

Q3  
23



REPORT FOR THIRD QUARTER **2023**

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### HIGHLIGHTS

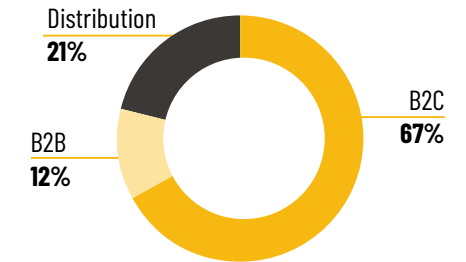
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## HIGHLIGHTS

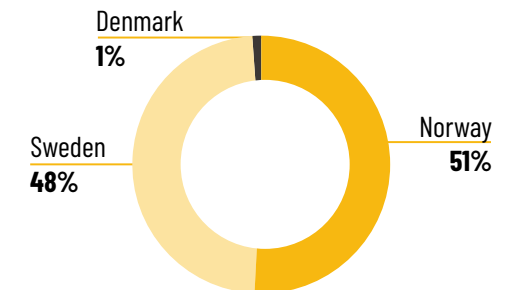
- ▶ Top-line growth of 2.4% supported by excellent customer ratings and strong brands
- ▶ 1.7 pp gross margin expansion with central sourcing efforts further progressed
- ▶ Clear EBIT improvement in a difficult market, supported by good cost control
- ▶ Healthy stock situation, good service levels and strong position into peak season
- ▶ Additional measures being executed to mitigate continued challenging markets
- ▶ On track to improve profitability and pave the way for future growth
- ▶ Financial situation further improved with solid liquidity



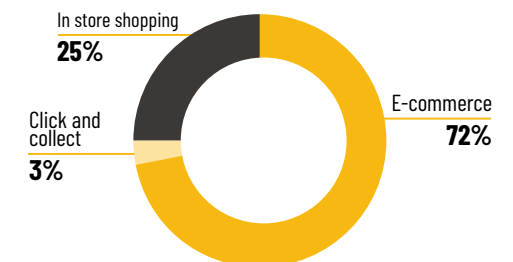
### REVENUE PER SEGMENT



### REVENUE PER COUNTRY



### REVENUE PER CHANNEL



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# KEY FIGURES

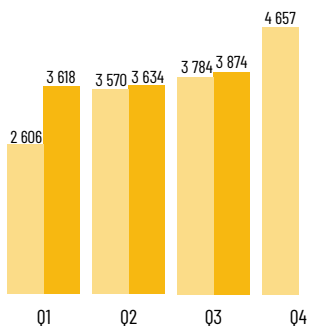
Amounts in NOK million unless stated otherwise	Q3 2023	Q3 2022	YTD 2023	YTD 2022 <sup>2</sup>	FY 2022 <sup>2</sup>
Operating revenue	3 874	3 784	11 127	9 961	14 618
Growth (%)	2.4%	39.4%	11.7%	28.5%	32.4%
Gross profit <sup>1</sup>	524	447	1 547	1 196	1 794
Gross margin (%) <sup>1</sup>	13.5%	11.8%	13.9%	12.0%	12.3%
Operating expenses (ex dep)(adj.) <sup>1</sup>	(403)	(383)	(1 250)	(1 000)	(1 451)
Depreciation and amortisation	(82)	(74)	(249)	(180)	(256)
Total operating expenses (adj.) <sup>1</sup>	(485)	(457)	(1 499)	(1 180)	(1 707)
Operating cost percentage <sup>1</sup>	(12.5%)	(12.1%)	(13.5%)	(11.8%)	(11.7%)
EBIT (adj.) <sup>1</sup>	39	(10)	48	17	87
EBIT margin (adj.) (%) <sup>1</sup>	1.0%	(0.3%)	0.4%	0.2%	0.6%
One-off costs	(13)	(4)	(29)	(60)	(80)
EBIT	26	(14)	19	(43)	6
Net financials	(41)	(29)	(125)	(63)	(104)
Profit before tax from continued operations	(15)	(43)	(106)	(106)	(98)
Profit for the period	(21)	(29)	(91)	(91)	(32)
Investments (capex)	39	29	128	101	177
Net Interest bearing debt <sup>1</sup>	1 187	2 853	1 187	2 853	1 434
Operating free cash flow <sup>1</sup>	131	295	342	309	721

1) Alternative performance measure (APMs)

2) NetOnNet was consolidated into Komplett's financial statement as of 1 April 2022

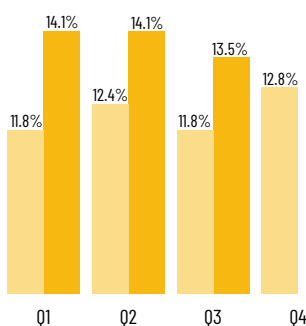
## OPERATING REVENUE

NOK million ■ 2022 ■ 2023



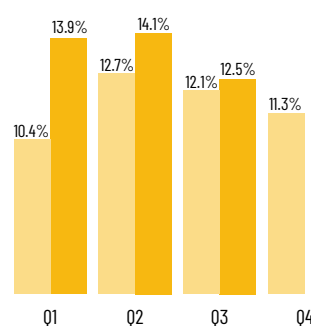
## GROSS MARGIN

Per cent ■ 2022 ■ 2023



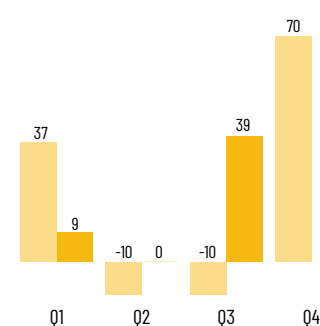
## OPERATING COST

Per cent ■ 2022 ■ 2023



## EBIT (adj.)

NOK million ■ 2022 ■ 2023



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## CEO COMMENTS

The macroeconomic environment experienced throughout the first nine months of the year has been tough, with reduced purchasing power for consumers and a challenging cost environment. Across the group, we are continuing our efforts to counter these externally driven challenges. We continue funnelling our efforts in areas of the business where we can make positive and long-lasting changes, and at the time of writing this letter, I am pleased to say that we are already seeing positive results from our initiatives.

Despite market decline in all our key geographies, we have succeeded in growing our top line and in parallel continued to improve our gross margin versus last year. Our B2C operations in Norway continued to deliver double-digit growth – now also through positive volume growth. In the B2B segment we have shown good progress and the Distribution business has only seen a slight decrease in revenue. While we have invested in brand visibility to pave the way for growth, we have simultaneously kept good cost control and improved our financial headroom.

We are making good progress in market share development across the group. Customer ratings consistently demonstrate that we have the most satisfied and loyal customers thanks to best-in-class delivery service and a seamless logistical set-up. Looking ahead, and with the aim to remain the customers' first choice, we are exploring options to improve the online customer journey further and to improve store performance in NetOnNet and Webhallen.

Earlier this year, we successfully launched a new marketing concept for the Komplet brand in Norway. We also recently launched a similar initiative for NetOnNet in Sweden - and Norway will follow. These campaigns emphasise our high service levels and seamless deliveries and

contribute to keeping our brands "top of mind" amongst consumers.

We have already executed a successful "back to school" campaign, and moving forward, one of our key actions will be to deliver a strong promotional programme during the peak season. Along with our campaign strategy, we have built up a healthy stock composition, enabling us to provide market-leading service levels during the festive season.

Operational excellence and profitability remain a top priority. A central commercial team is now in place and is being combined with a new local structure. Additionally, our new pricing tool is increasingly becoming integrated into the daily work across the entire group, ensuring more effective pricing strategies.

Along with building brand recognition and service levels, we have remained fully dedicated to improving our cost base, and we are on track with the planned sourcing initiatives. We are also looking at ways to improve cost efficiency by increasing the level of automation across more processes.

This autumn, we have started the search for a new managing director for NetOnNet, as Susanne



Holmström has decided to step down. Until her successor is in place, I will take on the role as interim leader for NetOnNet as of 1 November. As we speak, NetOnNet is growing its footprint in Norway with store expansions at Alnabru and in Stavanger, and I am excited to work more closely with the NetOnNet concept in the near future.

We are currently in the process of refining our strategic direction, which implies that we will continue to nurture our strong local brands and the local autonomy of our individual business units while utilising our scale benefits to maintain an industry-leading cost base and sharing best practices and central resources across the group. Our market position is increasingly gaining a solid foothold, and our key brands, Komplet, NetOnNet and Webhallen, are on track for future growth.

Yours sincerely

**Jaan Ivar Semlitsch**  
President & CEO

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## QUARTERLY SUMMARY

The macroeconomic environment and the consumer electronics retail market remained challenging through the third quarter, although again with regional differences. The Komplet Group has managed to lift its performance markedly and improved operating results (EBIT adj.) by NOK 49 million on modest revenue growth.

