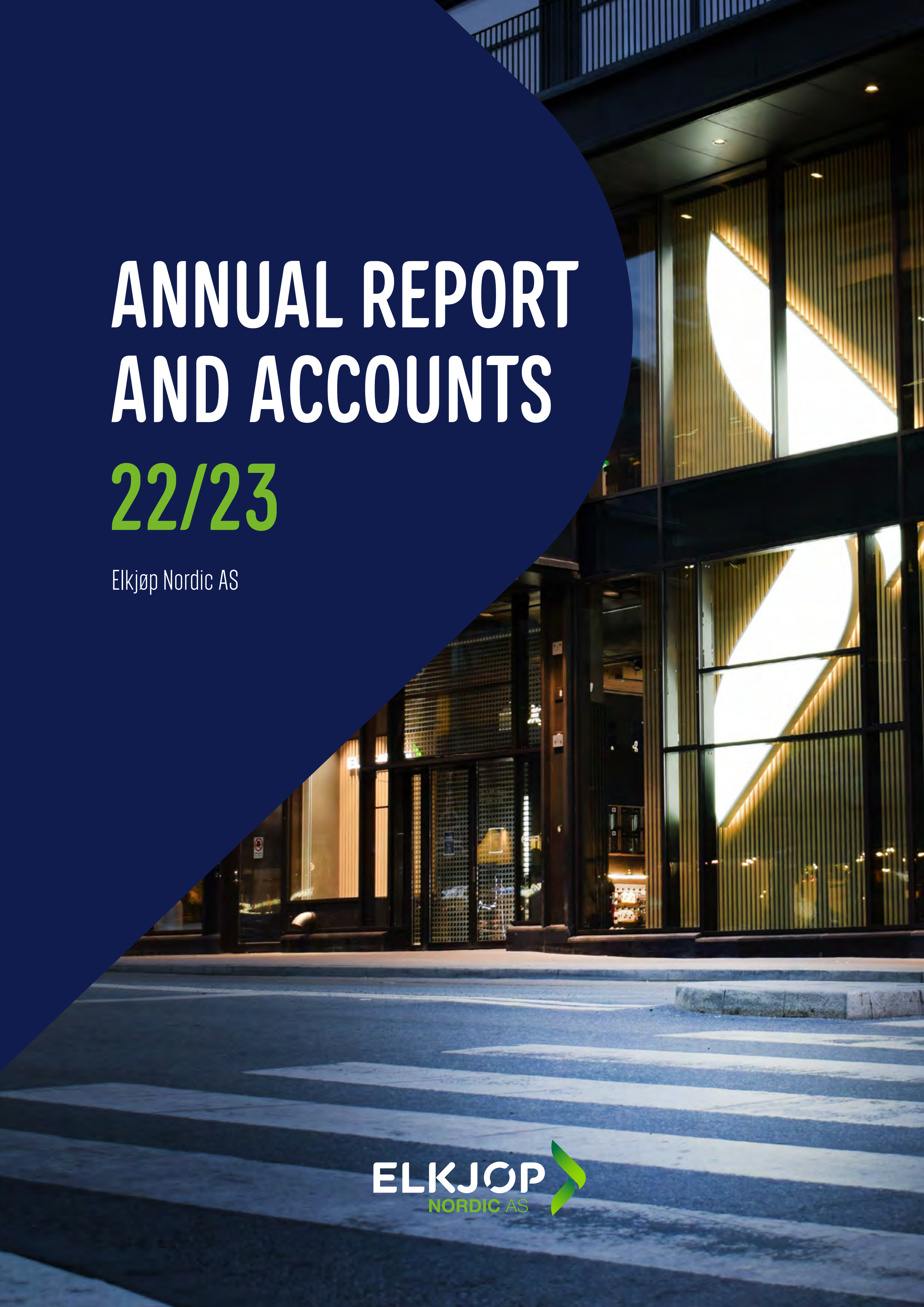
ANNUAL REPORT AND ACCOUNTS

22/23

Elkjøp Nordic AS



ELKJØP NORDIC AS

CONTENTS

HIGHLIGHTS OF THE YEAR

Turnover

45.9 BNOK[1]

Profits

291 MNOK[1]

Customer club members

KUNDEKLUB

7.6 MILLION

Customer satisfaction

94.1%

Collection of electronic waste

29 488 TONS

[1] Figures according to 445-calendar as reported to Currys.

CEO COMMENTS

Dear colleagues and stakeholders.

I write to you today as we close the fiscal year 2022/2023, a year that has posed significant challenges for the consumer electronic retail industry in the Nordics. As we review the past twelve months, it is with a mix of reflection, determination, and gratitude that I as a CEO present my first annual report.

The year 2022/2023 has been marked by unprecedented headwinds that affected the entire industry. The industry faced numerous obstacles, including weakened consumer confidence, high inflation, intense competition, a weak Norwegian krone, and global supply chain disruptions. Despite our best efforts, our profitability was impacted, and we experienced a decline in financial performance.

However, it is during challenging times that the true character and resilience of a company come to the forefront. We confronted these obstacles head-on, adapting our strategies, and making difficult decisions to navigate through the storm. Our entire organisation showed remarkable dedication, going above and beyond to serve our customers and uphold our commitment to excellence. This dedication is proven by customers giving us the highest HappyOrNot score ever. Forward, it will be important that all our talented colleagues continue to have fun at work. I really believe that well-being and commitment are essential in creating a winning team.

Throughout the year, we have significantly reduced costs, streamlined our operations, and improved efficiency across the board. We reevaluated our product assortment, strengthening our relationships with key suppliers, negotiating favorable terms, and closely managing our inventory. Thanks to the hard work of the whole organisation, we are now in a strong position and ready to fight every day so that consumers will continue to choose our brand over competitors also going forward.

We also recognized the importance of sustainability and responsibility as integral parts of our business strategy. We made significant strides in reducing our environmental footprint by implementing energy-efficient practices in our operations and promoting recycling and responsible product disposal. One of many excellent examples across Nordics is the new "return point" set up by our Norwegian colleagues at our store in Larvik making it both easy and safe to recycle used electronics. Our commitment to sustainability not only benefits the environment but also resonates with our customers, who increasingly prioritize eco-friendly choices.

Looking ahead, we have identified strategic opportunities to fuel growth and drive financial performance. This year has shown us the need to continue to improve on what has made us so successful in the past: strong cost control and the industry's most efficient distribution. In addition to a comprehensive cost program, we are continuing to invest to make our supply chain even more efficient. This year we have broken ground on the Nordic Distribution Center 3.0, which will be completed next year. This investment will give us increased flexibility, faster deliveries, as well as improved logistics for our Kitchen & Interior business.

In closing, I want to express my deepest gratitude to our customers, partners, and employees for their unwavering support during this difficult year. Your trust and commitment have been the foundation of our resilience. Together, we will overcome the challenges, adapt to the evolving landscape, and rebuild profitability.

As we embark on a new fiscal year, we are confident in our ability to navigate the headwinds, seize opportunities, and preserve our position as the clear market leader in the Nordic consumer electronics market. We are more ready than ever to fulfil our vision of helping everyone enjoy amazing technology.

Fredrik Tønnesen
Chief Executive Officer
Elkjøp Nordic AS

ABOUT ELKJØP

How we became a solid market leader within consumer electronics and home appliances in the Nordics.

At Elkjøp, we work hard every day to enrich the lives of consumers through technology, whether they come to us online or are visiting our stores. We do this by solving technology problems and addressing key human needs across a range of areas including entertainment, productivity, communication, food, security, and health. Elkjøp is the leading consumer electronics retailer in the Nordics.

We primarily sell consumer electronics, mobile phones, computers, white goods, domestic appliances, kitchens (Epoq), and services related to these products both directly to consumers and to businesses. We are an omnichannel retailer and serve our customers both online and through our over 426 stores. The Group consists of around 11,000 engaged colleagues working under the brands Elkjøp and Elkjøp Phonehouse in Norway, Elgiganten and Elgiganten Phonehouse in Sweden, Elgiganten in Denmark, and Gigantti in Finland. It also includes Elko in Iceland, Elding in the Faroe Islands and Pisiffik in Greenland. We offer a wide selection of well-known brands at the best prices in the market. We achieve this through a tireless focus on the customer, efficiency, and a strong company culture.

Brief history
Elkjøp was founded in Norway in 1962 as a cooperation between 33 voluntary dealers seeking to buy larger volumes from suppliers at better prices. Since then, Elkjøp has grown to become a solid market leader in consumer electronics and home appliances in the Nordics. Elkjøp was listed on the Oslo Stock Exchange in 1993. Throughout the 1990's, it expanded to the other Nordic countries in addition to establishing a joint Nordic central warehouse in Jönköping. In 1999, Elkjøp was acquired by Dixons Group plc (now Currys plc).

Thor Bjarmann (1945-2001)
A prominent leader in Elkjøp Nordic through two decades, who served as the Elkjøp group CEO for 13 years. Driven by his energy, charisma, courage, and innovative mindset, Elkjøp revolutionized consumer electronics retailing. The company's turnover grew from 500 MNOK to over 5.5 BNOK, and the foundation for our current operating model was established under his leadership. Thor Bjarmann held a strong and clear belief in people as the enablers for success. With his characteristic energy, enthusiasm, and determination, he put people development and the importance of learning at the core of our culture.

THE HISTORY OF ELKJØP

1962
16. March – 33 retailers establishes Elkjøp. Washing machines and fridges are key products.

1965
Elkjøp with new name and logo.

1976
Elkjøp releases their first cinema commercials, starring Olsenbanden.

1979
Elkjøp buys the Tandberg residual stock for 34.5 million. A feature on Dagsrevyen makes the Elkjøp name known.

1984
Elkjøps first superstore with 450 m2 opened in Calmeyers gate in Oslo.

1990
Elkjøp expands in the Nordics. Elkjøp establishes its own computing department.

1992
TV 2 goes live and Elkjøp broadcasts their first TV commercials.

1993
Elkjøp listed on Oslo Stock Exchange.

1994
Elkjøp est. in Sweden as Elgiganten.

1996
Elkjøp est. as Elgiganten in Denmark.

1997
Elkjøp Nordic Distribution Center (NDC) opened in Jönköping, Sweden.

1999
Elkjøp Est. as Gigantti in Finland. Elkjøp aquired by Dixons Retail (now Currys plc).

2002
Elkjøp launched websites in Norway, Denmark and Sweden.

2007
Elkjøp started selling Epoq kitchens.

2009
Elkjøp launches its next generation store concept 2.0 in Lørenskog.

2011
Tablets taking over. Surfing becomes a national activity. Elkjøp launches a Facebook page.

2013
Elkjøp with new logo and launch of Knowhow as own support and service brand.

2014
Dixons Retail and Carphone Warehouse merge and Elkjøp takes over 100 Phone House stores in Sweden.

2015
NDC2 expansion with state-of-the-art automated smallbox warehouse. Elkjøp aquired InfoCare workshop (now Elcare).

2016
Elkjøp aquired 10 FONA stores in Denmark and rebrands to Elgiganten.

3.0 CONCEPT

2017
Elkjøp next generation Big Box store concept 3.0 in Täby Stockholm. Elkjøp joined Workplace.

2018
Lefdal stores in Norway rebranded to Elkjøp.

2021
Elkjøp next generation Small Box concept in Oslo and Täby Stockholm. Dixons change name to Currys.

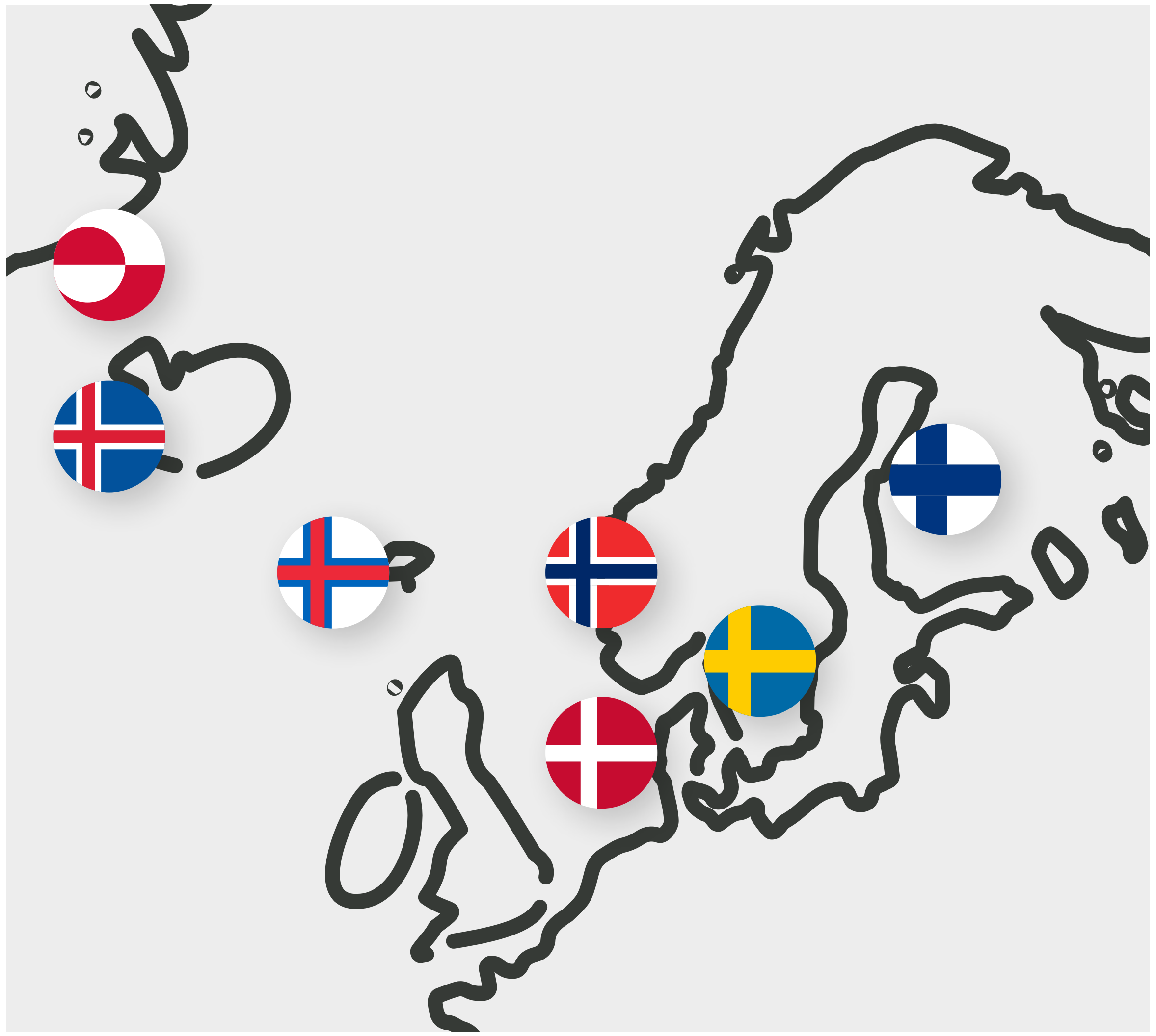
2022
Start of NDC3 expansion and relocation of kitchen distribution to Jönköping.

