

# Kid ASA

## **Kid ASA – Sale of the Swedish property signed**

**Lier, 3 December 2024:** Kid Group (“Kid”), a leading home textile retailer in the Nordics, announces today the sale of the warehouse and office property in Sweden to Storebrand Nordic Real Estate, a fund managed by Storebrand Asset Management.

The Swedish property of approximately 57,000 square meters is sold for a total consideration of more than MNOK 600. Closing of the transaction is expected in December 2024, with an estimated positive P&L impact of around MNOK 30 for Kid in Q4-24. The total net cash flow effect for Kid is projected to be approximately MNOK 100, with two-thirds payable in December 2024, covering the loan and accrued interest to the joint venture (Prognosgatan Holding AS, “Joint Venture”). The remaining amount is expected to be settled during 2025. The contract includes a 20-year lease agreement, established on favourable terms, including a right to terminate after 8 and 14 years.

On 3 November 2021, Kid announced the establishment of a Joint Venture with Fabritius Gruppen AS (“Fabritius”) to develop a new warehouse facility in Sweden. The Joint Venture is controlled by Kid (through Kid Eiendom AS) and Fabritius on a 50/50 basis. Fabritius is a wholly owned subsidiary of Gjelsten Holding AS. The expansion and development of one central warehouse for the entire Kid was decided and communicated on 23 August 2023.

The first phase of the warehouse project has been in full operation for Hemtex since Q2-23 and is operated by Kid’s wholly owned subsidiary Kid International Logistic AB. The second phase of the project will be handed over to Kid during Q1-25 serving the operations for Hemtex, and the common warehouse is expected to serve all Kid’s markets medio 2025. The property of 57,000 square meters includes offices and warehouse facilities, and the warehouse will have capacity for future growth and expansion. Kid’s primary objective has been to develop a high-quality property that supports efficient logistics operations at low running costs.

The warehouse operations in Norway will consequently be discontinued during 2025, whereas the location of the headquarter in Norway will remain unchanged in Lier. Kid is currently working on subleasing the Norwegian warehouse facilities in Lier to an external party for the remainder of the five years lease period. Kid will consequently book some additional cost during 2025 related to the transfer to Sweden

and subsequent close-down in Norway. The timing and size of the cost is, among others, dependent upon the terms and timing of the sublease.

"We are satisfied to announce the sale of the warehouse and office property in Sweden. The collaboration between Fabritius and Kid has been crucial to the project's success, combining expertise within real estate, logistics and retail. The key focus has been to develop a high-quality property enabling efficient logistic operations at low running costs serving all our markets", says Anders Fjeld, CEO of Kid ASA.

#### **DISCLOSURE REGULATION**

This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.

#### **ENQUIRIES**

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