The group's operations in Norway made good progress, while the Swedish market remained more unpredictable and challenging, negatively affecting sales growth. All the group's brands are maintaining or extending market shares while showing continued high customer loyalty and satisfaction, underlined by top-tier delivery and logistical services.

The group has continued to improve its gross margin, reflecting both a more stable pricing environment as well as improved pricing strategies and initiatives, while upholding careful expansion of the brands through investments in marketing and select outlets.

The synergy program has continued to deliver broadly in accordance with expectations, despite market headwinds. In addition, central sourcing and commercial efforts are further

evolving; supported by recent recruitments. High cost inflation continues to impact the cost base, which is still being managed with the aim of maintaining the industry leading cost position; in the short term through targeted cost reduction measures and long term through continued investment in technology as well as automation.

At the end of September, the company's inventory position remained healthy, enabling good availability and high service levels going into the critical peak season in the coming quarter.

NetOnNet was consolidated into Komplet's financial statements as of 1 April 2022 and has been reported as a part of the B2C segment as of Q2 2022. A specification of the financial impact from NetOnNet for the year-to-date period is provided in Appendix 1 to this report.

## FINANCIAL REVIEW

### PROFIT AND LOSS

**Total operating revenue** increased by 2.4 per cent in the third quarter of 2023, from NOK 3 784 million to NOK 3 874 million. Adjusted for currency translation effects, like for like revenue growth was 1.1 per cent. Sales were supported by select marketing investments in Norway and Sweden, and an improved inventory position, with a par-

ticularly favourable effect in Norway. The underlying market environment remained challenging.

**Cost of goods sold** was NOK 3 350 million in the third quarter, compared with NOK 3 338 million in the same period last year. The synergy program is progressing largely as planned and combined with strong supplier relations, contributes



to mitigate many of the negative effects from higher input costs driven by cost inflation and currency effects compared to last year.

These sourcing efforts together with improved pricing strategies and initiatives, led to a 17 per cent increase in **gross profit** for the period from NOK 447 million last year to NOK 524 million in

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2023. The industry as well as the group also benefited from healthier inventory positions and hence less price pressure compared with the prior-year period.

**The gross margin** continued to improve and reached 13.5 per cent in the third quarter, corresponding to an increase of 1.7 percentage points from 11.8 per cent in the same period of 2022.

**Operating expenses**, excluding one-off costs, depreciation and amortisation, totalled NOK 403 million in the third quarter, compared with NOK 383 million in the same period of 2022. The increase from the prior-year period is mainly driven by cost inflation, and partly offset by cost reduction measures. For the group's Swedish operations, further cost savings are being executed given the more challenging market and competitive environment.

**Depreciation and amortisation** expenses were NOK 82 million, of which NOK 12 million were related to the amortisation of acquired customer value. Depreciation and amortisation in the quarter were broadly in line with the preceding quarters in 2023, and the increase from NOK 74 million in the third quarter last year was primarily driven by higher depreciations on right-of-use assets.

**Adjusted EBIT** amounted to NOK 39 million in the third quarter of 2023, compared with negative NOK 10 million in the third quarter of 2022, representing an increase of NOK 49 million compared with last year. The improvement was mainly driven by expanded gross margins. This resulted in an adjusted EBIT margin of 1.0 per cent in the third quarter, compared with negative 0.3 per cent in the same quarter of last year.

**One-off costs** totalled NOK 13 million in the quarter and were related to organisational changes and restructuring in some of the group's brands and operations.

**The operating result (EBIT)** for the third quarter amounted to NOK 26 million, compared with a loss of NOK 14 million in the same period of 2022.

**Net financial expenses** totalled NOK 41 million, compared with NOK 29 million in the same period last year. Significantly higher interest rates, also affecting the included factoring costs, contributed materially to the increase in financial items compared to last year despite the reduced debt levels. The costs in the quarter include effects relating to the move into a new shared group cash pool as well as certain other elements of exceptional nature.

**Tax expense** was NOK 6 million, and contains in-period taxes, adjustments from prior reporting periods and tax effects from permanent differences. A tax income of NOK 8 million was booked in the same period last year.

**Loss for the period** came in at NOK 21 million, compared with a net loss from continuing operations of NOK 35 million in the same period last year. In the third quarter of 2022, profit from discontinued operations was NOK 6 million net of tax related to a repayment of a supplier guarantee from the bankruptcy estate of the former subsidiary JES Computer GmbH (Comtech Group), resulting in a loss for the period of NOK 29 million.

## FINANCIAL POSITION AND LIQUIDITY

### Consolidated financial position

**Non-current assets** amounted to NOK 4 592 million at the end of the third quarter of 2023, compared with NOK 4 559 million at 30 September 2022. The increase from the previous year was mainly related to an increase in other intangible assets, driven by software investments, mainly in the new SAP ERP solution as well as eCommerce infrastructure, which both successfully went live in the Komplet brand in October.

**Current assets** amounted to NOK 3 078 million at the end of the third quarter of this year, compared with NOK 3 252 million in the same period last year. The group's inventory position is considered healthy, and at 30 September 2023, inventories represented NOK 2 108 million, compared with NOK 2 101 million one year earlier; reflecting higher availability and service levels.

**Cash and cash equivalents** totalled NOK 168 million at the end of the quarter versus NOK 85 million at the end of September last year.

**Equity** amounted to NOK 3 519 million at the end of the third quarter of 2023, compared with NOK 2 542 million in the same period last year. The increase in equity was mainly driven by the issuance of 35 242 424 new shares to SIBA Invest as part of the settlement of the acquisition of NetOnNet, and the issuance of 67 843 582 new shares in connection with the private placement in 2022 and subsequent offering in January 2023. Following the issuance of these shares, the company's share capital is NOK 70 136 464.40, divided into 175 341 161 shares, each with a nominal value of NOK 0.40.

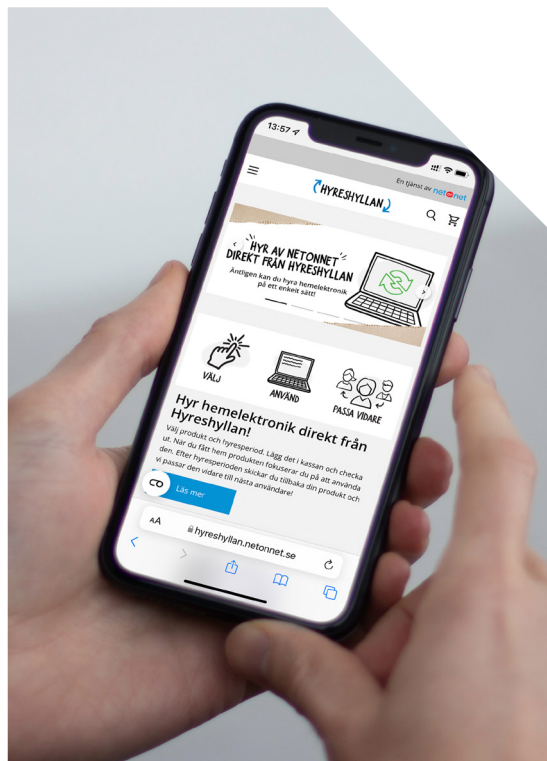
This yields an equity ratio of 45.9 per cent at the end of the third quarter, compared with 32.5 per cent in the same period of 2022.

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**Total liabilities** amounted to NOK 4 151 million at the end of the third quarter of 2023, compared with NOK 5 270 million in the same period last year. The reduction is related to repayment of debt and refinancing of the group's credit facilities. The Swedish subsidiaries have partly utilised the extension of the Swedish tax deferred payment rules with a total of NOK 427 million, which are shown as part of other current liabilities. This temporary tax deferral has been extended to September 2024.

**Total equity and liabilities** amounted to NOK 7 670 million at the end of the third quarter, compared with NOK 7 812 million in the same period



last year.

## LIQUIDITY

The group's total credit facilities include a revolving credit facility in the amount of NOK 1 300 million, a credit facility of SEK 100 million, and an overdraft facility in the amount of NOK 400 million. The latter may be increased to NOK 500 million in the fourth quarter of each year. Currently the overdraft facility amount is kept at NOK 400 million.

At 30 September 2023, NOK 16 million of the credit facility and NOK 800 million of the revolving credit facility were utilised. Including available cash of NOK 168 million, the liquidity reserve was hence NOK 1 149 million at the end of the third quarter, compared with NOK 969 million one year earlier. The liquidity reserve continues to be positively affected by the utilisation of the Swedish tax deferral scheme that occurred in the previous quarter.