2023
Elkjøp Nordic starts test of selling pre-owned white goods online.

OVERVIEW

The Elkjøp Group is by far the largest electronics retailer in the Nordic countries, with retail outlets established in Norway, Sweden, Denmark, and Finland, in addition to franchise operations in Greenland, Iceland, and the Faroe Islands. The Group operates through Elkjøp and Elkjøp Phonehouse in Norway, Elgiganten and Elgiganten Phonehouse in Sweden, Elgiganten in Denmark, and Gigantti in Finland. It also includes Elko in Iceland, Elding in the Faroe Islands, and Pisiffik in Greenland.

Elkjøp Nordic has online stores in each country, 426 physical stores (including franchises), and 11,000 fantastic colleagues across the Nordics. All stores located in the Nordic countries are supplied by the Group's 107,000 m2, modern central warehouse located at the heart of the Nordics, Jönköping in Sweden. We have local back offices in each country, with Elkjøp Nordic's back office located in Nydalen, Oslo.



DENMARK
Elgiganten: 44 stores
Revenue: 8.967 MNOK
Elgiganten.dk

FINLAND
Gigantti: 21 stores
Gigantti Franchise: 21 stores
Gigantti Phonehouse: 1 store
Revenue: 6.315 MNOK
Gigantti.fi

NORWAY
Elkjøp: 54 stores
Elkjøp Franchise: 63 stores
Elkjøp Phonehouse: 33 stores
Revenue: 13.846 MNOK
Elkjop.no

SWEDEN
Elgiganten: 44 stores
Elgiganten Franchise: 41 stores
Elgiganten Phonehouse: 55 stores
Phonehouse Franchise: 36 stores
Revenue: 15.448 MNOK
Elgiganten.se

GREENLAND
Pisifikk Franchise: 6 stores

ICELAND
Elko Franchise: 5 stores

FAROE ISLANDS
Elding Franchise: 3 stores

ELKJØP NORDIC DISTRIBUTION CENTER

The heart of our logistics.

Elkjøp Nordic Distribution Center (NDC) is located in Jönköping, Sweden, and is one of the keys to our low prices. With all our products centralized in one location, there are fewer stops along the way, ensuring more efficient transportation of products from factory to store, and to you, the customer. The NDC was built in 1997 and was expanded in 2000, 2007 and 2016 to keep up with revenue growth, more direct deliveries (online), and to stay efficient through the automation of operations, which includes 220 robots that place and pick up goods with a capacity of 7000 boxes in and out per hour. Today, the NDC houses 107,000 square meters. It has its own railway track and 85 loading and unloading ports for trailers, as well as 200 forklifts. On average, 75 fully loaded cars are used daily, and approximately 1.3 million m3 of electronics are shipped yearly. During our peak season (around Christmas), a truck of goods from the central warehouse runs every 9 minutes - 24 hours a day!

OUR CULTURE

We are proud of our strong culture, which was created through our history and which forms one pillar of our success. Working for Elkjøp Nordic should be fun and challenging. Our team spirit is high, and we both take pride and have great faith in what we can do and accomplish together.

Our common goal is to always make sure our customers are happy, and that our values Responsible, Engaged and Efficient guide us, remaining the core of everything we do.

RESPONSIBLE

Responsibility is how we earn the trust of our co-workers, our customers and the community.

That means truly listening to every customer and providing great advice, every time. It means doing business in a manner that is in line with our policies and ethical standards. It is our responsibility to contribute to the quality of life of our customers, our employees, and society as a whole. We have made it our business to help people live more sustainably through smart use of technology while simultaneously minimising our negative impact on the environment

ENGAGED

Engagement creates great customer experiences as well as a great workplace.

To fuel our engagement, we need to encourage each other by sharing, achieving, and celebrating. Work is more fun and more meaningful when we make the effort to make a difference – for ourselves, our colleagues, and our customers. It takes real dedication to grow, and real engagement to be truly dedicated. The drive to do our best is what makes our co-workers stay and our customers return. It is an attitude that is the very heart of our culture.

EFFICIENT

Efficiency holds our organization together from wing to wing and is what makes us move forward.

It is the very foundation we need to achieve our goals, be they big or small, individual or collective. We are always looking for ways to improve our game through cost smartness and efficient teamwork. We depend on each other for learning, support, and feedback, whether we work in the store, at the office, in customer care, or in distribution. Helping each other be the best we can be allows us to adapt in times of change and provides us with a key competitive advantage.

CORPORATE GOVERNANCE

We believe that robust corporate governance is the foundation of long-term sustainable success of a business and that it helps deliver the right outcomes for our shareholders, our customers, our colleagues, our suppliers, and our communities.

Elkjøp Nordic reports to the following Curry's Board committees: the Audit Committee, Disclosure Committee, Nomination Committee, Remuneration Committee and Executive Committee. In addition, there are two committees, ESG and Group Risk & Compliance, that report to the Executive Committee. Day-to-day management is delegated to the Nordic CEO, supported by the Nordic Management team, which is made up of 11 senior managers in the Group.

Audit and Internal Control
The Audit Committee is responsible for assessing reports from the external auditors as well as the work performed by Internal Audit. In addition, the Audit Committee reviews the effectiveness of internal controls and oversees risk management.

This year's internal audit reviews have focused on the following Group risks: Information Security, Data Protection, IT Resilience, Business Transformation and Financial Service Regulations. A total of six reviews have been completed and presented to the Audit Committee.

The external auditor is appointed by shareholders to provide an opinion on the annual report and accounts and certain disclosures prepared by the Elkjøp Nordic Management. KPMG has acted as the external Auditor to the Group throughout the year. As part of reporting of the half-year and full year results, the Audit Committee reviewed KMPG's assessments of the Group's significant accounting judgements and estimates and performed a evaluation of the quality of the work undertaken.

Every year, approximately 350 controls related to finance, operations, IT and compliance, are tested across 12 business areas. The results of the review are assessed by the Audit Committee. Next year there are plans to implement an updated control framework.

Risk management
Elkjøp Nordic is committed to protecting the Elkjøp Brand, our co-workers, customers, business partners and assets. Risk management focuses on the principal risks facing the Group, these include; Data Protection, Information Security, Health & Safety, Supply Chain resilience, People, Sustainability, Business Transformation, Failure of IT systems, Macroeconomics, Financial Service regulations, Business Continuity and Product Safety. These risks are reviewed and discussed by the Nordic Management, the Group Risk & Compliance Committee, and the Audit Committee on a regular basis. Horizon scanning are performed twice a year.

Anti-Bribery
The Anti-Bribery control environment is reviewed annually. Our policy states that we believe in operating our business ethically and with integrity and that we have a zero-tolerance approach to bribery and corruption. All individuals in our organisation are prohibited from giving a bribe, accepting a bribe, or making facilitation payments or kickbacks.

Anti-bribery training is mandatory for all employees. In addition, a declaration of ethical behaviour is required from extended management on a yearly basis. To ensure transparency, gifts and hospitality are reported to the Risk & Compliance Committee on a regular basis. To mitigate bribery and corruption risks, due diligence processes are in place for both suppliers and major B2B (Business-to-Business) customers.

Whistleblowing
As a Company, we believe in being open, honest, and transparent. If colleagues witness, become aware of, or suspect someone of malpractice, bribery, corruption or any breach of the Company's Code of Conduct or Company procedures, they are expected to report it to their manager. If they do not feel they can discuss the matter with their manager, or their manager is directly involved, they can use the externally hosted whistleblowing line.

Data Protection
We take seriously our obligations to keep personal data secure and confidential and to act with integrity by ensuring that we at all times comply with data protection and privacy legislation.

Elkjøp Nordic has policies and procedures to ensure compliance with GDPR, the EU's General Data Protection Regulation. The Nordic compliance team maintains procedures that ensures that personal data is processed in a lawful, fair, transparent, and secure manner. The procedures are used by business stakeholders with the support of the compliance team, legal counsel and IT. Main procedures are legal assessments, risk assessments, data protection impact assessments and establishing data processing agreements.

Our privacy policy describes how we process customer data and has a detailed explanation of when and how we use segmentation and personalisation, and how our customers can enforce their rights.

Modern Slavery
The contract framework for both branded suppliers and own label brands includes Standards for Responsible Sourcing and Policies for Conflict Minerals and Modern Slavery. Elkjøp does not tolerate any form of modern slavery, not only because it is a criminal offence but also because it is unethical and dishonest.

RESPONSIBLE SUPPLY CHAIN

Elkjøp wants to take responsibility for promoting ethical trade in our supply chain. As a responsible business we are committed to using our scale and expertise to be a force for good in the world.

Supply chains in the electronics industry are often long and complex, for a supplier to manufacture a product, raw materials and components are sourced from several sub-suppliers from different countries. It is part of our sustainability strategy to do what we can to influence actors in these complex supply chains to take responsibility for ensuring basic human rights and decent working conditions for everyone involved. As a retailer, we believe that we fulfil our responsibility best by cooperating with our suppliers, demanding acceptable control systems from those who have a direct impact on the supply chain.

