.8	761.9	591.4	594.4
Gross profit	251.5	243.9	279.7	303.5	247.6	242.4
Gross margin, %	43.5%	42.9%	43.0%	39.8%	41.9%	40.8%
Adjusted EBITA	11.1	-2.3	42.9	28.4	-5.6	0.3
Adjusted EBITA margin, %	1.9%	-0.4%	6.6%	3.7%	-0.9%	0.1%
Cash flow from operating activities	-19.8	-9.1	131.2	157.4	-5.0	13.0
Working capital	112.6	148.1	94.3	-8.1	25.0	42.1
Core working capital	238.2	291.8	228.7	123.5	158.4	168.4
Investments	-8.8	-6.6	-3.7	-5.1	-3.8	-5.9

## Reconciliation of alternative performance measures

Certain information in this report 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), EBIT MARGIN, EBITA, EBITA MARGIN, ADJUSTED EBITA, ADJUSTED EBITA MARGIN, EBITDA, ADJUSTED EBITDA AND ADJUSTED EBITDAAL

TSEK	Q2		Jul-Jun	Jan-Dec
	2024	2023	23/24	2023
Profit (loss) for the period	-18,417	-17,887	-2,322	12,404
Income tax	-1,382	778	-555	5,726
Net financial items	11,087	10,065	41,712	41,499
<b>Operating profit (EBIT)</b>	<b>-8,712</b>	<b>-7,044</b>	<b>38,835</b>	<b>59,629</b>
Amortisation on intangible assets related to business combinations	4,733	4,731	18,964	18,949
<b>EBITA</b>	<b>-3,979</b>	<b>-2,313</b>	<b>57,799</b>	<b>78,578</b>
Depreciation excl. amortisation on intangible assets related to business combinations	43,789	42,082	177,953	174,466
<b>EBITDA</b>	<b>39,810</b>	<b>39,769</b>	<b>235,752</b>	<b>253,044</b>
<b>EBITA</b>	<b>-3,979</b>	<b>-2,313</b>	<b>57,799</b>	<b>78,578</b>
Items affecting comparability	4,283	-	8,253	1,545
<b>Adjusted EBITA</b>	<b>304</b>	<b>-2,313</b>	<b>66,052</b>	<b>80,123</b>
<b>EBITDA</b>	<b>39,810</b>	<b>39,769</b>	<b>235,752</b>	<b>253,044</b>
Items affecting comparability	4,283	-	8,253	1,545
<b>Adjusted EBITDA</b>	<b>44,093</b>	<b>39,769</b>	<b>244,005</b>	<b>254,589</b>
Depreciation right-of-use assets	-33,469	-31,645	-136,227	-132,798
Interest on lease liabilities	-2,496	-2,229	-9,775	-9,126
<b>Adjusted EBITDAaL</b>	<b>8,128</b>	<b>5,895</b>	<b>98,003</b>	<b>112,661</b>
<b>Net sales</b>	<b>594,406</b>	<b>568,540</b>	<b>2,598,415</b>	<b>2,559,368</b>
<b>EBIT-margin, %</b>	<b>-1.5%</b>	<b>-1.2%</b>	<b>1.5%</b>	<b>2.3%</b>
<b>Adjusted EBITA margin, %</b>	<b>0.1%</b>	<b>-0.4%</b>	<b>2.5%</b>	<b>3.1%</b>

### 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. The quarter and the period include items affecting comparability of MSEK 4.3 (-) and MSEK 6.7 (-), respectively, for restructuring costs.

**NET SALES GROWTH**

%	Q2		Jul-Jun	Jan-Dec
	2024	2023	23/24	2023
Net sales current period	594,406	568,540	2,598,415	2,559,368
Net sales preceeding period	568,540	613,705	2,525,663	2,607,929
Net sales growth, %	4.5%	-7.4%	2.9%	-1.9%

**COMPARABLE GROWTH**

TSEK	Q2		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
<i>Comparable sales comparative period</i>					
Recognised net sales comparative period	568,540	613,705	1,146,742	1,229,008	2,607,929
Adjustment for returns and loyalty programme comparative period	1,191	1,206	11	-250	8,492
Revenue new and closed service points and other channels	-4,106	-1,315	-9,249	-3,250	-13,164
<b>Total comparable sales comparative period</b>	<b>565,625</b>	<b>613,596</b>	<b>1,137,504</b>	<b>1,225,508</b>	<b>2,603,257</b>
<i>Comparable sales current period</i>					
Recognised net sales current period	594,406	568,540	1,185,789	1,146,742	2,559,368
Costs for returns and loyalty programme current period	2,278	1,211	1,399	45	8,707
Revenue new and closed service points and other channels	-8,973	-9,519	-16,313	-21,844	-43,256
Currency effects	-990	-1,895	1,364	-4,354	-5,593
<b>Total comparable sales current period</b>	<b>586,721</b>	<b>558,337</b>	<b>1,172,239</b>	<b>1,120,589</b>	<b>2,519,226</b>
Total comparable sales comparative period	565,625	613,596	1,137,504	1,225,508	2,603,257
Total comparable sales current period	586,721	558,337	1,172,239	1,120,589	2,519,226
Comparable growth, %	3.7%	-9.0%	3.1%	-8.6%	-3.2%