Net interest-bearing debt at 30 September was NOK 649 million, excluding IFRS 16, and NOK 1 187 million including IFRS 16. The leverage ratio, defined as NIBD / LTM EBITDA (adjusted for certain exceptional items), was 2.6x at the close of the third quarter of 2023.

## CASH FLOW

**Operating activities** generated a net cash flow of NOK 186 million in the third quarter, compared with NOK 380 million in the same period last year. Operating cash flow in the current quarter was positively affected by an increase in trade payables of NOK 276 million, countered by an increase in inventory of NOK 212 million. The cash flow from same period last year was highly affected by the ramp-up of the factoring agreement which

then had a positive effect of around NOK 200 million.

**Cash flow used in investing activities** was NOK 39 million, which were invested in property, plant and equipment, including ongoing improvements of the IT infrastructure. The comparable figure from last year was NOK 29 million.

**Cash flow used in financing activities** was NOK 321 million during the third quarter, compared with a cash inflow of NOK 314 million in the same quarter prior year. The changes from last year were primarily related to refinancing of the group's debt facilities.

## EVENTS AFTER QUARTER-END

After the end of the reporting period, a restructuring plan in the subsidiary Webhallen Sverige AB has been approved and communicated. The plan involves a decision to close five Webhallen stores in Sweden by the end of the first quarter of 2024. Provision for this restructuring will be recognised in the fourth quarter of 2023.

In October, Komplett Services successfully transitioned to a new ERP system (SAP 4/Hana) and at the same time introduced a tailored integration and service layer. Additionally, significant portions of the seven webstores have had an overhaul to synchronise with the more standardised business logic prevalent in the back-office systems. The transition to a new IT platform was executed without significant disruption to the customers and the IT platform not only enables Komplett Services to enhance the customer experience, introduce cutting-edge services and streamline internal operations, but also accelerates their pace of development and innovation.

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## RISKS AND UNCERTAINTIES

Komplett Group is subject to several risks, including market and competition risks, operational and financial risks, such as currency, interest, credit, and liquidity risks, as well as IT security risks. The board and executive management are continuously monitoring the group's risk exposure, and the group strives to take an active approach to risk management and internal control processes. Below is a summary of the key risks for the group over the coming period.

There is a risk that consumer sentiment and spending expectations remain at submersed levels due to macroeconomic uncertainty, which in turn may impact demand for capital intensive goods, such as electronics.

Market headwinds may lead to inventory build-up, resulting in increased price pressure in the market. Temporary fluctuations in the long-term growth trajectory of online retail trade may impact the group's performance in the short term.

The group operates in an intensely competitive industry, and the entry of new market players, regulatory changes or changes in market dynamics may impact its competitive position.

The current geopolitical situation may also impact the costs and availability of raw materials and other input factors. Due to its online-first business model, the group is less exposed to cost inflation than many of its peers, but its cost base is nevertheless subject to market inflation and currency effects.

As the group operates online, it is vulnerable to hacking and cybercrimes on critical applications and its websites. Although the group has systems in place to identify and block external attacks, the group will likely be subject to new and smarter attempts at unauthorised access that expose a risk to the business.

The group's balance sheet carries a substantial amount of intangible assets, including goodwill, which are subject to risk of impairment, also relative to industry valuations, and other factors that may contribute to a loss in value.

Change in market circumstances may further alter the phasing of the expansion of supply chain facilities and IT systems, which potentially might require adjustments to the capitalised development costs of these initiatives.

Risks and uncertainties must be considered when looking at the outlook comments below.

Reference is made to the prospectus from the subsequent offering dated 4 January 2023, section 2, and note 4 in the company's Annual and Sustainability Report for 2022 for additional explanations regarding risks and uncertainties.





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## SUMMARY AND OUTLOOK

The consumer electronics retail market continued to be challenging in the third quarter. The demand environment is likely to remain weak in the near term, despite some indications of a potentially easing macroeconomic conditions for Nordic households in the coming year.

Across the Komplet Group, efforts continue to counter these externally driven challenges, and over the recent months, the group has demonstrated marked progress across all key financial indicators combined with a continued solid liquidity.

In the third quarter, the group achieved moderate top line growth underpinned by first-rate customer ratings and strong brand positions. Sourcing and other margin-related efforts have progressed further, which contributed to a con-

tinued positive gross margin trend for the group. Strong margins combined with good cost control resulted in a significant EBIT improvement versus the prior-year period in a difficult market.

Moving into the peak season, one of the group's key actions will be to deliver a strong promotional programme. The Komplet Group has built up a healthy stock composition, enabling the group to provide high and materially improved service levels into the coming months.

Looking ahead, operational excellence and profitability remain a top priority. A central commercial team is now in place and is being combined with a new local set up. Along with building brand recognition and service levels, the group remains fully dedicated to improving its cost base through further cost efficiency gains.

The Komplet Group is currently in the process of refining its strategic direction which will be presented at a Capital Markets Day to be held on 29 February 2024. The strength and autonomy of the group's local brands will remain at the core of the group's strategy, while utilising the scale benefits as a leading player to maintain an industry-leading cost base and sharing best practices and central resources across the group.

The Komplet Group has made good progress on key financial metrics, which has equipped the group with a more resilient financial position. Looking into the coming quarters, the group is well-positioned with best-in-class customer ratings, a well-managed cost base and strong brand positions as well as having further potential to benefit from a normalisation of its core markets.



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## SEGMENT REVIEW

### BUSINESS TO CONSUMER (B2C)



- ▶ Strong EBIT improvement driven by gross margin progress and good cost control

#### REVENUE

Operating revenue for the B2C segment increased to NOK 2 594 million, compared with NOK 2 528 million for the same period in 2022. Adjusted for currency translation effects, revenue increased by 0.7 per cent year-over-year in constant currency terms. The demand environment in consumer electronics continued to be challenging, especially for the Swedish entities. In Norway, the group made good progress

on the back of improved product availability compared to last year, recovered activity in the gaming segment as well as selective brand and demand investments.

In local currency, the operations in Norway had a revenue growth of 10.8 per cent, and a decline of 3.4 per cent in Sweden. Denmark, which represents approximately 2.1 per cent of the B2C revenue, had an increase of 13.9 per cent.

#### GROSS PROFIT

The overall gross profit for the B2C segment amounted to NOK 412 million in the third quarter, compared with NOK 336 million in the same quarter in 2022. The improvement was driven by successful sourcing initiatives and improved pricing strategies. In addition, the inventory situation was healthier compared with the prior-year period, with less associated price pressure both for the group and in the industry.

Gross margin ended at 15.9 per cent, compared with 13.3 per cent in the same quarter of 2022.

#### OPERATING EXPENSES

B2C operating expenses were NOK 377 million in the third quarter, compared with NOK 359 million for the same period in 2022. The increase is a result of overall cost inflation, strategic marketing investments and currency effects, and was partly offset by cost savings.

As a result, the operating cost percentage increased to 14.5 per cent, from 14.2 per cent in the same quarter of last year.

#### EBIT

EBIT in the third quarter amounted to NOK 35 million, compared with negative NOK 24 million in the third quarter of 2022. For the third quarter, the EBIT margin came in at 1.3 per cent compared with a margin of negative 0.9 per cent in the prior-year period.



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## B2C – KEY FIGURES

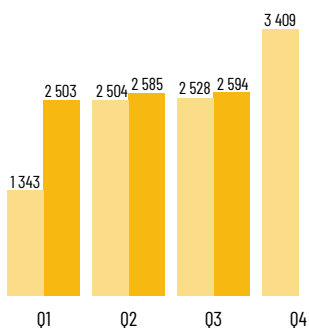
Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022 <sup>2</sup>	FY 2022 <sup>2</sup>
Operating revenue	<b>2 594</b>	2 528	<b>7 682</b>	6 375	9 785
Growth (%)	<b>2.6%</b>	70.7%	<b>20.5%</b>	44.1%	53.3%
Gross profit <sup>1</sup>	<b>412</b>	336	<b>1 210</b>	865	1 334
Gross margin (%) <sup>1</sup>	<b>15.9%</b>	13.3%	<b>15.8%</b>	13.6%	13.6%
Operating expenses (ex. dep)	<b>(358)</b>	(342)	<b>(1 096)</b>	(858)	(1 259)
Depreciation and amortisation	<b>(19)</b>	(18)	<b>(58)</b>	(46)	(64)
Total operating expenses (adj.) <sup>1</sup>	<b>(377)</b>	(359)	<b>(1 154)</b>	(904)	(1 322)
Operating cost percentage <sup>1</sup>	<b>(14.5%)</b>	(14.2%)	<b>(15.0%)</b>	(14.2%)	(13.5%)
EBIT	<b>35</b>	(24)	<b>56</b>	(39)	12
EBIT margin (%) <sup>1</sup>	<b>1.3%</b>	(0.9%)	<b>0.7%</b>	(0.6%)	0.1%

1) Alternative performance measure (APMs).