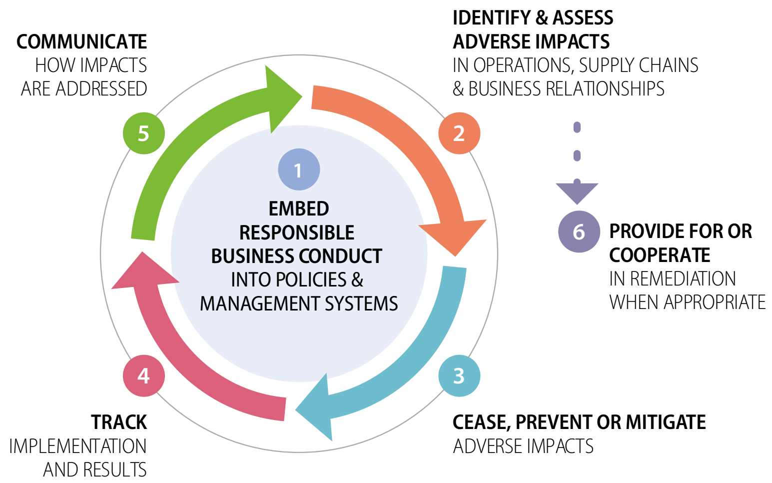
Our approach

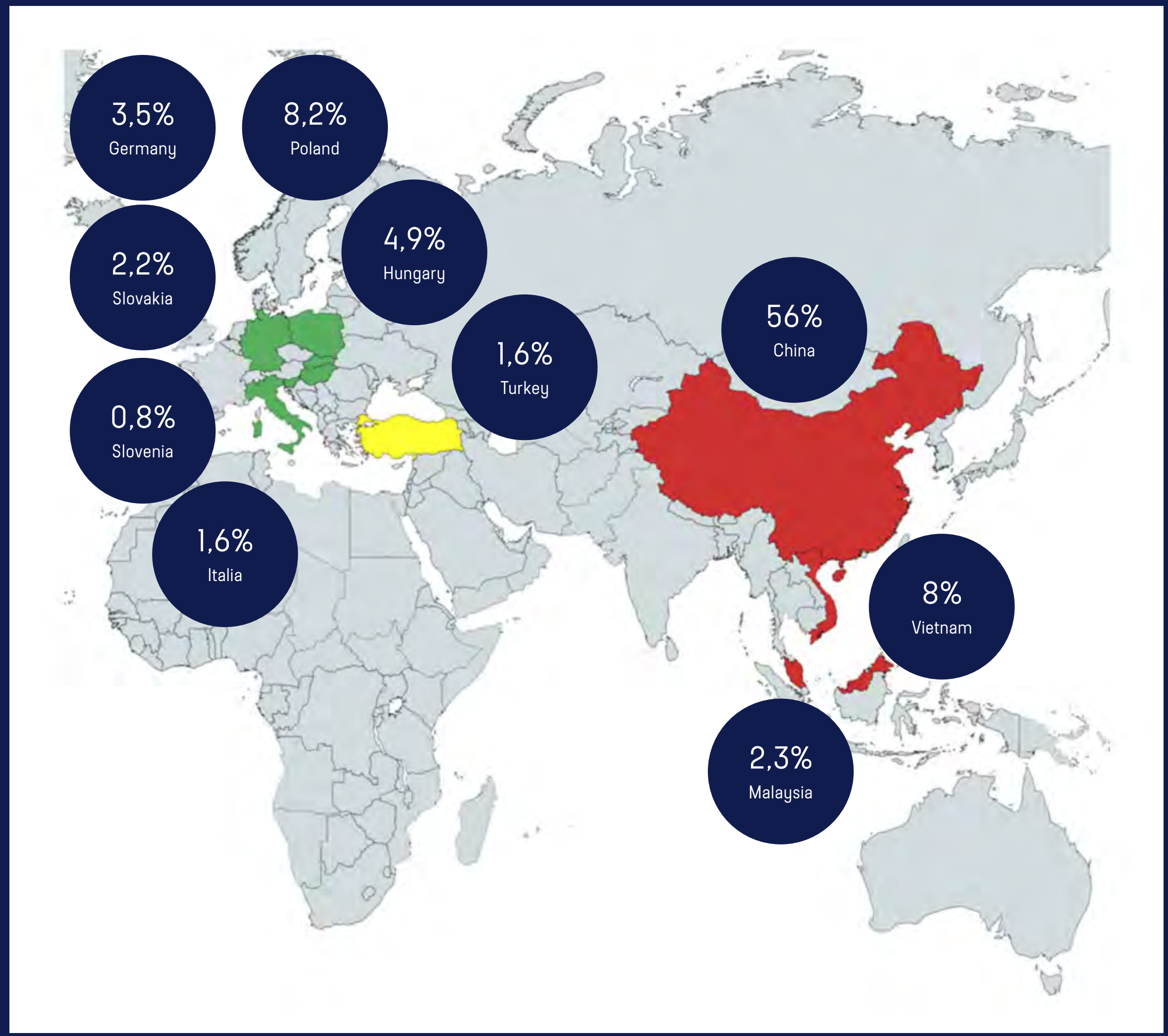
We use the OECD model for due diligence assessments for responsible business conduct. The model has six steps that describe how companies should work towards more responsible and sustainable business practices. We strive for positive due diligence assessments, but that does not mean that our business will not have negative impact on people, society, and the environment, but rather that we as a company are open and honest about challenges in the supply chain and handle this in the best possible way in collaboration with our stakeholders.

Our expectations

We require that our suppliers comply with our standards and policies or that the supplier complies with corresponding standards as part of their management system, in order to ensure responsible sourcing. Since there are known industry risks of human rights violations and violations of workers' rights both in the extraction of minerals used in the products as well as during production in the factories, we align our policies accordingly. We therefore demand, among other things, that conflict minerals are purchased from suppliers on the Responsible Minerals Initiative (RMI) Conformant smelter & refiner lists and that the rights of the workers in the factories must be safeguarded in accordance with current international conventions. More information about our standards and policies can be found at currysplc.com

One of our focus areas is to ensure that as many of our suppliers as possible are certified through the international certification company EcoVadis. EcoVadis evaluate the supplier's performance in terms of environment, ethics, and social responsibility. Learn more about how we work at Elkjop.no





* Sourcing map that covers 90% of Elkjøp Nordic revenue in FY22/23

If we become aware of a serious violation in our supply chain, we investigate how the supplier will ensure that the violation is rectified and provide our support if this is required. In the event of repeated serious breaches, we will consider terminating the contract.

Elkjøp Nordic's supply chain

With 273 goods for resale suppliers and products originating from 62 countries, our suppliers are important contributors to the success of our business.

Most of our suppliers are registered in Sweden, Norway, Netherlands, Finland, Denmark, and Germany.

90% of our revenue comes from products sourced from the following ten countries: China (56%), Poland (8,2%), Vietnam (8%), Hungary (4,9%), Germany (3,5%), Malaysia (2,3%), Slovakia (2,2%), Turkey (1,6%), Italy (1,6%) and Slovenia (0,8%).

In addition, we also have indirect sourcing suppliers providing us with services and products to support our operations across the Nordics, these suppliers are mainly registered in the Nordics.

Mapping of risks

Our focus has been to risk assess our supply chain, identifying areas where there is potential for human rights and workers' rights violations. For branded suppliers our focus is on tier 1 (our direct supply base), for our own label and licensed brand suppliers we also cover high risk tier 2 suppliers (producing batteries and gas components). For indirect sourcing we mainly focus on high-risk tier 1 suppliers with some exception related to distribution services, where we cover both our collaboration partners as well as their subcontractors.

209
Goods for resale suppliers assessed.

Risk assessments have been performed on product group level (ie. headphones, speakers, phones) or on type of services level (ie. transportation, hired workers), to identify the risk of human rights and poor working conditions violations. Inherent risk is assessed according to the following risk factors:

- Country of production.
- Whether conflict minerals are used in the products.
- Whether dangerous chemicals are used in production.
- Whether there are other conditions dangerous to health and safety.
- What impact we have within this product category.
- Other known industry factors.

To assess the country risk, a model has been created incorporating information from two reports issued on a yearly basis "List of Goods Produced by Child Labour or Forced Labor" and "Trafficking in Persons Report", issued by the U.S Bureau of International Labour Affairs as well as the U.S Department of State.

According to the risk model; China, Malaysia, and Vietnam are high risk, Turkey is considered medium risk, while Germany, Poland, Hungary, Slovenia, Slovakia, and Italy are considered to have a low risk of human rights violations, these are all countries that are part of our supply chain.

To determine the residual risk, suppliers are assessed based on knowledge of established control systems, EcoVadis score and experiences from factory visits or other interactions with the supplier. Suppliers accounting for 75% of our goods for resale revenue are covered in this year's assessment.

Managing risks

There are two factors that affect the risk of violations of human rights and worker rights in the supply chain for electronic products.

1. **Use of conflict minerals**. The majority of the products we sell contain one or more conflict minerals; exceptions are related to the SDA and kitchen categories. It is a known fact that the extraction of these minerals can be linked to human rights violations and the financing of armed militias. When we assess the risk associated with different product types in our due diligence assessments, conflict minerals are the single most important factor that increases the risk of serious human rights violations in the supply chain for our products.
2. **Working conditions in the country of production.** Electronic products are manufactured in countries where there are known violations of the ILO Convention's requirements for working conditions and workers' rights. In addition, the use of dangerous chemicals in production may be a health risk for factory workers.

During the reporting period, non-conformity associated with indicators of modern slavery has been identified in the supply chain of one of our brand suppliers. We will address this matter as part of our supplier dialog. We have followed up on suppliers connected to the report issued in 2020, Uyghurs for Sale: "Re-education, Forced Labor, and Surveillance Outside Xinjiang". This report documented that Uyghurs were working under forced labour conditions in several Chinese factories, including factories that are part of the supply chain of electronical goods. We will continue to address the risk related to forced labour going forward by engaging in supplier dialog.

Risks associated with services

In addition to risks associated with our products, we have assessed risks associated with the services we purchase. We have identified risks related to industries such as cleaning, waste management, hired workers and transportation. In these industries, there may be violations of employee rights, such as low pay, forced overtime and lack of employment contracts. In addition, exploitation of vulnerable groups can be a risk factor.

50
Indirect sourcing suppliers assessed.

During the reporting period, we have identified violations of workers' rights within our transportation and distribution services. We have worked closely with the supplier to rectify the violation, we are also following up on governance of subcontractors for this supplier.

Risks associated with our own brands

Sandström, Swordfish, Advent, ADX, Arkitect, Goji, I want it, Logik and Matsui are Elkjøp' s own brands. In addition, we have some products that we produce in collaboration with Acer and Kenwood. We are currently collaborating with 85 suppliers with production facilities located in China, Turkey, Taiwan, and Slovenia. Elkjøp' s parent company, Curry's Plc, manages the production through its office in Hong Kong. We are aware that there may be risk of violations of employee rights in China, Turkey, and Taiwan. More information on how we manage risks associated with modern slavery is available at https://www.currysplc.com/sustainable-business/suppliers/

78
Social audits performed

When we enter into an agreement with a company that will produce our own brands, we require that workers' rights are in line with current international conventions. We also carry out factory visits and audits, where we check whether the requirements we have set are being complied with, throughout our relationship with a supplier. A total of 78 audits have been performed during the reporting period. If we discover deviations, we demand that these are corrected. If serious deviations occur repeatedly, we will terminate the agreement with the collaboration partner. During the reporting period no violations have been reported.

Epoq is our own kitchen range, and elements in the Epoq kitchens are mainly produced in Europe. Wood and stone are key materials. There is a risk of violations of human rights and labour rights in both the timber industry as well as the stone industry. Sourcing of stone from certain African countries as well as India is considered high risk, to avoid this risk we do not offer customers products from these countries. Use of chemicals can also present a risk to the workers during production, this is one of the key reasons we are focusing on Svane certified kitchens. We are also strict on our demands towards our suppliers when it comes to the use of chemicals.

For many of the factories producing our kitchen range, we have access to social audits performed by other companies within the industry, this enables us to have an insight into potential issues within our supply chain.

Risk associated with our own operations
We consider the risks related to our own operations of stores, back offices, and warehouses to be low. We have systems in place to ensure that working conditions are up to standards and that human rights are respected.

There is a solid recruitment process in place covering all locations, the process ensures that employment is freely chosen, that there are no underage workers and that our staff is paid a living wage. We practice freedom of association and the right to collective bargaining is respected, during the reporting period the number of stores that are unionized in Norway has increased from 7 to 9.

We believe that it takes diversity of thought, culture, background, and perspective to create truly great customer experiences. In the end of 2022, an Equality and Inclusion policy was communicated to all employees. No harsh or inhumane treatment is allowed and there is zero tolerance for discrimination practices. At our warehouse we are proud that our staff represents over 50 nations, we are committed to fostering an inclusive culture.

Supplier development
An important part of our work with responsible sourcing is to ensure that we use the most effective measures possible to influence our supply chain. To achieve this, we do most where we have the most influence, such as when we produce our own brands or purchase services such as transportation. At the same time, we must help set demands for ethical trade even where we are further down the value chain from where the manufacturing takes place. That is why we also make demands for ethical and responsible value chains when we negotiate with large brand suppliers.

Key activities
During the past year we have established a system to receive and handle requests for information. Contact details are available on Elkjop.no, requests are handled by the compliance team in close collaboration with the business responsibilities.

We have successfully rolled out responsible sourcing training to all our colleagues working with product procurement and business to business customers to increase our knowledge within this are. 187 colleagues have completed the training and awareness has resulted in several beneficial discussions around product sourcing.

We have managed to onboard suppliers to the EcoVadis platform, where certified suppliers now cover 48% of our revenue.

During the last few months, we have been working on an update to our standard commercial contract. For next year we aim to communicate these changes to our suppliers along with our responsible sourcing policy. A collaboration with Slave Free Alliance (SFA) was also initiated and an audit of standard contracts used for last mile transportation was completed.

We have completed six social audits in collaboration with our last mile transporters, focusing on working conditions in Norway, Finland, and Sweden. Our audit set-up for these suppliers has also been reviewed by SFA, improvement recommendations have been provided. We are collaborating with the authorities and other stakeholders within the last mile transportation industry to ensure that we are well informed about developments. Among the actions taken this year, a monthly survey for last mile drivers was implemented focusing on working conditions.

For our kitchen suppliers, we have reviewed the available social audit reports on factory level. Next year's plan is to create a social audit plan covering the factories where we lack insight today. During the year our team in Hongkong has completed 78 social audits, covering the production of our own brands.

We believe that the actions we take have a positive effect on both our employees and suppliers, we want to be a responsible employer as well as inspire our suppliers to work with responsible sourcing.

Moving forward
In FY 23/24, we aim to further improve our approach to responsible sourcing. Our key focus will be to continue our supplier dialogue, we will contact both the suppliers considered high risk as well as our strategic suppliers and ask them to provide information about how they address risks in their supply chain. We will also continue to develop our partnership with Slave Free Alliance to improve our practices as well as continue to onboard and follow up on our EcoVadis certified suppliers, our aim is to have 60% of our revenue from certified suppliers within 2023.

When it comes to our indirect sourcing suppliers from across the Nordics, our focus will be to expand our risk assessments to include even more suppliers. There will also be a focus on contract terms and communication of policies to our strategic partners as well as supplier dialog when this is deemed necessary.

SUSTAINABILITY HIGHLIGHTS

URBAN MINER CAMPAIGN
Winning Sustainable Brand Index' Venture of the year campaign in Norway and 4 awards at Gullblyanten (Norwegian marketing award)

SUSTAINABILITY PART OF CAMPUS
Engaging thousands of employees

ONLINE UNIVERSE
for Giving tech longer life

ECOVADIS RATING
45% of revenue from certified suppliers

ENERGY LABEL
Becoming key in customer choice

SUSTAINABLE BRAND INDEX
Increasing rating in all markets

SUSTAINABILITY REPORTING 22/23

As the undisputed market leader in consumer electronics in the Nordic region, Elkjøp Nordic has a great responsibility for how we conduct our business, contribute to society, treat our customers and employees and how we maintain our value chain. Not only responsibility – but future business opportunities lay the ground for our view on sustainability, and we believe the circular economy is the future.

We support the UN development goals and are especially focused on goals 8, 10, 12, 13 and 17.

Our sustainability is focused on Responsible employer (see people section page 41) Responsible Sourcing (see page 20) Products to be proud of – Enjoyed by everyone (Elkjøp Foundation page 40).