**GROSS PROFIT AND GROSS MARGIN**

TSEK	Q2		Jul-Jun	Jan-Dec
	2024	2023	23/24	2023
Net sales	594,406	568,540	2,559,458	2,559,368
Goods for resale	-352,046	-324,593	-1,474,082	-1,480,729
<b>Gross Profit</b>	<b>242,360</b>	<b>243,947</b>	<b>1,085,376</b>	<b>1,078,639</b>
Gross Profit	242,360	243,947	1,085,376	1,078,639
Net sales	594,406	568,540	2,559,458	2,559,368
<b>Gross margin, %</b>	<b>40.8%</b>	<b>42.9%</b>	<b>42.4%</b>	<b>42.1%</b>

**NET DEBT, FINANCIAL NET DEBT AND FINANCIAL NET DEBT/ADJUSTED EBITDAaL**

TSEK	30 Jun		31 Dec
	2024	2023	2023
Non-current interest bearing liabilities	487,182	500,419	493,503
Current interest bearing liabilities	17,466	48,993	15,358
<b>Interest bearing liabilities</b>	<b>504,648</b>	<b>549,412</b>	<b>508,861</b>
Cash and cash equivalents	-124,543	-30,568	-196,275
<b>Net financial debt</b>	<b>380,105</b>	<b>518,844</b>	<b>312,586</b>
Non-current lease liabilities	119,829	142,888	132,493
Current lease liabilities	104,423	106,049	107,518
<b>Lease liabilities</b>	<b>224,252</b>	<b>248,937</b>	<b>240,011</b>
<b>Total interest bearing liabilities</b>	<b>504,648</b>	<b>549,412</b>	<b>508,861</b>
<b>Total lease liabilities</b>	<b>224,252</b>	<b>248,937</b>	<b>240,011</b>
<b>Total financial liabilities</b>	<b>728,900</b>	<b>798,349</b>	<b>748,872</b>
Cash and cash equivalents	-124,543	-30,568	-196,275
<b>Net debt</b>	<b>604,357</b>	<b>767,781</b>	<b>552,597</b>
<b>Net financial debt</b>	<b>380,105</b>	<b>518,844</b>	<b>312,586</b>
Adjusted EBITDAaL, R12	98,003	138,456	112,661
<b>Net financial debt/Adjusted EBITDAaL, times</b>	<b>3.9</b>	<b>3.7</b>	<b>2.8</b>

**WORKING CAPITAL**

TSEK	30 Jun		31 Dec
	2024	2023	2023
Current assets	714,588	621,126	724,890
Cash and cash equivalents	-124,543	-30,568	-196,275
Current liabilities excl. interest bearing liabilities and lease liabilities	-547,907	-442,501	-536,759
<b>Working capital</b>	<b>42,138</b>	<b>148,057</b>	<b>-8,144</b>
<b>Current liabilities excl. interest bearing liabilities and lease liabilities</b>			
Accounts payable	353,898	245,519	337,782
Tax liabilities	6,367	13,812	7,692
Other liabilities	52,649	55,080	77,209
Accrued expenses and deferred income	127,615	120,804	106,851
Provisions	7,378	7,286	7,225
<b>Total</b>	<b>547,907</b>	<b>442,501</b>	<b>536,759</b>

**CORE WORKING CAPITAL**

TSEK	30 Jun		31 Dec
	2024	2023	2023
Inventory	492,155	507,456	437,410
Accounts receivable	30,111	29,849	23,882
Accounts payable	-353,898	-245,519	-337,782
<b>Core working capital</b>	<b>168,368</b>	<b>291,786</b>	<b>123,510</b>

**INVESTMENTS**

TSEK	Q2		Jul-Jun	Jan-Dec
	2024	2023	23/24	2023
Acquisition of tangible assets	-2,746	-4,003	-7,855	-12,899
Acquisition of intangible assets	-3,117	-2,573	-10,503	-11,197
<b>Investments</b>	<b>-5,863</b>	<b>-6,576</b>	<b>-18,358</b>	<b>-24,096</b>

**EQUITY/ASSETS RATIO**

%	30 Jun		31 Dec
	2024	2023	2023
Total equity	981,538	997,516	1,009,193
Total assets	2,379,521	2,367,108	2,417,076
<b>Equity ratio, %</b>	<b>41.2%</b>	<b>42.1%</b>	<b>41.8%</b>

## 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.	<p>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.</p> <p>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."</p>
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.
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 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 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.
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### WEBCAST IN CONNECTION WITH THE PUBLICATION OF THE INTERIM REPORT

Andreas Rylander, President and CEO, and Thomas Pehrsson, CFO, will hold a webcast in connection with the publication of the interim report at 10:00 a.m. on 24 July 2024. To participate in the conference, follow the link <https://ir.financialhearings.com/kjell-group-q2-report-2024>. The presentation material is available on the Group's website: <https://www.kjellgroup.com/investerare/finanssiella-rapporter/>.



### INTERIM REPORTS

The complete interim report for January–June 2024 and earlier reports are available on [www.kjellgroup.com](http://www.kjellgroup.com).



### FINANCIAL CALENDAR

Forthcoming reports:

Third quarter 2024

24 October 2024

# Kjell & Company

*This is the type of information that Kjell Group AB (publ) is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out below on 24 April 2024 at 7:00 a.m. CEST.*



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Kjell Group offers the market's most comprehensive product range in electronic accessories, including advisory services and installation. The business is conducted online in Sweden, Norway and Denmark and via 146 service points, of which 115 in Sweden and 31 in Norway.

Through Kjell & Company's customer club, with over 3.25 million members, and wholly owned Danish company AV-Cables, the company has a unique understanding of people's technology needs, and the Group's approximately 1,200 employees work every day to improve people's lives through technology.