2) NetOnNet was consolidated into Komplett's financial statement as of 1 April 2022

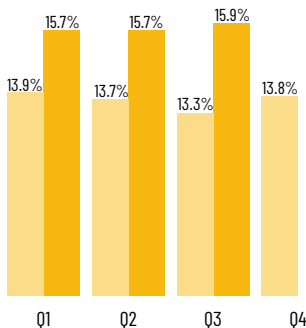
### OPERATING REVENUE

NOK million ■ 2022 ■ 2023



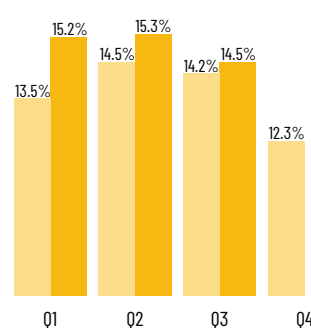
### GROSS MARGIN

Per cent ■ 2022 ■ 2023



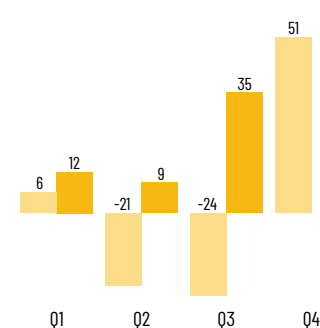
### OPERATING COST

Per cent ■ 2022 ■ 2023



### EBIT

NOK million ■ 2022 ■ 2023



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## | BUSINESS TO BUSINESS (B2B)

- ▶ Solid revenue growth and underlying cost improvement

### REVENUE

Operating revenue for the B2B segment amounted to NOK 457 million, compared with NOK 416 million for the same period in 2022. Revenue growth of 9.8 per cent was driven both by price and by higher volumes, in particular from increased sales to the education sector. In addition, revenue benefitted from better product availability compared with the prior-year period.

In local currency, the operation in Norway delivered 11.0 per cent revenue growth, while Sweden had a revenue decline of 5.5 per cent.

### GROSS PROFIT

Gross profit was NOK 71 million, compared with NOK 67 million in the same quarter of 2022. The gross margin came in at 15.5 per cent, compared with 16.1 per cent in the prior year. Improved pricing strategies and an attractive inventory position positively impacted the gross margin, but the underlying progress was offset by product and customer mix.

### OPERATING EXPENSES

Operating expenses totalled NOK 42 million, which is the same as last year's level. Increased



marketing investments in the period were offset by underlying cost reductions and more efficient logistics. Relative to revenue, operating expenses came down to 9.2 per cent compared with 10.1 per cent in 2022. The decrease was driven by good cost control in combination with a larger revenue base.

### EBIT

EBIT came in at NOK 29 million, compared with NOK 25 million in the third quarter of 2022. This gave an EBIT margin of 6.2 per cent, compared with 6.0 per cent in the same quarter of last year.



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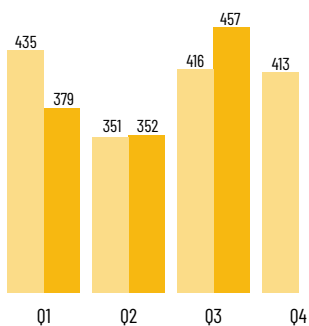
## B2B – KEY FIGURES

Amounts in NOK million	Q2 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Operating revenue	457	416	1188	1202	1615
Growth (%)	9.8%	4.0%	(1.2%)	10.1%	5.7%
Gross profit <sup>1</sup>	71	67	208	198	276
Gross margin (%) <sup>1</sup>	15.5%	16.1%	17.5%	16.5%	17.1%
Operating expenses (ex. dep)	(40)	(40)	(127)	(113)	(152)
Depreciation and amortisation	(2)	(2)	(6)	(6)	(8)
Total operating expenses (adj.) <sup>1</sup>	(42)	(42)	(134)	(119)	(160)
Operating cost percentage <sup>1</sup>	(9.2%)	(10.1%)	(11.3%)	(9.9%)	(9.9%)
EBIT	29	25	75	79	116
EBIT margin (%) <sup>1</sup>	6.2%	6.0%	6.3%	6.6%	7.2%

1) Alternative performance measure (APMs).

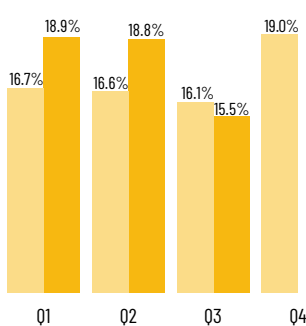
### OPERATING REVENUE

NOK million ■ 2022 ■ 2023



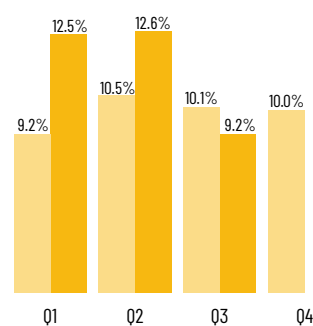
### GROSS MARGIN

Per cent ■ 2022 ■ 2023



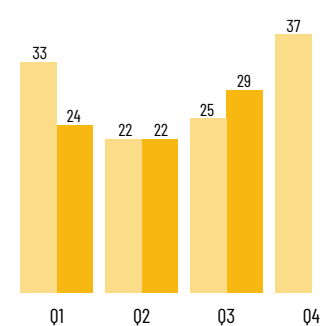
### OPERATING COST

Per cent ■ 2022 ■ 2023



### EBIT

NOK million ■ 2022 ■ 2023



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## DISTRIBUTION

- ▶ Gross margin maintained despite lower sales

### REVENUE

Revenue for the Distribution segment amounted to NOK 823 million in the third quarter, compared with NOK 837 million for the same period in 2022. The revenue decline is caused by lower sales relating to certain categories and suppliers compared with the prior-year period, as well a shift of phasing in deliveries.

In local currency, the operation in Norway delivered a decline of 1.6 per cent, and Sweden had a revenue decline of 6.7 per cent.

### GROSS PROFIT

Gross profit was NOK 41 million in the third quarter, which is unchanged from the corresponding quarter of 2022. The gross margin increased by 0.1 percentage points to 5.0 per cent. The gross margin performance is a reflection of improved sourcing terms, healthier inventory and operational efficiencies which were partly offset by product and client mix.

### OPERATING EXPENSES

Operating expenses totalled NOK 30 million in the third quarter of 2023, compared with NOK 28 million in the same period in 2022. Measured as a percentage of revenue, the operating expenses were 3.7 per cent in the third quarter, compared with 3.3 per cent in the same period last year. The increase was driven by increased IT costs and inflationary pressures combined in combination with a lower revenue base.

### EBIT

The EBIT result for the quarter was NOK 11 million, compared with NOK 14 million in the third quarter of 2022. This gave an EBIT margin of 1.4 per cent, compared with 1.6 per cent for the same period in 2022.



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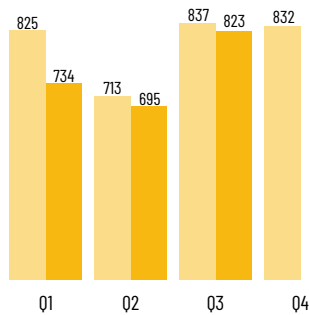
## DISTRIBUTION – KEY FIGURES

Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Operating revenue	823	837	2 252	2 375	3 207
Growth (%)	(1.7%)	0.7%	(5.2%)	6.6%	2.7%
Gross profit <sup>1</sup>	41	41	124	125	173
Gross margin (%) <sup>1</sup>	5.0%	4.9%	5.5%	5.3%	5.4%
Operating expenses (ex. dep)	(28)	(26)	(82)	(76)	(103)
Depreciation and amortisation	(2)	(1)	(5)	(4)	(6)
Total operating expenses (adj.) <sup>1</sup>	(30)	(28)	(88)	(81)	(109)
Operating cost percentage <sup>1</sup>	(3.7%)	(3.3%)	(3.9%)	(3.4%)	(3.4%)
EBIT	11	14	36	44	63
EBIT margin (%) <sup>1</sup>	1.4%	1.6%	1.6%	1.9%	2.0%

1) Alternative performance measure (APMs).