WE CARE ABOUT PEOPLE, THE ENVIRONMENT AND THE COMMUNITIES WE OPERATE IN

WE HELP EVERYONE ENJOY AMAZING TECHNOLOGY

RESPONSIBLE BUSINESS	with	PRODUCTS TO BE PROUD OF DELIVERED THROUGH CARBON EFFICIENT OPERATIONS	ENJOYED BY EVERYONE
RESPONSIBLE SOURCING		CARBON EFFICIENT OPERATIONS	TRUSTED ADVISOR
RESPONSIBLE EMPLOYER		GREENER CHOICE	FIGHT DIGITAL EXCLUSION
12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 8 DECENT WORK AND ECONOMIC GROWTH		13 CLIMATE ACTION; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	10 REDUCED INEQUALITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS

Our biggest impact come from the products we sell, hence our whole business model. We wish to be trusted advisors, creating customers for life, and offer products that help save energy, reduce food waste, help save water, and that can be of use for as long as possible. Our aim is to be a leader in extending the life of technology through reuse, repairs and recycling.

Campus and colleague engagement
Engaging colleagues in our journey towards sustainability is key to success. At Elkjøps annual Campus event – gathering 6000 colleagues, sustainability was high on the agenda, from the supplier side in the exhibitions and product trainings, and also training in Elkjøps own sustainability strategy.

All our employees have had mandatory training in our sustainability strategy, and we increasingly focus on communicating the way forward to all departments and employees. Internal training events on several topics related to the sustainability strategy have been launched, one example being the sale of spare parts and on responsible sourcing.

Elkjøp wants a broad stakeholder dialogue to further enhance our sustainability strategy. Customers, suppliers, owners and our colleagues all provide fruitful insights on how sustainable development can influence our business.

Through insight given by the Sustainable Brand Index, we know what topics consumers expect Elkjøp to work with. These correlate highly with our sustainability strategy, focusing on products of high quality, energy efficiency, longer life cycles, access to repair services and responsible recycling services.

We are also increasingly active participants in discussions on sustainability in media, seminars, and meetings with governments, politicians, and activists at annual political events in Scandinavia such as the Arendal Week (Arendalsuka) in Norway and Almedalen Week (Almedalsveckan) in Sweden, Folkemøde på Bornholm in Denmark and Suomi Arean in Finland.

Sustainability Governance
A governance model based on the Elkjøp operating model has been put in place by the Group's Nordic Management. The philosophy is based on the principle of Sustainability being integrated in the daily business, following the general operating model. The local branches play key roles in fulfilling the sustainability strategy. Local networks have been set up, and the sharing of best practice across the Nordics is a way to success.

Elkjøp Nordic is also part of the Currys Group's Sustainability Leadership Team. An Environmental, Social and Governance (ESG) Sub- Committee of the board has been created. Even though Elkjøp has its own sustainability strategy, we are aligned with the Currys strategic priorities on Climate, Circular economy and Digital poverty and work closely with them, sharing best practices.

We report extensively to Currys on Sustainability, and have also included sustainability in our Nordic financial update every month.

Sustainability is added to the principal risk review and updated quarterly. Horizon scannings and closely watching external factors throughout the whole business are key. ESG risk register is monitored by the Group Sustainability Leadership Team and the Nordic sustainability team.

Elkjøp is ISO 14001 (Environmental Management System) certified, and our environmental policy is signed off by CEO Fredrik Tønnesen. ISO 14001 and the overall Sustainability Strategy are assessed in management reviews 4 times a year. The policy focuses on the following priorities: reducing own emissions, and making it easier for consumers to choose, maintain and ultimately recycle products. The internal audit regime follows ISO 14001 rules.

This work will continue in 2023/24, creating a wider governance framework, ensuring that responsibilities for targets, progress and reporting are clear for everyone – from Group management to company directors, from store managers to all store employees.

In 23/24 we are expanding the Nordic sustainability Team and working further on developing robust data quality, enhance competence across the business, and working together towards our objectives and ambitions.

We have environmental objectives through the ISO system as well as incentives on leadership level to meet targets. Our objectives for next year are connected to reduction on electricity consumption, reduction of emissions from transport, higher energy labelling share and increased hit-rate on the service Return Green.

Climate and environmental risks

Climate change is one of the key challenges for humanity. Elkjøp recognises climate change and environmental challenges as a key risk for our company. We plan to build on our pilot climate scenario analysis and learnings, ensuring it is embedded into our governance, risk management and strategic approach.

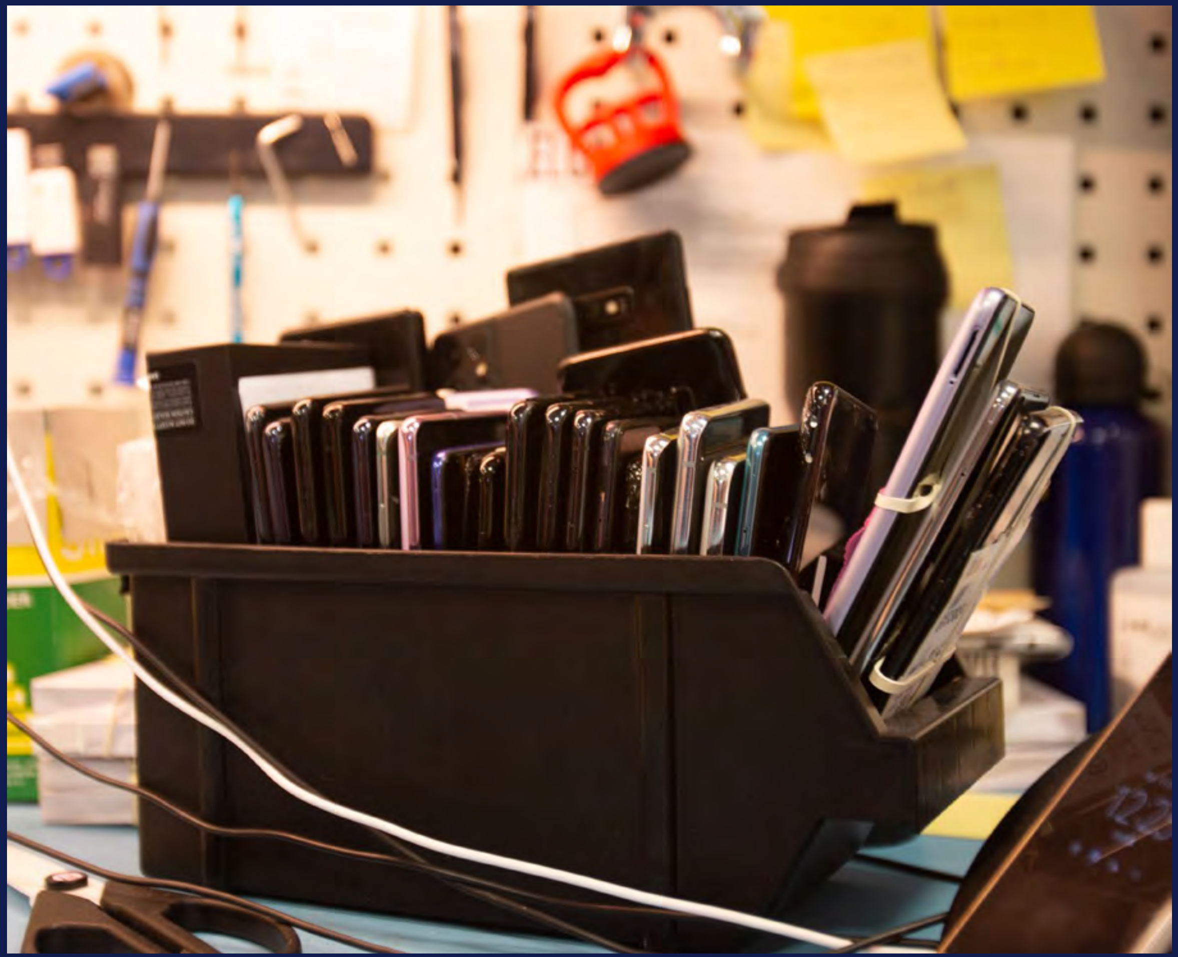
We also recognise the pressing need to improve our use of resources by creating circular business models, as e-waste is among the fastest growing environmental problems in the world.

Our industry relies heavily on scarce metal and mineral resources. This theme is increasingly on the agenda, and we see our suppliers working to use more renewable and recycled materials.

Regulatory risks are increasingly becoming evident. Both at an EU-level and at the national level, we see political and regulatory changes that may affect our business, for example the Right to Repair, the Eco-Design Directive or the Green Labelling requirement. We know that electronics is high on the agenda in the EU's Circular Economy Action Plan and expect increased scrutiny on our sector.

The risk of being accused of greenwashing – trying to convey our business as being more sustainable than it really is – is something we are very aware of. We have developed guidelines for communicating correctly on sustainability and expect all our suppliers to communicate honestly and trustworthy on sustainability.

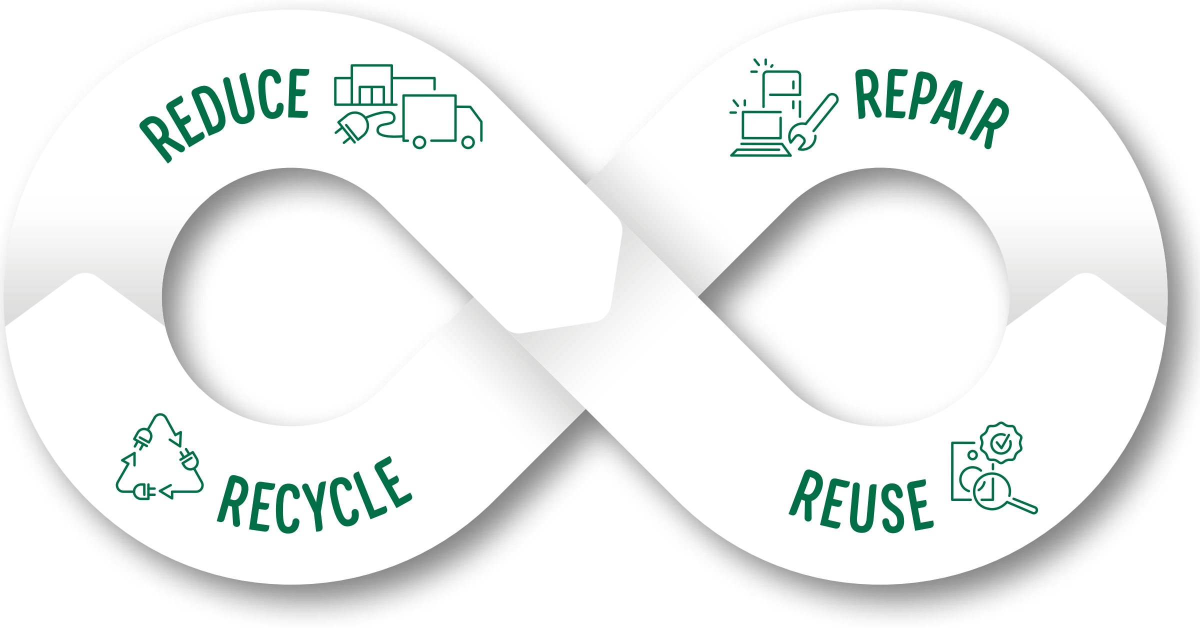
We believe the transition to a circular, low carbon economy involves many opportunities for us. Technology will continue to improve and close the loop on using recycled materials in energy efficient products, and retailers – which are closest to the customers are best positioned to create new, circular business models based on refurbished products, leasing, renting and product-as-a-service-solutions. This will be a key enabler for Elkjøp's future growth.



GREEN HOUSE GAS EMISSIONS FOR ELKJØP NORDIC SCOPE 1, 2 AND 3

The GHG emissions for our business for the reporting period 1 May 2022 - 29 April 2023, are as follows:

Elkjøp GHG Emissions	Scope	2022/23 Emissions (tCO2e)	% of Total (market-based) 2022/23
Scope 1 Emissions	**Scope 1**	**487**	**0,03 %**
Scope 2 Emissions (Location-based)	**Scope 2**	**5 547**	-
Scope 2 Emissions (Market-based)	**Scope 2**	**1 926**	**0,10 %**
Scope 3 Emissions (Total)	**Scope 3**	**1 923 596**	**99,87 %**
1. Purchased Goods and Services	Scope 3	817 975	42,47 %
2. Capital Goods	Scope 3	Relevant, included in Cat1	N/A
3. Fuel- and energy-related activities	Scope 3	3 864	0,20 %
4. Upstream transport and distribution	Scope 3	8 826	0,46 %
5. Waste generated in operations	Scope 3	780	0,04 %
6. Business travel	Scope 3	1 360	0,07 %
7. Employee commuting	Scope 3	7 744	0,40 %
9. Downstream transport and distribution	Scope 3	3 430	0,18 %
11. Use of sold products	Scope 3	1 077 502	55,94 %
12. End of life treatment	Scope 3	2 115	0,11 %
Total Emissions (Scope 1, Scope 2 Market-Based & Scope 3)		**1 926 009**	



ENERGY CONSUMPTION ELKJØP NORDIC AS

The company-wide KWH energy consumption for the reporting period 1 May 2022-29 April 2023, is as follows:

Energy consumption (kWh)	Total 2022/23
Natural gas	634 639
Heating (district heating)	11 279 248
Electricity	71 780 064
TOTAL	**83 693 951**

Renewable energy consumption (kWh)	Total 2022/23
Total renewable energy purchased or generated	71 780 064
TOTAL	**71 780 064**

EMISSIONS FROM ENERGY CONSUMPTION SCOPE 1 AND 2 ELKJØP NORDIC AS

Emissions on location basis - Elkjøp	Tonnes of CO2e Emissions on location basis - Elkjøp emitted 2022/23
Emissions from combustion of fuel (Scope 1)	487
Total scope 1 emissions	487
Emissions from purchase of electricity (Scope 2)	3 621
Emissions from purchase of district heating (Scope 2)	1 926
Total scope 2 emissions	5 547
TOTAL	**6 034**

Emissions on market basis - Elkjøp	Tonnes of CO2e emitted 2022/23
Emissions from combustion of fuel (Scope 1)	487
Total scope 1 emissions	487
Emissions from purchase of electricity (Scope 2)	-
Emissions from purchase of district heating (Scope 2)	1 926
Total scope 2 emissions	1 926
TOTAL	**2 413**

PLANET

Our sustainability strategy has the consumer in focus, as the largest part we can play is to enable consumers to live more sustainable lives. However, we are of course working on reducing our own impact. As part of our ISO 14001 environmental management system, we work by an annual cycle of setting targets, measuring, and tracking.

Reducing the footprint from own operations
As a company, we are committed to reducing our carbon footprint throughout our own operations.

As part of the Currys Plc Group, Elkjøp is committed to reducing emissions from absolute Scope 1 and Scope 2 GHG (Greenhouse Gas) emissions by 50% by 2029/30, from a 2019/20 base year. The company is also committed to reducing absolute Scope 3 GHG emissions from purchased goods and services and use of sold products by 50% within the same timeframe. Our Scope 3 emissions account for over 90% of our total emissions. The most material impacts are within purchased goods and services and the use of sold products. Currys has had its emissions reduction targets approved by the Science Based Targets initiative and received an A- on CDP. More information on Group targets and our reporting on scope 1, 2 and 3 is available on currysplc.com/investors/

Energy management system:
We're committed to reducing energy consumption in our Nordics stores and have implemented a range of measures to achieve this goal. These include installing an energy management system, unplugging white goods on display during non-business hours, upgrading ventilation systems and changing energy filters for improved air quality and energy efficiency, and developing our CTS (control and monitoring) systems to optimize energy usage.

We're pleased to report that our efforts have paid off. In the 22/23 fiscal year, we successfully reduced our electricity consumption by 7% across the Nordics

Transport
Safe and efficient logistics is essential for the group to run its business. Elkjøps main warehouse in Jönköping, Sweden, is the hub of our entire group's goods transport. Through our "Logistics with the heart" program, several measures have been implemented to ensure that transport services are carried out in a responsible and environmentally effective manner. In our transport agreements, strict environmental and safety standards and good working conditions are essential. In October 2022 we gathered all our major suppliers and partners for two whole days, focusing only on sustainability and CO2 efficient transport.

In all our internal hubs, we use the SAP Transport Management System, which enables us to create efficient routes and consolidate orders to the end customer for the big box (white goods) segment. We use a mix of diesel, HVO100, gas (CNG) and electric as infrastructure and conditions for example for charging vary between the countries. We now focus on monthly reporting and demand our suppliers to report on efforts to reduce the use of diesel. Our partner Casa Delivery in Finland did invest in several electric trucks in 2022 and are now delivering Gigantti goods in Kokkola, Vasa and Seinäjoki for 60-70% of the home deliveries. Early 2023 Bring started up with electric trucks in Trondheim, Norway, for our home deliveries with a rollout plan for Bergen and the region Vestfold within summer 2023.

A mockup of the new warehouse and its location.

One part of the "Logistics with heart" is also following up well-being among the drivers delivering big box in the Nordics. In 2023 we started up with monthly surveys to receive feedback about the working conditions. An important tool for us and for our partners to focus on the right topics and with the ambition to have engaged drivers.

For the last mile part of the home delivery of postal packages, we offer the customers 100% fossil-free home deliveries to the customer in 27 cities/areas in Sweden (now reaching 6 million people) and 3 cities/areas in Denmark. We call this set up urban home deliveries with Bring. In late 2022 we introduced same day deliveries to customers in greater Oslo, this with electric cars/trucks with Bring.

We are expanding our warehouse in Jönköping again by building a new stand-alone warehouse across the road. The new addition will house Epoq kitchens when its central distribution facility, currently located in Brno, Czech Republic, moves to Jönköping. When opened, NDC will measure a total of 193.600 square meters and be one of Europe's largest warehouse facilities, with a Breeam Excellent recognition, and solar panels!

In 23/24 we will continue to further develop our distribution suppliers and look into even more efficient ways of transporting goods.

WE HELP CUSTOMERS REDUCE THEIR ENVIRONMENTAL IMPACT

Our greatest footprint comes from the products we sell. The products and services we offer is the area in which we can make the biggest difference. We know that many consumers want to live in a more environment- and climate-friendly way but think that choosing is difficult. At Elkjøp, we want to make it easier to make a more sustainable choices.

Elkjøp has set the consumer at heart of the sustainability strategy, and empowering consumers to make smarter choices is key to a circular economy. We are therefore extremely proud that consumers notice our efforts. In the Sustainable Brand Index, measuring how sustainable consumers perceive different brands to be, we are climbing the index in all countries.

As retailers, we are uniquely positioned to help consumers live more sustainably and help them make simple green choices.

Energy efficient products
The last years increased focus on energy prices has led to renewed importance on energy labelling on white goods. As products with higher energy labelling uses less energy throughout their life cycle, it leads to both less costs and emissions.

The share of washing machines with label A-C is 70% of total sales. In the year to come we plan to further increase the range and share of products with high energy label.

Repair, reuse and recycle:
The key in the circular economy is to keep resources in use for as long as possible.

In order to help consumers give their tech longer life, Elkjøp has created a whole on-line universe with articles, tips and tricks and how-to guides on taking care of products. Cleaning earplugs, changing filter in washing machine, making the coffee machine clean again, we help you take care of your amazing tech! For further information, look at https://www.elkjop.no/magazine/gi-tingene-dine-lengre-levetid

Through our continuous dialogue with customer club members, through newsletters and other communication channels, for example one year after purchasing a new washing machine, we encourage consumers to give their technology longer life.

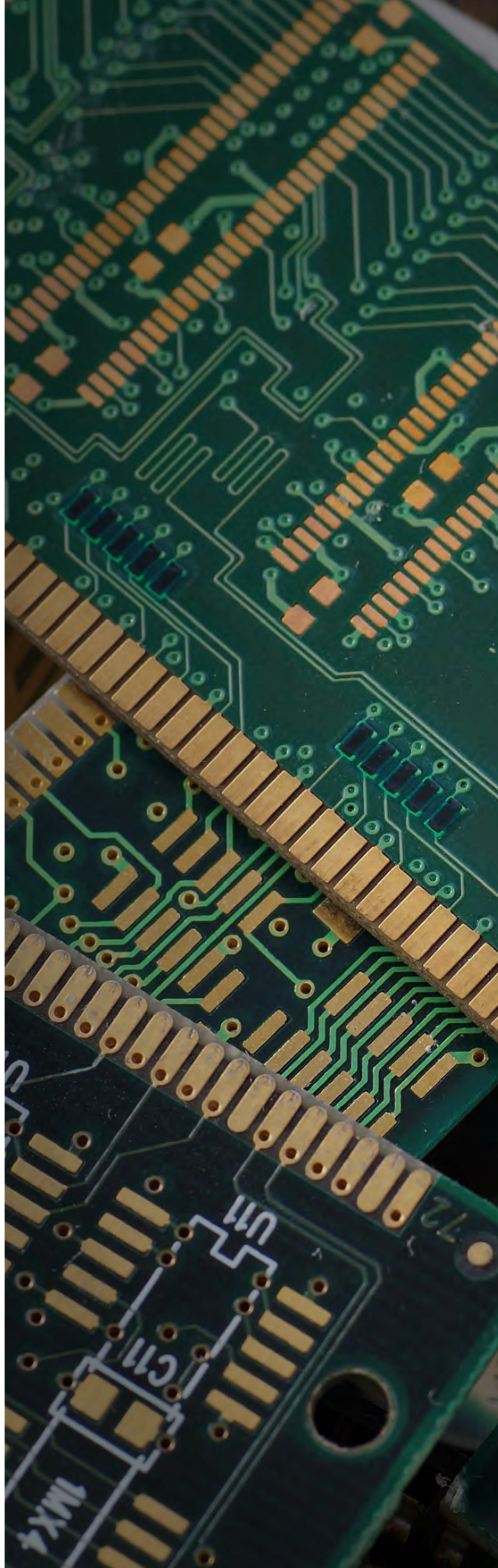
Elkjøp wants to make it easier for consumers to repair their products. In stores we now have huge signs saying "Can it be repaired instead of replaced?" Making repairs a natural choice requires convenience, price and communicating services we may offer. We are increasingly communicating our repair services and plan to make it even more visible and attractive for customers in the year to come.

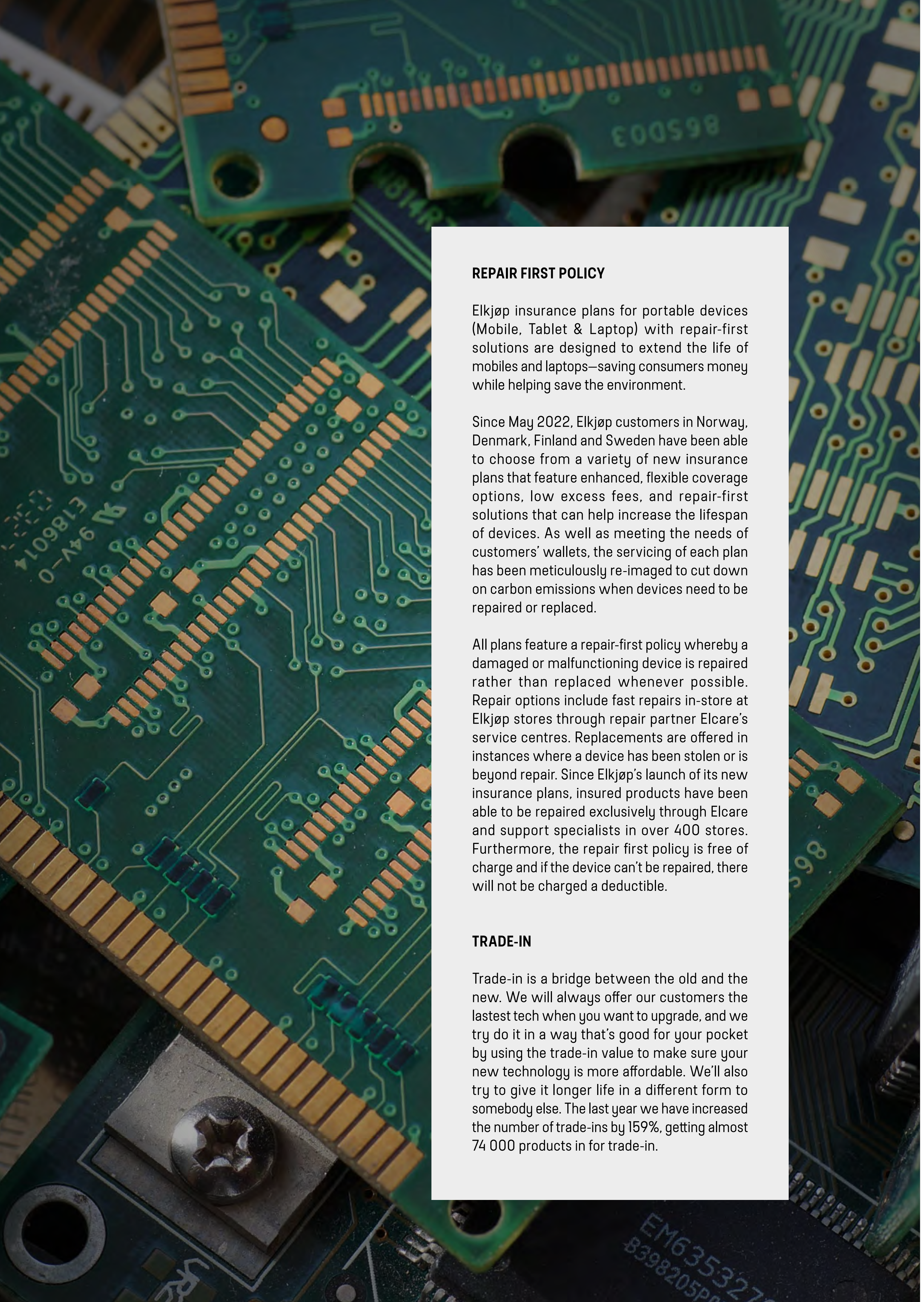
We are proud of our repair centres Elcare, employing 286 skilled repair staff in Norway, Sweden and Finland.

We welcome the European Commissions proposal on the "Right to repair" and believe we are in a good position to meet the increased attention on repair services due to our ownership of Elcare and support specialist in over 400 stores.

Elkjøp believes in making it easy for consumers to take care of and repair products. However, we know that many find it too expensive, and not worthwhile. That is why Elkjøp has taken a position on and raised our voice on the topic of removing VAT on repair work and spare parts. This would give consumers a real alternative. Elkjøp has raised this topic in the media and with politicians, sometimes in collaboration with our industry associations.

The volume on repairs is going down. We believe it is partially due to better products with lower failure-rates and decreasing quantity of sold units. In 22/23 we repaired about 550 000 products.





REPAIR FIRST POLICY

Elkjøp insurance plans for portable devices (Mobile, Tablet & Laptop) with repair-first solutions are designed to extend the life of mobiles and laptops—saving consumers money while helping save the environment.

Since May 2022, Elkjøp customers in Norway, Denmark, Finland and Sweden have been able to choose from a variety of new insurance plans that feature enhanced, flexible coverage options, low excess fees, and repair-first solutions that can help increase the lifespan of devices. As well as meeting the needs of customers' wallets, the servicing of each plan has been meticulously re-imaged to cut down on carbon emissions when devices need to be repaired or replaced.