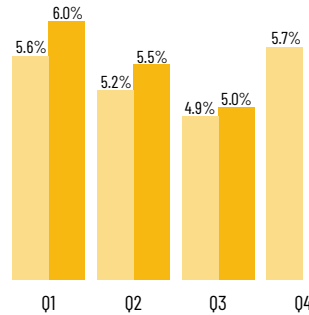
### OPERATING REVENUE

NOK million ■ 2022 ■ 2023



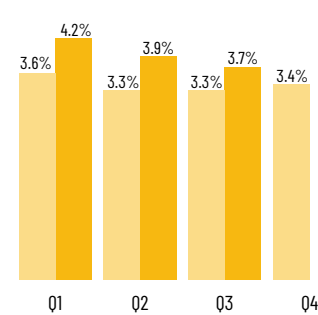
### GROSS MARGIN

Per cent ■ 2022 ■ 2023



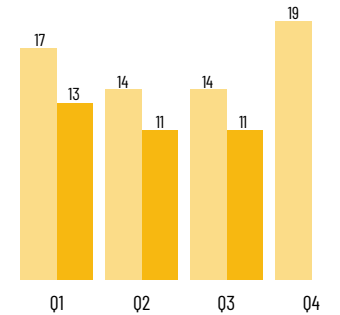
### OPERATING COST

Per cent ■ 2022 ■ 2023



### EBIT

NOK million ■ 2022 ■ 2023



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## OTHER / IFRS 16

“Other” represents group costs not allocated to the operating segments: B2C, B2B, and Distribution. This applies when costs are difficult to allocate fairly between the segments.

Typical cost elements under this segment include management costs and group strategic initiatives. The different effects of IFRS (International Financial Reporting Standards), especially IFRS 16, are not part of the operational measures and are excluded from the operating segments. For additional explanation, please refer to note 3 – Segment Information in this report.

### OPERATING EXPENSES

Operating expenses, excluding depreciation and one-off costs, totalled a net positive NOK 24 million, compared with NOK 25 million in Q3 2022.

Operating expenses comprise employee benefit expenses and other operating expenses of NOK 40 million. These costs were offset by a reallocation of lease costs in accordance with IFRS 16 of NOK 50 million, yielding a net positive amount being reported.

Depreciation and amortisation amounted to NOK 59 million, of which NOK 12 million is related to amortisation of acquired customer value relating to the NetOnNet acquisition, and NOK 47 million to the IFRS 16 adjustments described above.

Total operating expenses, including depreciation and excluding one-off costs, amounted to NOK 36 million, compared with NOK 27 million in the prior-year period.

### EBIT

Adjusted EBIT amounted to negative NOK 36 million, compared with negative NOK 25 million in the prior-year period.

NOK 13 million were booked as one-off costs in the quarter, related to organisational changes and restructuring in some of the brands.

### NET FINANCIALS

Net financial expenses were NOK 41 million, compared with NOK 29 million in the same period last year. Significantly higher interest rates, also affecting the included factoring costs, contributed materially to the increase despite reduced debt levels. The costs in the quarter include effects relating to the move onto a new shared group cash pool as well as certain other elements of exceptional nature.

### OTHER / IFRS 16 – KEY FIGURES

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Operating revenue	0	3	5	8	11
Gross profit <sup>1</sup>	0	3	5	8	11
Operating expenses (ex. dep)	24	25	56	48	63
Depreciation and amortisation	(59)	(53)	(179)	(123)	(178)
Total operating expenses (adj.) <sup>1</sup>	(36)	(27)	(123)	(75)	(115)
EBIT (adj.) <sup>1</sup>	(36)	(25)	(118)	(68)	(105)
One-off costs	(13)	(4)	(29)	(60)	(80)
EBIT	(49)	(29)	(148)	(128)	(185)
Net financials	(41)	(29)	(125)	(63)	(104)
Profit before tax	(90)	(58)	(273)	(191)	(289)

1) Alternative performance measure (APMs).



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# FINANCIAL STATEMENTS AND NOTES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS

Unaudited for the period ended 30 September 2023

<i>Amounts in NOK million</i>	<i>Note</i>	<b>Q3 2023</b>	Q3 2022	<b>YTD 2023</b>	YTD 2022	FY 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Total operating revenue</b>	3, 4	<b>3 874</b>	3 784	<b>11 127</b>	9 961	14 618
Cost of goods sold		<b>(3 350)</b>	(3 338)	<b>(9 580)</b>	(8 765)	(12 824)
Employee benefit expenses		<b>(251)</b>	(223)	<b>(735)</b>	(576)	(820)
Depreciation and amortisation expense	6, 7	<b>(82)</b>	(74)	<b>(249)</b>	(180)	(256)
Other operating expenses	7	<b>(166)</b>	(163)	<b>(545)</b>	(484)	(712)
<b>Total operating expenses</b>		<b>(3 849)</b>	(3 798)	<b>(11 108)</b>	(10 004)	(14 612)
<b>Operating result (EBIT)</b>		<b>26</b>	(14)	<b>19</b>	(43)	6
Net finance income and expenses	7	<b>(41)</b>	(29)	<b>(125)</b>	(63)	(104)
<b>PROFIT BEFORE TAX</b>		<b>(15)</b>	(43)	<b>(106)</b>	(106)	(98)
Tax expense		<b>(6)</b>	8	<b>15</b>	10	56
<b>PROFIT FROM CONTINUING OPERATIONS</b>		<b>(21)</b>	(35)	<b>(91)</b>	(97)	(42)
Profit/loss on discontinued operations		-	6	-	6	10
<b>PROFIT FOR THE PERIOD</b>		<b>(21)</b>	(29)	<b>(91)</b>	(91)	(32)
<b>OTHER COMPREHENSIVE INCOME</b>						
<i>Items that will or may be reclassified to profit or loss:</i>						
Foreign currency rate changes		<b>(56)</b>	23	<b>110</b>	106	14
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(77)</b>	(6)	<b>19</b>	15	(18)
Earnings per share (basic and diluted)	5	<b>(0.12)</b>	(0.27)	<b>(0.52)</b>	(0.95)	(0.31)

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Unaudited for the period ended 30 September 2023

<i>Amounts in NOK million</i>	<i>Note</i>	<b>30.09.2023</b>	30.09.2022	31.12.2022
		Unaudited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	6	2 187	2 178	2 131
Software	6	300	170	218
Other intangible assets	6	1 432	1 475	1 424
<b>Total intangible assets</b>		<b>3 919</b>	3 824	3 773
Right-of-Use assets	6, 7	539	559	559
Machinery and fixtures	6	115	131	134
<b>Total property, plant and equipment</b>		<b>654</b>	690	692
Deferred tax asset		-	-	-
Investments in equity-accounted associates		11	12	14
Other receivables		8	34	8
<b>Total other non-current assets</b>		<b>19</b>	46	22
<b>Total non-current assets</b>		<b>4 592</b>	4 559	4 487
<b>Current assets</b>				
Inventories		2 108	2 101	1 928
Trade receivables - regular		236	504	309
Trade receivable from deferred payment arrangements		97	96	91
Other current receivables		470	466	568
Cash and cash equivalents		168	85	149
<b>Total current assets</b>		<b>3 078</b>	3 252	3 046
<b>TOTAL ASSETS</b>		<b>7 670</b>	7 812	7 533

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Unaudited for the period ended 30 September 2023

<i>Amounts in NOK million</i>	<i>Note</i>	<b>30.09.2023</b>	30.09.2022	31.12.2022
		Unaudited	Unaudited	Audited
<b>EQUITY</b>				
Share capital		70	43	70
Share premium		3 741	2 781	3 741
Other equity		(292)	(282)	(314)
<b>TOTAL EQUITY</b>		<b>3 519</b>	<b>2 542</b>	<b>3 496</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Deferred tax		223	264	245
Other obligations		44	57	49
Long-term loans	11	800	500	400
Non-current lease liabilities	7	356	419	391
<b>Total non-current liabilities</b>		<b>1 422</b>	<b>1 239</b>	<b>1 084</b>
<b>Current liabilities</b>				
Short-term loans	11	16	1 844	625
Trade payables		1 407	1 317	1 412
Public duties payable		324	340	395
Current income tax		21	59	17
Current lease liabilities	7	183	175	167
Other current liabilities		778	295	337
<b>Total current liabilities</b>		<b>2 729</b>	<b>4 030</b>	<b>2 953</b>
<b>TOTAL LIABILITIES</b>		<b>4 151</b>	<b>5 270</b>	<b>4 037</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7 670</b>	<b>7 812</b>	<b>7 533</b>

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Unaudited for the period ended 30 September 2023