All plans feature a repair-first policy whereby a damaged or malfunctioning device is repaired rather than replaced whenever possible. Repair options include fast repairs in-store at Elkjøp stores through repair partner Elcare's service centres. Replacements are offered in instances where a device has been stolen or is beyond repair. Since Elkjøp's launch of its new insurance plans, insured products have been able to be repaired exclusively through Elcare and support specialists in over 400 stores. Furthermore, the repair first policy is free of charge and if the device can't be repaired, there will not be charged a deductible.

TRADE-IN

Trade-in is a bridge between the old and the new. We will always offer our customers the lastest tech when you want to upgrade, and we try do it in a way that's good for your pocket by using the trade-in value to make sure your new technology is more affordable. We'll also try to give it longer life in a different form to somebody else. The last year we have increased the number of trade-ins by 159%, getting almost 74 000 products in for trade-in.

Refurbished
As part of the move towards circular business models Elkjøp Norway has started selling refurbished white goods through our online platform with our partner Norsk Ombruk. These are products Norsk Ombruk collects at Elkjøp stores, refurbish and prepare them for a second life. In the year to come we will continue to improve our offering on pre-loved tech and circular business models. See more at: https://www.elkjop.no/hvitevarer/brukte-hvitevarer

Responsible handling of electronic waste
We encourage consumers to recycle and to bring old tech back to our stores, the circular economy is dependent on getting used materials back into the loop.

In 22/23 we collected 29 488 tons of e-waste, a slight decrease compared to last year, as this highly correlates with sales numbers.

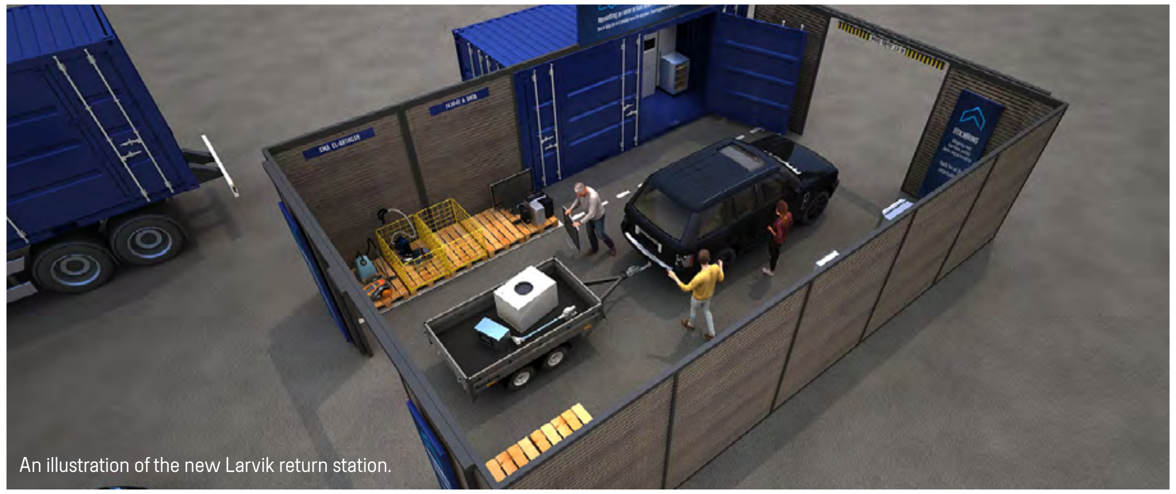
While most of the larger electronic products such as washing machines and TVs are collected, there is a challenge in all markets to collect smaller electronic devices such as cables, power banks and the like. These are more likely to end up in the general trash. Similarly, mobile phones, tablets and other devices with stored data, remain with customers and are not entered into the circular economy, due to fear of private data coming astray. Communicating to and assuring customers of Secure collect containers in stores, so that no employees or others will be in contact with the products consumers return to recycle is something we have become more aware of and wish to communicate clearly.

In Larvik we have opened our first "drive through" pilot for dropping of e-waste, hopefully leading to even smoother recycling experiences!

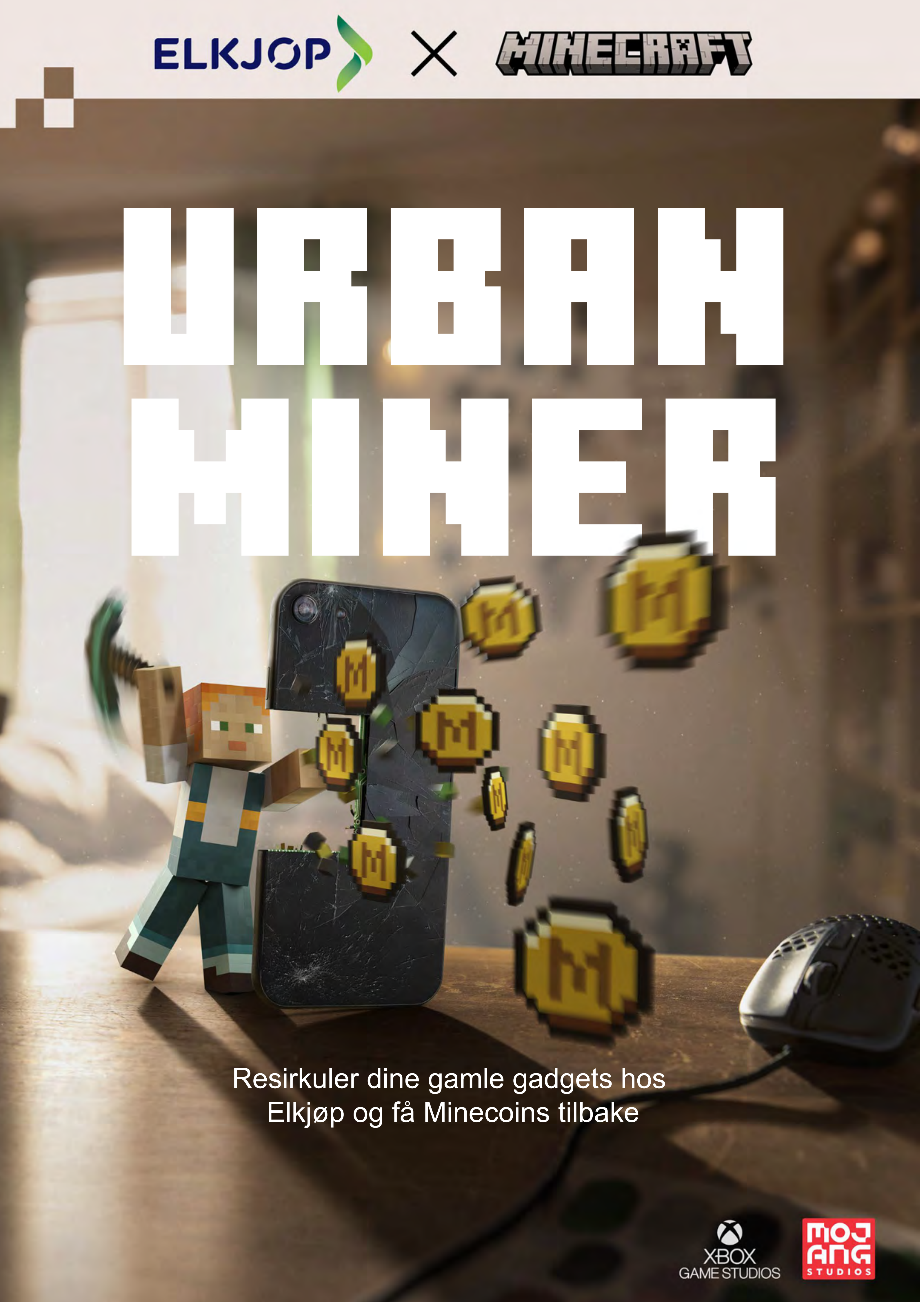
Return Green
Our aim is to make it easy and normal for all electronics to be recycled. Our service Return Green offers recycling of old products when new ones are delivered. We see that by focusing on these types of services we can affect behaviour. We sold 253,000 Return Green services in 2022/23. The products collected by Return Green are then passed through a screening process to decide if they can be made fit for a second life.

EL-PANT – DEPOSIT SCHEME

In order to incentivize recycling of e-waste, Elkjøp Norway has introduced a "deposit scheme", where customers check the value of their products online, and then receive a gift card in store. The value is highest on mobiles, computers and tablets. For white goods and TVs there is a fixed price. We are considering similar concept in all countries.



An illustration of the new Larvik return station.



URBAN MINER CAMPAIGN

Our biggest success this year.

Urban Miner is a unique recycling campaign for Elkjøp in collaboration with Microsoft and Minecraft. The service brought the gameplay mechanics of the world's most popular game into the real world and encouraged people to dig out their old gadgets in exchange for Minecoins.

With a shared goal of recycling e-waste, Elkjøp and Minecraft built a bridge across the divide between the real world and the digital world that their target audience exists in. And it was all done with a very simple message: Become an Urban Miner. Your old gadgets are a goldmine. Recycle them and get Minecoins in return.

The campaign has created attention all over the world and won several awards like Venture of the year in Norway by Sustainable Brand Index and marketing awards like Best in show in the Gold pencil in Norway, and medals in the prestigious D&AD Awards, The One Show and Cannes Lions.

FIGHTING DIGITAL EXCLUSION

Most of us are on a fantastic tech journey that improves our everyday lives. But many are still left on the platform because the ticket is only available via app. We have a joint responsibility to get everyone on board – that is why we fight digital exclusion.

In our annual research study Techno Trouble we have identified a number of groups that, due to age, socioeconomic status, disabilities, language and cultural barriers, or other issues, find themselves on the wrong side of the technological class divide.

According to our research, one out of three people in the Nordic countries finds it difficult to keep up with the changes in technology, and 20 per cent say they have products at home that they do not know how to use. Even more admit that they are not using their products to their full potential, not knowing how to use all their features.

The Elkjøp Foundation and strategic partnerships
We have established the Elkjøp Foundation to fight digital exclusion. We work to raise awareness, increase knowledge, and enable access to people who are falling behind in the rapid development of technology. To connect, play or learn with technology should be easy and fun but that is not always the case. That is why the Elkjøp Foundation supports organisations and associations with products and guidance – in addition to financial resources. This is very close to our vision and our hearts, and work we are incredibly proud of!

In addition to this, Elkjøp has this year entered into a number of long-term strategic partnerships to strengthen the ability to fight digital exclusion more effectively. The funding amounts to a total of 6 million NOK.

- **NORWAY:** SOS Children's Villages International, especially their project "Digital Village".
- **FINLAND:** Save the Children, especially their interactive learning solution and their digital childhood competence centre, Kidital. We have also joined the cross-sector Kaikille Kone initiative.
- **DENMARK:** Danish People's Aid, especially School Start Assistance, ensuring that those on a low income also get a good start at school.
- **SWEDEN:** Läxhjälpen ("Homework Assistance"), helping children obtain the right digital equipment to be able to do their homework in an efficient way. Another new development is the partnership with Barnens Dator ("Computers for kids"), focusing on donating gaming computers to kids and families that risk missing out due to low incomes.

PEOPLE

Our workforce is our most important asset, and as such, we strive to accommodate a culture and climate where our employees can grow and thrive.

In order to help everyone enjoy the amazing benefits of technology, we need to reflect the diversity of our customers and society as a whole throughout our workforce. As such, diversity, equity and inclusion (DEI) is an important priority for the Elkjøp Group. This means that we recognise that supporting diversity and active inclusion is not only the right thing to do, but also the right thing for our business. Our commitment is woven into our values and our belief that Elkjøp delivers its best when we embrace the full spectrum of society, regardless of what we look like, where we come from, or who we love. Our commitment to DEI is to build a strong foundation for the entire Elkjøp Group across the Nordic countries (Elkjøp Nordic, Elkjøp, Elgiganten and Gigantti).

Elkjøp aims to have a diverse workforce at every level of the organisation and in all business units. We achieve this by working systematically with everything from goals, policies, regulations on how we recruit, develop, and retain diversity in our organization, and in building company culture. The Norwegian Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin tone, language, religion, and faith. Elkjøp is working actively, determined and systematically to encourage the Act's purpose within the business through recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. We have carried out an evaluation in line with the law and regulations, for results and more information on how we actively work with DEI, see our "Diversity, Equity and Inclusion at Elkjøp Nordic 2022" on our company website elkjopnordic.com

Elkjøp Academy
Learning and development is a key driver for our company and is at the very core of our culture. In Elkjøp, we use a blended training approach to develop our employees. One of these methods is digital training, also known as e-learning. Our internal training platform is named "Academy", which all employees in the organisation have access to. As a part of our onboarding program, mandatory trainings must be completed during the first months of employment. Trainings which are part of the onboarding is tailored to the employee's given role in the company. All employees have access to a library containing trainings on both a Nordic and local level. Our key training areas are sales training, customer interactions, product knowledge, system trainings, compliance guidelines, leadership, diversity equity & inclusion and unconscious bias.

Over 600 training programmes were offered through more than 100 suppliers and in-house training programs. In total, over 21 740 training hours have been completed from e-learnings alone. After Covid-19, we were finally able to host our annual Campus Gathering at Gardermoen. Over 3 weeks, approximately 4000 employees visited Campus, our yearly annual training camp for all employees across the Nordics.

In Elkjøp we believe our leaders have a key role in facilitating growth, both in business, teams and individuals. We invest in leadership development, and we have relevant programs whether our employees are already a leader, want to become a leader, or in general want to develop their leadership skills. Our leadership programs are **new as a leader, emerging leaders, leading others, leading with impact and leading change.** Participation FY 22/23:

- 204 colleagues participated in our **Emerging Leaders** programme.
- 175 colleagues finished our **Leading Others** programme.
- 21 colleagues finished our **Leading with impact** programme.
- 20 colleagues finished our **Leading Change** programme.

KEY FIGURES

Group *(amounts in NOK million)*	**Year ended 30 April 2023**	Year ended 30 April 2022
Revenue[1]	45 994	48 795
Growth % (revenue)[2]	-5.7%	-2.2%
Operating profit (EBIT)	285	1 755
EBIT %	0.6%	3.6%
Cash provided by operating activities	1 070	1 736

Year-end financial position	**30 April 2023**	30 April 2022
Total assets incl IFRS 16	19 805	19 959
Yearly investments in intangible and fixed assets	509	627
Equity	2 799	4 458
Asset/equity-ratio incl IFRS 16	7,1	4,5

Market Segment[3] *(amounts in NOK million)*

Norway	**Year ended 30 April 2023**	Year ended 30 April 2022
Revenue	13 846	14 725
Growth	-6.7%	-2.6%
Number of owned stores at period end	87	86
Net new/(closed) stores in the period	1	2
Sweden		
Revenue	15 458	16 357
Growth	-6.1%	0.1%
Number of owned stores at period end	99	102
Net new/(closed) stores in the period	(3)	-
Denmark		
Revenue	8 967	9 530
Growth	-5.9%	-6.0%
Number of owned stores at period end	44	40
Net new/(closed) stores in the period	4	2
Finland		
Revenue	6 329	6 599
Growth	-5.4%	-8.1%
Number of owned stores at period end	21	21
Net new/(closed) stores in the period	-	-

1) Revenue reported to Currys for 445-accounting year was 45.9 billion in current year and 48.7 billion last year.
2) Fx neutral growth was -6.5% in 2022/2023 (1.5% in 2021/2022)
3) Market figures are based on 445-reporting calendar. Definition of 445-period is available in APM section. Revenue per market includes sales from own stores and sale to franchise stores.

BOARD OF DIRECTORS' REPORT

Fiscal year ending April 2023.

Main activities
The business areas for Elkjøp Nordic AS are to conduct trade in consumer electronics, home appliances and related products and services.

Elkjøp Nordic AS is a limited-liability company with its head office in Oslo, Norway. Elkjøp Nordic AS with subsidiaries (The Group) is part of the Currys plc Group, located in London and listed on the London Stock Exchange. The Elkjøp Nordic AS Group operates in Norway, Sweden, Denmark, and Finland.

Going concern
In accordance with section 3-3a of the Norwegian Accounting Act, the Board confirms that the prerequisites for the going concern assumption exist and that the financial statements have been prepared based on the going concern principle.

Review of the consolidated financial statements
During the financial year 2022/2023 the Group has had a downturn in financial performance. The Nordics performance remains challenging as the Group faces into a tough consumer environment, high-cost inflation and unrelenting competitive intensity. On a like-for-like basis the Group's revenue decreased 10% YoY. New management have significantly reduced costs, streamlined operations, and improved efficiency across the board and looking ahead, strategic opportunities to fuel growth and drive financial performance have been identified. Group turnover decreased from NOK 48 795 million in 2021/2022 to NOK 45 991 million in 2022/2023, a decrease of 5.7%.

Continued investments are made into making the supply chain and distribution with the Nordic Distribution Center 3.0, which will give increased flexibility, faster deliveries and improved logistics. The Board continues to see the importance of the interaction between the e-commerce channel and the physical stores and the Group continues to further develop solutions to emphasize the value of the omnichannel operating method.

Operating profit before other expenses decreased with 83.7%, from NOK 1 755 million to NOK 285 million. Profit after tax for the fiscal year ended at NOK -378 million, compared to NOK 1 106 million last year.

A central contribution to the growth is our customer club. During the financial year the Group has reached 7.6 million members in our loyalty program, making the club one of the largest in the Nordics. The program offers valuable product and services to the members and we experience that customers value the offers.

Total assets at year-end 2022/2023 were NOK 19 805 million. The corresponding figure for 2020/2021 was NOK 19 959 million. The equity ratio has reduced from 22.3% to 14.1%, mainly due to reduced accumulated profits and dividend distribution of NOK 1 000 million in the financial year.

Total investments for the fiscal year were NOK 509 million, which was NOK 118 million below last year. The main additions are related to new stores, store refurbishments and investments in IT. The Group has opened 14 new stores in the fiscal year, including 1 franchise store. Total number of stores have decreased with one store compared to last year.

The Group generated a net cash flow from operating activities of NOK 1 070 million. This is a reduction of NOK 666 million compared to 2021/2022. Besides a challenging market and margin pressure, part of the reduction relates to reduction in inventory and trade creditors. The Inventory is down 11.9% YoY and the Board is of the opinion that the balance sheet is in a healthy position.

During the financial year the Group has carried out a strategic change programme to reduce the cost base as a response to the tough consumer environment. The project involves rationalising the store estate, reducing headcount and reviewing fixed assets. In total, restructuring cost of NOK 330 million incurred in the financial year. The Board is of the opinion that the initiatives will improve future profitability and efficiency.

The Board is not aware of any matters of importance for the evaluation of the Group's position and result which are not presented in the income statement, balance sheet, cash flow statement and notes. The Board is confident in the Group's ability to navigate the headwinds, seize opportunities and preserve the position as the clear market leader in the Nordics. For the growth outlook for the business, it is expected that demand will normalize and that it will bounce back in the years ahead. The Board monitors the market situation and adapts measures as needed. The Board believes that the financial statements give a true and fair view of the assets, liabilities and financial position at 30 April 2023, and the Group's operations and cash flows for the financial year 1 May 2022 – 30 April 2023.

The Group holds directors' and officers' liability insurance cover for any claim brought against directors or officers for alleged wrongful acts in connection with their positions, to the point where any culpability for wrongdoing is established. The insurance provided does not extend to claims arising from fraud or dishonesty.

Review of the Company financial statements
The Board is not aware of any matters of importance for the evaluation of the company's position and result which are not presented in the income statement, balance sheet, cash flow statement and notes. Turnover decreased from NOK 41 558 million to NOK 38 133 million, a decrease of 8.2%. Profit after tax for the fiscal year ended at NOK -47 million.

No events have occurred since the end of the fiscal year that are relevant to the assessment of the Company. The Board considers, despite a tough year, the outlook for the operation to be good, and that the Company will be back on its growth trajectory in the years ahead. Financial risk is considered to be low as the Company and its subsidiaries have historically good earnings, a solid equity base and good liquidity. All long-term financing is from group companies. In April 2021, the Group refinanced its existing debt with two revolving credit facilities which are due to expire in April 2026. In October 2022, the group signed two additional short-term revolving credit facilities which are due to expire in October 2023. As 30 April 2023 available facilities totalled £636m (2021/22: £543m) and the Group had drawn down on these facilities by £177m (2021/22: £80m). The Board believes that the financial statements give a true and fair view of the assets and liabilities, financial position and result.

Financial risk
The Group's activities expose it to certain financial risks including market risk (such as foreign exchange risk and interest rate risk), credit risk and liquidity risk.

Foreign exchange risk
For the Group, the foreign exchange risk exposure is in the Norwegian entity Elkjøp Nordic AS, which has NOK as its functional currency.

The Group undertakes certain purchase transactions that are denominated in foreign currencies and as a consequence has exposure to exchange rate fluctuations. These exposures arise from inventory purchases, where most of the Group's exposure being to Euro and Swedish Krona fluctuations. Further, the Group's revenue is exposed to fluctuations in Swedish Krona, Danish Krona and Euro. The Group uses spot and forward currency contracts to mitigate these exposures, with such contracts designed to cover exposures ranging from one month to six months.

Interest rate risk
The Group's interest rate risk arises primarily on cash pool receivables and payables, all of which are at floating rates of interest, and which therefore expose the Group to cash flow interest rate risk.

Credit risk
Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations and arises principally from the Group's receivables from consumers. Most of the revenue are from direct cash settlement from the customer. The Group's trade receivables include balances due from sales to franchisees, business to business consumers and consumer credit receivables. The credit procedures are centralised, and customers must pass an external credit rating to be granted a credit limit. The Group's exposure to credit risk is regularly monitored and the Group's policy is updated as appropriate.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages its exposure to liquidity risk by reviewing regularly the long-term and short-term cash flow projections for the business against the resources available to it. In order to ensure that sufficient funds are available for ongoing and future developments, the Group is part of the parent company Currys plc arrangement that has committed bank facilities, excluding overdrafts repayable on demand.

The market and environment
The market for consumer electronics is characterized by tough and intensive competition, and it is expected that the margins will continue being under pressure as a result of the digital and global development. This will continuously demand efficiency and cost savings by the Group. Although the business is cyclical, with higher activity at the end of each calendar year, the Group has had a healthy liquidity situation throughout the year.

The Group has an ambitious sustainability strategy of Reduce, Reuse, Repair and Recycle, aiming at understanding risks and opportunities in moving towards a circular economy. We are proactively working to minimize our impact on the environment, for example through energy efficiency in stores and efficient logistics. However, the most important factor is the products we put on the market, and the influence we may have on consumer behaviour in order to prolong the life of technology and ultimately recycle responsibly. Cooperating with suppliers, improving repairs and other services to give technology longer life, and securing recycling have been in focus this year. Elkjøp is ISO 14001 Environmental management system certified.

In the EU, countries are required to follow the EU WEEE-directive (Waste Electrical & Electronic Equipment). The Group therefore collects, recycles and scraps a share of the total volume sold. In 2022/2023 the Group's stores collected 29 488 tons of electronic waste.

Working environment and people development
The Group has 10 386 employees (full-time and part-time) at fiscal year-end. Absence due to illness is totalled at 9.1% of the total working hours in the Group. No employee accidents or injuries resulting in severe damage to our employees or materials were reported during the fiscal year. Work environment is perceived as good. Feedback from the Group's annual survey suggests that the staff is satisfied. Our whistle-blowing channel was further updated to make it more accessible for all our employees. During the last year we have also introduced an internal grievance reporting for all countries.

People development is an essential part of the Group's strategy and culture, and a key to secure continued growth. Over 600 training programmes were offered through more than 100 suppliers and in-house training programs. In total, over 21 740 training hours have been completed from e-learnings alone.

Diversity, Equality, and Inclusion
In order to help everyone enjoy amazing technology, the Group aims to reflect the diversity of customers and society as a whole throughout the workforce. Driven by in-store staff the Group has a relatively young workforce with 60% under the age of 30 years old. The gender distribution in Elkjøp Group is 27% women and 73% men, the top management team consists of two female and five male directors and the Company's Board of Directors' consists of one female and four male members. We are aware of the gender imbalance in our Group and have initiated actions to even the numbers.

The Norwegian Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin tone, language, religion, and faith. Elkjøp is working actively, determined and systematically to encourage the Act's purpose within the business through recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. The Group has carried out an evaluation in line with the law and regulations and the results from this will be available on the company's website elkjopnordic.com during August.

Elkjøp Nordic have published the annual transparency report at elkjopnordic.com under 'Media' and 'Reports'.

Oslo, Norway, 6 July 2023
The Board of Directors
Elkjøp Nordic AS

Bruce Marsh
Chairman of the Board

Fredrik Tønnesen
Member of the Board

Lill Beate Pedersen
Member of the Board

Thomas Ørsal Hegerlund
Member of the Board

Hans Gunnar Trolläng
Member of the Board

CONSOLIDATED INCOME STATEMENT

NOK in million	Note	Year ended 30 April 2023	Year ended 30 April 2022
Revenue from contracts with customers	4	45 991	48 795
Cost of goods sold	4	-37 129	-38 426
Employee costs	5	-4 789	-4 872
Operating expenses	6, 25	-2 357	-2 384
Amortisation and Depreciation	11, 12, 13	-1 563	-1 430
Net currency gains (losses)	7	131	70
Operating profit before other income / (expenses)		**285**	**1 755**
Other expenses	7	-330	-
Operating profit		**-45**	**1 755**
Finance income		45	3
Finance costs		-467	-353
Net finance costs	8	**-422**	**-350**
Profit before tax		**-467**	**1 405**
Income tax (expense) / credit	9	89	-299
Profit after tax		**-378**	**1 106**

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

NOK in million	Note	Year ended 30 April 2023	Year ended 30 April 2022
Profit after tax for the period		**-378**	**1 106**
Items that may be reclassified to the income statement in subsequent years:			
Cash flow hedges			
Fair value movements recognised in the income statement	20	22	-21
Reclassified and reported in income statement	20	-14	147
Amount recognised in inventories	20	-19	-11
Tax on items that may be subsequently reclassified to profit or loss	9, 20	2	-25
Exchange gains / (losses) arising on translation of foreign operations	20	270	-42
Total of items that may be reclassified to the income statement in subsequent years		262	49
Other comprehensive income / (expense) for the period (taken to equity)		**262**	**49**
Total comprehensive income for the period		**-116**	**1 155**

CONSOLIDATED BALANCE SHEET

NOK in million	**Note**	**30 April 2023**	30 April 2022
Assets			
Goodwill	10	1 238	1 100
Intangible assets	11	740	856
Property, plant and equipment	12	928	876
Right-of-use assets	13	5 536	4 780
Non-current receivables	15	32	28
Deferred tax assets	9	269	97
Non-current assets		**8 744**	**7 736**
Inventory	14	5 740	6 517
Trade and other receivables	15	2 609	2 535
Derivative assets	21, 22	238	131
Cash and cash equivalents	21, 23	491	509
Cash pool receivable	16, 21	1 984	2 530
Current assets		**11 062**	**12 223**
Total assets		**19 805**	**19 959**