<i>Amounts in NOK million</i>	<i>Note</i>	<b>Q3 2023</b>	Q3 2022	<b>YTD 2023</b>	YTD 2022	FY 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Cash flows from operating activities</b>						
Profit from continuing operations (before tax)		(15)	(43)	(106)	(106)	(98)
Profit/loss on discontinued operations (before tax)		-	8	-	8	12
Income taxes paid		4	(5)	(33)	(5)	(19)
Depreciation and amortisation expense	6	82	74	249	180	256
Net finance items	7	41	29	125	63	104
Changes in inventories, trade payables and trade receivables		78	247	(111)	495	958
Changes in other receivables/liabilities		(3)	71	491	(91)	(111)
<b>Net cash flows from operating activities</b>		<b>186</b>	<b>380</b>	<b>615</b>	<b>542</b>	<b>1102</b>
<b>Investing activities</b>						
Investments in property, plant and equipment	6	(39)	(29)	(128)	(101)	(177)
Acquisition of subsidiary, net of cash acquired		-	-	-	(1525)	(1526)
Dividend from associated company		-	-	4	2	2
<b>Net cash used in investing activities</b>		<b>(39)</b>	<b>(29)</b>	<b>(124)</b>	<b>(1624)</b>	<b>(1701)</b>
<b>Financing activities</b>						
Proceeds from loans and borrowings		-	-	1255	1600	500
Repayment of loans and borrowings		(198)	-	(855)	-	-
Changes in bank overdrafts		(35)	(242)	(609)	(305)	(524)
Principal and interest paid on lease liabilities	7	(50)	(47)	(152)	(115)	(165)
Net Interest paid on loans and overdrafts		(37)	(26)	(112)	(54)	(91)
Issue of share capital		-	-	1	-	987
<b>Net cash (used in)/from financing activities</b>		<b>(321)</b>	<b>(314)</b>	<b>(473)</b>	<b>1126</b>	<b>706</b>
<b>Net increase in cash and cash equivalents</b>		<b>(173)</b>	<b>36</b>	<b>18</b>	<b>44</b>	<b>108</b>
Cash and cash equivalents at beginning of period		341	49	149	41	41
Cash and cash equivalents at end of period		168	85	168	85	149

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## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Unaudited for the period ended 30 September 2023

<i>Amounts in NOK million</i>	Share capital	Share premium	Other equity	Total equity
<b>At 1 January 2022</b>	29	1 075	(298)	<b>806</b>
Profit for the period	-	-	(91)	<b>(91)</b>
Other comprehensive Income	-	-	106	<b>106</b>
<b>Total comprehensive Income for the period</b>	-	-	15	<b>15</b>
Long-term incentive program	-	-	1	<b>1</b>
Issue of share capital	14	1 706	-	<b>1 720</b>
<b>Contributions by and distributions to owners</b>	14	1 706	1	<b>1 721</b>
<b>At 30 September 2022</b>	43	2 781	(282)	<b>2 542</b>
<b>At 1 January 2023</b>	70	3 741	(314)	<b>3 496</b>
Profit for the period	-	-	(91)	<b>(91)</b>
Other comprehensive Income	-	-	110	<b>110</b>
<b>Total comprehensive Income for the period</b>	-	-	19	<b>19</b>
Long-term incentive program	-	-	3	<b>3</b>
Issue of share capital	0	1	-	<b>1</b>
<b>Contributions by and distributions to owners</b>	0	1	3	<b>4</b>
<b>At 30 September 2023</b>	70	3 741	(292)	<b>3 519</b>

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# NOTES DISCLOSURE TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited for the period ended 30 September 2023

## NOTE 01 GENERAL INFORMATION AND BASIS FOR PREPARATION

---

Komplett ASA and its subsidiaries (collectively "the group's") operational activities are related to the sale of consumer and business electronics in Norway, Sweden and Denmark, to consumers, corporates and retailers.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated.

These condensed interim financial statements have not been audited.

The group's condensed interim financial statements are prepared according to IAS 34 Interim Financial Reporting. The interim reporting does not include all information that is normally prepared in a full annual financial statement and should be read in conjunction with the group's consolidated financial statement for the year ended 31 December 2022 ([www.komplettgroup.com/investor-relations/financial-information/annual-reports/](http://www.komplettgroup.com/investor-relations/financial-information/annual-reports/)).

The accounting policies used in the group's interim reporting are consistent with the principles presented in the approved consolidated financial statement for 2022. There are no significant effects from the adoption of new standards effective as of 1 January 2023. The group has not voluntarily adopted any other standard that has been issued but is not yet mandatory.

## NOTE 02 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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The preparation of interim condensed financial statements requires management to make estimates and judgements that impact how accounting policies are applied and the reported amounts for assets, liabilities, income and expenses. Actual results may differ from these estimates. The accounting estimates and judgements are consistent with those in the consolidated financial statements for 2022.

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## NOTE 03 SEGMENT INFORMATION

### Q3 2023

Amounts in NOK million	B2C	B2B	Distri- bution	Other	IFRS 16	Total
<b>Total operating revenue</b>	2 594	457	823	0	0	<b>3 874</b>
Cost of goods sold	(2 182)	(387)	(781)	(0)	-	<b>(3 350)</b>
Employee benefit expenses	(183)	(22)	(16)	(30)	-	<b>(251)</b>
Depreciation and amortisation expense	(19)	(2)	(2)	(12)	(47)	<b>(82)</b>
Other operating expenses	(175)	(18)	(12)	(10)	50	<b>(166)</b>
<b>Total operating expenses</b>	<b>(2 559)</b>	<b>(429)</b>	<b>(812)</b>	<b>(53)</b>	<b>4</b>	<b>(3 849)</b>
<b>Operating result (EBIT)</b>	<b>35</b>	<b>29</b>	<b>11</b>	<b>(53)</b>	<b>4</b>	<b>26</b>
Net finance income and expenses	-	-	-	(36)	(4)	<b>(41)</b>
<b>Profit before tax</b>	<b>35</b>	<b>29</b>	<b>11</b>	<b>(89)</b>	<b>(1)</b>	<b>(15)</b>

### YTD 2023

Amounts in NOK million	B2C	B2B	Distri- bution	Other	IFRS 16	Total
<b>Total operating revenue</b>	7 682	1 188	2 252	5	0	<b>11 127</b>
Cost of goods sold	(6 472)	(980)	(2 128)	0	-	<b>(9 580)</b>
Employee benefit expenses	(557)	(62)	(44)	(71)	-	<b>(735)</b>
Depreciation and amortisation expense	(58)	(6)	(5)	(38)	(141)	<b>(249)</b>
Other operating expenses	(539)	(65)	(38)	(55)	152	<b>(545)</b>
<b>Total operating expenses</b>	<b>(7 626)</b>	<b>(1 113)</b>	<b>(2 216)</b>	<b>(164)</b>	<b>11</b>	<b>(11 108)</b>
<b>Operating result (EBIT)</b>	<b>56</b>	<b>75</b>	<b>36</b>	<b>(159)</b>	<b>11</b>	<b>19</b>
Net finance income and expenses	-	-	-	(111)	(14)	<b>(125)</b>
<b>Profit before tax</b>	<b>56</b>	<b>75</b>	<b>36</b>	<b>(270)</b>	<b>(3)</b>	<b>(106)</b>

### Q3 2022

Amounts in NOK million	B2C	B2B	Distri- bution	Other	IFRS 16	Total
<b>Total operating revenue</b>	2 528	416	837	6	(3)	<b>3 784</b>
Cost of goods sold	(2 192)	(349)	(796)	(0)	-	<b>(3 338)</b>
Employee benefit expenses	(174)	(23)	(16)	(11)	-	<b>(223)</b>
Depreciation and amortisation expense	(18)	(2)	(1)	(12)	(40)	<b>(74)</b>
Other operating expenses	(168)	(17)	(10)	(15)	47	<b>(163)</b>
<b>Total operating expenses</b>	<b>(2 552)</b>	<b>(391)</b>	<b>(824)</b>	<b>(38)</b>	<b>6</b>	<b>(3 798)</b>
<b>Operating result (EBIT)</b>	<b>(24)</b>	<b>25</b>	<b>14</b>	<b>(32)</b>	<b>3</b>	<b>(14)</b>
Net finance income and expenses	-	-	-	(25)	(5)	<b>(29)</b>
<b>Profit before tax</b>	<b>(24)</b>	<b>25</b>	<b>14</b>	<b>(57)</b>	<b>(1)</b>	<b>(43)</b>

### YTD 2022

Amounts in NOK million	B2C	B2B	Distri- bution	Other	IFRS 16	Total
<b>Total operating revenue</b>	6 375	1 202	2 375	17	(9)	<b>9 961</b>
Cost of goods sold	(5 510)	(1 004)	(2 250)	0	-	<b>(8 765)</b>
Employee benefit expenses	(433)	(62)	(44)	(37)	-	<b>(576)</b>
Depreciation and amortisation expense	(46)	(6)	(4)	(25)	(98)	<b>(180)</b>
Other operating expenses	(426)	(50)	(32)	(92)	116	<b>(484)</b>
<b>Total operating expenses</b>	<b>(6 414)</b>	<b>(1 123)</b>	<b>(2 331)</b>	<b>(153)</b>	<b>18</b>	<b>(10 004)</b>
<b>Operating result (EBIT)</b>	<b>(39)</b>	<b>79</b>	<b>44</b>	<b>(136)</b>	<b>9</b>	<b>(43)</b>
Net finance income and expenses	-	-	-	(51)	(12)	<b>(63)</b>
<b>Profit before tax</b>	<b>(39)</b>	<b>79</b>	<b>44</b>	<b>(187)</b>	<b>(4)</b>	<b>(106)</b>

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## NOTE 04 REVENUES FROM CONTRACTS WITH CUSTOMERS

### Disaggregation based on type of customers

Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Sale to consumers (B2C)	2 594	2 528	7 682	6 375	9 785
Sale to corporates (B2B)	457	416	1 188	1 202	1 615
Sale to resellers (Distribution)	823	837	2 252	2 375	3 207
Other	0	3	5	8	11
<b>Total</b>	<b>3 874</b>	<b>3 784</b>	<b>11 127</b>	<b>9 961</b>	<b>14 618</b>

### Revenues based on geographic location of customers

Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Norway	1 968	1 883	5 348	5 265	7 351
Sweden	1 852	1 859	5 592	4 538	7 025
Denmark	54	43	187	158	243
<b>Total</b>	<b>3 874</b>	<b>3 784</b>	<b>11 127</b>	<b>9 961</b>	<b>14 618</b>

### Revenues by product or service

Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Sale of goods	3 786	3 689	10 880	9 737	14 299
Other income	88	95	247	224	319
<b>Total</b>	<b>3 874</b>	<b>3 784</b>	<b>11 127</b>	<b>9 961</b>	<b>14 618</b>

## NOTE 05 EARNINGS PER SHARE

### Earnings per share

Amounts in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
<b>Profit for the period</b>	<b>(21)</b>	<b>(29)</b>	<b>(91)</b>	<b>(91)</b>	<b>(32)</b>

### Average number of shares

Shares at the beginning of the period	175 341 161	107 497 579	175 297 579	72 255 155	72 255 155
Effect of new shares*	-	-	38 314	23 494 949	32 459 501
Average number of shares	175 341 161	107 497 579	175 335 893	95 750 104	104 714 656

### Earnings per share (basic and diluted) - in NOK

	(0.12)	(0.27)	(0.52)	(0.95)	(0.31)
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\* In connection with the acquisition of NetOnNet 4 April 2022, a total of 35 242 424 shares in Komplett were issued. 67 800 000 new share were issued connected to the private placement in November and December 2022, with a subsequent offer in January 2023 of 43 582 new shares.

### Diluted earnings per share

There are no instruments or options that will have a dilutive effect on earnings per share as of 30 September 2023.

## NOTE 06 FIXED ASSETS AND INTANGIBLE ASSETS

Amounts in NOK million	Goodwill	Soft-ware	Other intan-gible assets	Machin-ery, fur-niture, fittings	Right of use assets	Total
Carrying amount as of 1 January 2023	2 131	218	1 424	134	559	4 466
Additions	-	120	-	8	104	232
Depreciation and amortisation	-	(39)	(38)	(30)	(141)	(249)
Foreign currency effects	56	2	46	3	17	124
<b>Carrying amount as of 30 September 2023</b>	<b>2 187</b>	<b>300</b>	<b>1 432</b>	<b>115</b>	<b>539</b>	<b>4 573</b>



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### NOTE 07 LEASES

The group's right-of-use assets, lease liabilities and lease receivables are categorised and presented in the table below:

#### Right of use assets

Amounts in NOK million	Land and buildings	Vehicles	Total
At 1 January 2023	557	2	559
Additions including adjustments to existing contracts	103	1	104
Amortisation	(140)	(0)	(141)
Foreign currency effects	17	-	17
<b>At 30 September 2023</b>	<b>537</b>	<b>3</b>	<b>539</b>

Economic life/lease term	1-8 years	1-3 years
Amortisation method	Straight line	Straight line

#### Lease liabilities

At 1 January 2023	558
Additions	38
Interest expenses	14
Lease payments	(152)
Foreign currency effects	81
<b>At 30 September 2023</b>	<b>538</b>

#### Whereof:

Current lease liabilities	183
Non-current lease liabilities	356

### NOTE 08 FINANCIAL INSTRUMENTS – FAIR VALUE

The group considers that the carrying amount of the following financial assets and financial liabilities are a reasonable approximation of their fair value:

- ▶ Trade receivables
- ▶ Trade payables
- ▶ Cash and cash equivalents
- ▶ Long-term loans
- ▶ Debt to financial institutions

In addition, the group has currency forwards buying EUR & USD and selling SEK & NOK. As of 30.09.2023 there are outstanding currency forwards of EUR 35 million and USD 15 million. The unrealised loss on these contracts are NOK 12 million and the group does not apply hedge accounting.

### NOTE 09 RELATED PARTY TRANSACTIONS

In addition to subsidiaries and associated companies, the group's related parties include its majority shareholders, all members of the board of directors and key management, as well as companies in which any of these parties have either controlling interests, board appointments or are senior staff. All transactions have been entered into in accordance with the arms' length principle, meaning that prices and other main terms and conditions are deemed to be commercial.

All significant transactions with related parties that are not eliminated in the group accounts are presented below:

Amounts in NOK million		Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Parties	Type of transactions					
Kullerød Eiendom AS <sup>1</sup>	Lease of office and warehouse	7	6	21	19	26
F&H Asia Limited <sup>1</sup>	Purchase of products	7	10	18	62	66
SIBA Fastigheter AB <sup>2</sup>	Lease of offices and warehouse	0	4	15	9	13
Resurs& Solid <sup>2</sup>	Sales of products	2	2	6	5	7
Resurs& Solid <sup>2</sup>	Commission of services sold	56	33	98	64	103
<b>Total</b>		<b>72</b>	<b>56</b>	<b>157</b>	<b>158</b>	<b>215</b>

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

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

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## NOTE 10 TOP 20 SHAREHOLDERS

### The 20 largest shareholders as at 30 September 2023

Rank	Name	Holding	Stake
1	Canica Invest AS	74 376 317	42.42%
2	SIBA Invest AB	55 581 404	31.70%
3	Verdipapirfondet Alfred Berg Gambak	5 832 206	3.33%
4	The Bank of New York Mellon SA/NV	4 139 247	2.36%
5	UBS AG	3 949 239	2.25%
6	The Northern Trust Comp, London Br	2 786 993	1.59%
7	Verdipapirfondet Holberg Norge	2 300 000	1.31%
8	Verdipapirfondet Holberg Norden	2 100 000	1.20%
9	Morgan Stanley & Co. Int. Plc.	2 053 443	1.17%
10	Sole Active AS	1 883 646	1.07%
11	Skandinaviska Enskilda Banken AB	1 365 500	0.78%
12	Wenaasgruppen AS	1 273 370	0.73%
13	Citibank, N.A.	1 272 835	0.73%
14	Verdipapirfondet Storebrand Norge	1 183 243	0.67%
15	BNP Paribas	1 066 111	0.61%
16	Verdipapirfondet Pareto Investment	1 018 000	0.58%
17	UBS Europe SE	889 540	0.51%
18	Vineberg Invest AS	673 598	0.38%
19	Strømstangen AS	673 498	0.38%
20	Gulbrand Gråstein AS	404 922	0.23%
<b>Total top 20</b>		<b>164 823 112</b>	<b>94.00%</b>
Total number of shares		175 341 161	100.00%

## NOTE 11 LOANS AND BORROWINGS

Amounts in NOK million	Total facility	Classification	Utilised 30.09.23	Utilised 30.09.22	Utilised 31.12.22
Revolving credit facility	NOK 1 300 million	Long-term	800	-	-
Overdraft facility	NOK 400 million	Short-term	-	-	-
Credit facility	SEK 100 million	Short-term	16	51	49
Revolving credit facility*	NOK 500 million	Long-term	-	500	400
Overdraft facility*	NOK 500 million	Short-term	-	-	-
Revolving credit facility*	SEK 650 million	Short-term	-	293	76
Bridge loan*	NOK 1 500 million	Short-term	-	1 500	500
<b>Total</b>			<b>816</b>	<b>2 344</b>	<b>1 025</b>

The current revolving credit facility and overdraft facility include covenants for a minimum equity ratio of 30 per cent and a ratio of net debt to EBITDA. Leverage ratios for Q3 2023 and Q4 2023 are 4.0x and 3.0x respectively. Thereafter the leverage ratio is 3.0x for ordinary quarters, but 3.5x for Q3 due to seasonality in the business. The credit facilities have pledge in property, plant and equipment and current assets.

\* These facilities are not active as of 30.09.2023

## NOTE 12 EVENTS AFTER THE REPORTING DATE

In October a restructuring plan in the subsidiary Webhallen Sverige AB has been approved and communicated. The plan includes a decision to close down five specific stores and all of these stores are expected to be closed down by the end of Q1 2024. Provision for this restructuring will be recognised in Q4 2023.

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## APPENDIX 1: YEAR-TO-DATE EFFECT OF NETONNET COMPARED TO LAST YEAR

To explain the changes between reported figures for 2023 vs 2022, which are strongly affected by the acquisition of NetOnNet from Q2 2022, the following specification has been made.

For further information regarding pro forma figures, please refer to the publication made at: <https://www.komplettgroup.com/investor-relations/financial-information/>

### Statement of profit and loss

<i>Amounts in NOK million</i>	YTD 2023	YTD 2022	Δ LY	Komplett	NetOnNet	Adjustment
Total operating income	11 127	9 961	1 166	(2)	1 168	-
Cost of goods sold	(9 580)	(8 765)	(816)	105	(920)	-
Employee benefit expenses	(735)	(576)	(159)	(65)	(94)	-
Depreciation and amortisation expense	(249)	(180)	(69)	(6)	(48)	(15)
Other operating expenses	(545)	(484)	(61)	5	(65)	-
<b>Total operating expenses</b>	<b>(11 108)</b>	<b>(10 004)</b>	<b>(1 104)</b>	<b>39</b>	<b>(1 128)</b>	<b>(15)</b>
<b>Operating result</b>	<b>19</b>	<b>(43)</b>	<b>62</b>	<b>37</b>	<b>40</b>	<b>(15)</b>
Net finance income and expenses	-	-	-	-	-	-
<b>Profit before tax</b>	<b>(106)</b>	<b>(106)</b>	<b>0</b>	<b>(38)</b>	<b>29</b>	<b>9</b>
Tax expense	15	10	5	16	(8)	(3)
<b>Profit for the period</b>	<b>(91)</b>	<b>(97)</b>	<b>6</b>	<b>(22)</b>	<b>21</b>	<b>6</b>

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## APPENDIX 2: ALTERNATIVE PERFORMANCE MEASURES (APMS)

The APMs used by Komplett Group are defined as set out below:

**Gross profit:** Total operating revenue less cost of goods sold. The group has presented this item because it considers it to be a useful measure to show the management's view on the overall picture of profit generation before operating costs in the group's operations.

**Gross margin:** Gross profit as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency of gross profit generation of the group's operations as a percentage of total operating revenue.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenue	3 874	3 784	11 127	9 961	14 618
- Cost of goods sold	(3 350)	(3 338)	(9 580)	(8 765)	(12 824)
<b>= Gross profit</b>	<b>524</b>	<b>447</b>	<b>1 547</b>	<b>1 196</b>	<b>1 794</b>
<i>Gross margin</i>	<b>13.5%</b>	11.8%	<b>13.9%</b>	12.0%	12.3%

**Total operating expenses (adjusted):** Total operating expenses less cost of goods sold and one-off cost. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

**Operating cost percentage (adj.):** Total operating expenses less cost of goods sold and one-off cost as a percentage of total operating revenue. The group has presented this item because the management considers it to be a useful measure of the group's efficiency in operating activities.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenue	3 874	3 784	11 127	9 961	14 618
Total operating expenses	3 849	3 798	11 108	10 004	14 612
- Cost of goods sold	(3 350)	(3 338)	(9 580)	(8 765)	(12 824)
- One-off cost	(13)	(4)	(29)	(60)	(80)
<b>= Total operating expenses (adj.)</b>	<b>485</b>	<b>457</b>	<b>1 499</b>	<b>1 180</b>	<b>1 707</b>
<i>Operating cost percentage</i>	<b>12.5%</b>	12.1%	<b>13.5%</b>	11.8%	11.7%

**EBITDA excl. impact of IFRS 16:** Derived from financial statements as the sum of operating result (EBIT) plus the sum of depreciation and amortisation for the segments B2C, B2B, Distribution and Other. The group has presented this item because it considers it to be a useful measure to show the management's view on the overall picture of operational profit and cash flow generation before depreciation and amortisation in the group's operations, excluding any impact of IFRS 16.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
EBIT	26	(14)	19	(43)	6
- EBIT impact of IFRS 16	(4)	(3)	(11)	(9)	(12)
+ Dep B2C, B2B, Dist. Other	35	33	108	82	115
<b>= EBITDA excl IFRS 16</b>	<b>57</b>	<b>16</b>	<b>115</b>	<b>30</b>	<b>109</b>

**EBIT adjusted:** Derived from financial statements as operating result (EBIT) excluding one-off costs. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenue	3 874	3 784	11 127	9 961	14 618
EBIT	26	(14)	19	(43)	6
+ One-off cost	13	4	29	60	80
<b>= EBIT adjusted</b>	<b>39</b>	<b>(10)</b>	<b>48</b>	<b>17</b>	<b>87</b>
<i>EBIT margin adjusted</i>	<b>1.0%</b>	(0.3%)	<b>0.4%</b>	0.2%	0.6%

**EBIT margin adjusted:** EBIT adjusted as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations before one-off items as a percentage of total operating revenue.

**EBIT margin:** Operating result (EBIT) as a percentage of total operating revenue. The group has presented this item because it considers it to be a useful measure to show the management's view on the efficiency in the profit generation of the group's operations as a percentage of total operating revenue.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenue	3 874	3 784	11 127	9 961	14 618
EBIT	26	(14)	19	(43)	6
<b>EBIT margin</b>	<b>0.7%</b>	(0.4%)	<b>0.2%</b>	(0.4%)	0.0%

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**Net working capital:** Working capital assets, comprising inventories, trade receivables, trade payables and other current assets and liabilities. The deferred Swedish tax liability is classified as other current liability in accordance with local accounting principles. The management considers it to be a useful indicator of the group's capital efficiency in its day-to-day operational activities.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Inventory	2 108	2 101	2 108	2 101	1 928
+ Trade receivables - regular	236	504	236	504	309
- Trade payables	(1 407)	(1 317)	(1 407)	(1 317)	(1 412)
+/- Other assets and liabilities	(653)	(241)	(653)	(241)	(181)
<b>= Net working capital</b>	<b>284</b>	<b>1 047</b>	<b>284</b>	<b>1 047</b>	<b>644</b>

**Net interest-bearing debt:** Interest-bearing liabilities less cash and cash equivalents. The group has presented this item because the management considers it to be a useful indicator of the group's indebtedness, financial flexibility and capital structure. As mentioned above interest-bearing debt does not include the deferred Swedish tax liability. The net interest-bearing debt incl. IFRS 16 is a useful measure as indebtedness, including the lease liabilities from IFRS 16, is relevant for the covenants of the group's credit facilities.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Long-term loans	800	500	800	500	400
+ Short-term loans	16	1 844	16	1 844	625
- Cash/cash equivalents	(168)	(85)	(168)	(85)	(149)
<b>= Net interest-bearing debt</b>	<b>649</b>	<b>2 259</b>	<b>649</b>	<b>2 259</b>	<b>876</b>
+ IFRS 16 liabilities	538	593	538	593	558
<b>= Net int. bear. debt incl. IFRS 16</b>	<b>1 187</b>	<b>2 853</b>	<b>1 187</b>	<b>2 853</b>	<b>1 434</b>

**Operating free cash flow:** EBITDA excl. impact of IFRS 16 less investment in property, plant and equipment, less change in net working capital less change in trade receivable from deferred payment arrangements. The group has presented this item because the management considers it to be a useful measure of the group's operating activities' cash generation.

### Reconciliation

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
EBITDA excl IFRS 16	57	16	115	30	109
- Investments	(39)	(29)	(128)	(101)	(177)
+/- Change in net working capital	111	302	361	347	750
+/- Change in deferred payment	2	6	(6)	33	39
<b>= Operating free cash flow</b>	<b>131</b>	<b>295</b>	<b>342</b>	<b>309</b>	<b>721</b>



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