NOK in million	**Note**	**30 April 2023**	30 April 2022
Equity and Liabilities			
Share capital		72	72
Share premium reserve		107	107
Accumulated profits and other reserves		2 621	4 280
Total equity	20	**2 799**	**4 458**
Liabilities			
Lease liabilities non-current	18	4 585	3 937
Provisions non-current	19	18	62
Deferred tax liabilities	9	212	194
Trade and other liabilities non-current	17	67	62
Employee benefit obligations	5	13	6
Non-current liabilities		**4 894**	**4 261**
Lease liabilities	18	1 202	991
Provisions	19	280	69
Income tax payable	9	18	241
Derivative liabilities	21, 22	119	128
Trade and other liabilities - current	17, 21	8 673	9 757
Interest bearing debt	21	1 435	-
Cash pool liability	16, 21	383	54
Current liabilities		**12 111**	**11 240**
Total equity and liabilities		**19 805**	**19 959**

Oslo, Norway, 6 July 2023, The Board of Directors, Elkjøp Nordic AS

Bruce Marsh
Chairman of the Board

Fredrik Tønnesen
Managing Director / Member of the Board

Lill Beate Pedersen
Member of the Board

Thomas Ørsal Hegerlund
Member of the Board

Hans Gunnar Trolläng
Member of the Board

CONSOLIDATED STATEMENT OF EQUITY

NOK in million	Note	Share capital	Share premium reserve	Accumulated profits	Translation reserve	Other reserves	Total equity
At 1 May 2021		**72**	**107**	**3 985**	**58**	**-91**	**4 131**
Profit for the period		-	-	1 106	-	-	1 106
Other comprehensive income and expense recognised directly in equity		-	-	-	-42	90	49
Total comprehensive income and expense for the period		-	-	1 106	-42	90	1 154
Equity dividends		-	-	-	-	-	-
Group contribution to holding company DSG Retail Norway		-	-	-1 060	-	-	-1 060
Tax on group contributions		-	-	233	-	-	233
At 30 April 2022		**72**	**107**	**4 264**	**16**	**-1**	**4 458**
Profit for the period		-	-	-378	-	-	-378
Other comprehensive income and expense recognised directly in equity		-	-	-	270	-8	262
Total comprehensive income and expense for the period		-	-	-378	270	-8	-116
Equity dividends		-	-	-1 000	-	-	-1 000
Group contribution to holding company DSG Retail Norway		-	-	-696	-	-	-696
Tax on group contributions	9	-	-	153	-	-	153
At 30 April 2023	**20**	**72**	**107**	**2 343**	**287**	**-9**	**2 799**

CONSOLIDATED STATEMENT OF CASH FLOWS

NOK in million	Note	**Year ended 30 April 2023**	Year ended 30 April 2022
CASH FLOWS FROM OPERATIONS			
Profit before tax		-467	1 405
Taxes paid for the period		-489	-176
Depreciation and amortisation		1 620	1 430
Gain/loss from sale of fixed assets		14	5
Interest without cash effect	18	242	215
Change in inventory		777	-1 068
Change in trade receivables		-74	-579
Change in trade and other current liabilities		-1 084	667
Changes in other assets and other liabilities		530	-161
Net cash flows from operations		**1 070**	**1 736**
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Outflows due to purchases of fixed assets	12	-284	-359
Outflows due to purchases of intangibles	11	-225	-268
Net cash flows from investment activities		**-509**	**-627**
CASH FLOWS FROM FINANCING ACTIVITIES			
Changes in net cash pool balance	16	875	1 153
Capital repayment of lease liability	18	-1 193	-1 027
Changes in short term interest bearing debt		1 435	-
Payments of dividend		-1 000	-
Payments out due to group contribution		-696	-1 060
Net cash flows from financing activities		**-579**	**-934**
Net change in cash and cash equivalents	23	-18	293
Cash and cash equivalents 1 May		509	334
Cash and cash equivalents 30 April		**491**	**509**

CONTENTS

1 ABOUT THE BUSINESS

Elkjøp Nordic AS (the Company) is a limited liability company incorporated in Norway and was founded in 1962. The Group consists of Elkjøp Nordic AS with subsidiaries (The Group) and is wholly owned by Currys plc located in London and listed on the London Stock Exchange. The Company is subject to the provisions of the Norwegian Act relating to Limited Liability Companies. The Company's principal offices are located at Nydalsveien 18A, 0484 Oslo, Norway.

The Group is the Nordic region's largest retailer in consumer electronics and electrical household appliances. The Group has established retail businesses in Norway, Sweden, Denmark, Finland, Iceland, Greenland and the Faroe Islands in a combination of own stores and franchises. All of the approximately 430 stores in the Nordic region are mainly supplied by our own distribution services, with a central warehouse in Jönköping, Sweden of 107,000 m2.

These consolidated financial statements have been approved for issuance by the Board of Directors on 6 July 2023 and is subject to approval by the Annual General Meeting.

2 TRANSACTIONS AND EVENTS IN 2022/2023

It has been a challenging year for global business and the consumer electronics industry with weakened consumer confidence, high inflation, intense competition, and global supply chain disruptions. After consistent growth in sales and profits over many years, it has been a difficult year with lower demand, leaving behind excess stock in the market sold at discounted prices which have impacted margins. In response to longer and deeper market disruption than expected, the cost base has been significantly reduced, operations have been streamlined, strategic opportunities to fuel growth and drive financial performance are in place, and a robust recovery is expected in the years ahead.

During the financial year the Group has broken ground on the Nordic Distribution Center 3.0, which will be completed next year. This investment will give increased flexibility, faster deliveries, as well as improved logistics for the Kitchen & Interior business. The Group appointed Fredrik Tønnesen as Chief Executive Officer who has a strong track record in commercial as Managing Director of Norway with four years of profitable growth, and from operations as Chief Operating Officer, leading big improvements in cost efficiency and customer experience.

3 GENERAL ACCOUNTING PRINCIPLES

Basis of preparation
The consolidated financial statements have been prepared on a going concern basis in accordance with IFRS as adopted by the EU. The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS).

The financial statements have been presented in NOK, the functional currency of the Company, and on the historical cost basis except for certain financial instruments that are presented at fair value, as explained in these consolidated financial statements. All amounts have been rounded to the nearest NOK 1 million, unless otherwise stated.

Elkjøp Nordic AS is part of Currys plc, and must adhere to Currys accounting year which follows the 445-calender where the accounting year-end date is not always on a month-end date. Our consolidated annual report is based on an accounting year-end set to April 30. The financial information in the statements and notes are based on a fiscal accounting year starting May 1 and ending April 30.

Alternative performance measures (APMs)
In addition to IFRS measures, the Group uses certain alternative performance measures that are considered to be additional informative measures of ongoing trading performance of the Group and are consistent with how performance is measured internally. The alternative performance measures used by the Group in addition to IFRS measures are included within the APM section in the end of the report. This includes further information on the definitions, purpose, and reconciliation to IFRS measures of those alternative performance measures that are used for internal reporting and presented to the Group's Chief Operating Decision Maker (CODM).

Accounting convention and basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The results of subsidiaries acquired or sold during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal as appropriate, which is the date from when the power to control passes. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intercompany transactions and balances are eliminated on consolidation.

Foreign currency translation and transactions
Transactions denominated in foreign currencies are translated to the Group's presentation currency using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, are generally recognised in profit or loss. The Group uses foreign exchange ('FX') forward contracts to hedge transactions denominated in foreign currencies. Material monetary assets and liabilities denominated in foreign currencies are hedged, mainly using forward foreign exchange contracts to create matching liabilities and assets and are retranslated at each balance sheet date. Further information on the Group's hedging is disclosed in note 22.

The results of foreign entities are translated each month at the monthly rate, and their balance sheets are translated at the rates prevailing at the balance sheet date. Goodwill and the acquisition of intangible assets are held in the currency of the operation to which they relate. Exchange differences arising on the translation of net assets, goodwill and results of foreign entities are recognised in the translation reserve. All other exchange differences are included in profit or loss in the year in which they arise, except when hedge accounting as defined by IFRS 9 'Financial Instruments' is applied. Cash flow hedge accounting is applied when the Group designates financial instruments as hedging instruments held for the purpose of hedging the foreign currency exposures that result from material transactions undertaken in foreign currencies. The effective portion of changes in the fair value of financial instruments that are designated as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised in profit or loss. Amounts previously recognised in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss.

Accounting estimates and judgements
In determining the carrying amounts of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

Goodwill impairment
An annual assessment is made, as set out in note 10, as to whether the current carrying value of goodwill is impaired. Detailed calculations are performed based on discounting expected pre-tax cash flows of the relevant cash generating units at an appropriate discount rate, the determination of which requires the exercise of judgement.

Inventory
Inventory is valued based on a minimum stock provision policy where each item of stock will be grouped with items with similar characteristics. Each group will have a stock ageing provisioning policy attached to it. The policy is reviewed periodically to secure that the book value of stock is greater than its net realisable value, and the review requires the exercise of judgement.

Provisions for liabilities and charges
The recognition and measurement of provisions for liabilities and charges requires significant judgement and the use of estimates about uncertain future conditions or events. Estimates include the best estimate of the probability of outflow of economic resources, cost of settling a provision and timing of settlement.

4 REVENUE

Accounting principles
Revenue primarily comprises sales of goods and services excluding sales taxes. The majority of Group sales are for goods sold in physical stores or online, where there is a single performance obligation and revenue is recognised at the point of time of the sale or, when later, upon delivery to the end consumer.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it satisfies a performance obligation. The following accounting policies are applied to the principal revenue generating activities in which the Group is engaged:

- Revenue from the sales of goods is recognised at a point in time, when a Group entity has sold

the product to the customer. Control of the good transfers immediately at the point of sale (retail) or delivery (internet sales);
- Commission revenue relates to the sale of third-party network, insurance and finance products where the Group acts as an agent. Sales commissions received from third parties are recognised at the point in time when the related stock is sold, to the extent that it can be reliably measured and there are no ongoing service obligations;
- Revenue earned from the sale of customer support agreements is recognised as each performance obligation is satisfied under the contract with the customer. For arrangements assessed as being a series of day-to-day contracts, revenue has been recognised as performed;
- Revenue arising on services (including delivery and installation, product repairs and product support) is recognised when the obligation to the customer is fulfilled.

It is Group policy to grant customers the right to return their products within a defined period of time. As this does not represent a separate performance obligation, the Group only recognises revenue to which it expects to be entitled. The Group uses the most likely amount method to estimate the expected value of goods to be returned by customers exercising their rights in line with the Group's refund policy based on the prior period return rates.

A refund liability is recognised as a component of trade and other payables for the amount of variable consideration that the Group does not expect to be entitled. A separate right to return asset is recognised within inventory to represent the right to recover goods from customers on settlement of the refund liability. This is measured by reference to the former carrying amount of the goods sold less any recoverability costs and decrease in value.

Discounts received from suppliers
The Group's agreements with suppliers contains a price for units purchased as well as other rebates and discounts which are summarised below:

Volume rebates: This rebate is linked to purchases made from suppliers and is recognised as a reduction to cost of goods sold as inventory is sold. Earned rebates that relate to inventory not sold are recognised within the value of inventory at the period end. Where an agreement spans over a period end, judgement is required regarding the amount to be recognised. Forecasts are used as well as historical data in the estimation of the level of rebates recognised. Amounts are only recognised when the Group has a clear entitlement to the receipt of the rebate and a reliable estimate can be made.

Customer discount support: This income is received from suppliers on a price per unit basis. The level of estimation is minimal as amounts are recognised as a reduction to cost of goods sold based on the agreement terms and only when the item is sold.

Marketing support: This is received in relation to marketing activities that are performed on behalf of suppliers. The income is recognised over the period as set out in the specific supplier agreements and is recognised as a reduction to the relevant expense line within the income statement.

Supplier funding amounts that have been recognised and not invoiced are shown within trade and other receivables on the balance sheet.

The Group's disaggregated revenues recognised under 'Revenue from Contracts with Customers' in accordance with IFRS 15 relates to the following operating segments and revenue streams:

NOK in milion	**Year ended 30 April 2023**	Year ended 30 April 2022
Sale of goods	42 040	44 652
Commission revenue	2 358	2 610
Support services revenue	645	675
Other service revenue	948	858
Total revenue	**45 991**	**48 795**

Revenue from support services relates predominantly to customer support agreements, while other service revenue comprises delivery and installation, product repairs and product support.

Remaining performance obligations at year-end is NOK 286 million (2021/2022: NOK 205 million) where NOK 50 million is due within one year (2021/2022: NOK 32 million) and NOK 236 million is due in more than one year (2021/2022: NOK 174 million).

The majority of Group sales are settled at the point-in-time of the sale. Sales to franchisees, B2B and commissions are normally settled within a time period of thirty days.

5 EMPLOYEE BENEFITS AND OTHER PERSONNEL COSTS

Accounting policies pensions
The pension schemes of the Norwegian companies in the Group follow the requirements in the Act on occupational pensions.

Company contributions to defined contribution pension schemes and contributions made to state pension schemes for certain employees are expensed in the income statement on an accrual basis when employees have rendered the services entitling the employee to the contribution.

Employee costs
The aggregate remuneration recognised in the income statement is as follows:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Salaries and performance bonuses	3 732	3 857
Other employee cost	155	196
Social security costs	628	642
Pension cost	235	183
Share based payments	38	-7
Total employee costs	**4 789**	**4 872**

The average number of employees was 10,386 (10,984 in 2021/2022).

The pension charge in respect of defined contribution schemes was NOK 228 million (2021/2022: NOK 181 million).

See also note 24 Management remuneration for additional information.

Share-based payments
Accounting policies

The Group participates in Currys plc's share-based payment arrangements. The arrangements are connected to Currys plc's shares and accordingly recognised as a cash settled share-based payment in the Group's financial statements. An amount of NOK 27 million has been charged to the profit and loss statement for 2022/2023 relating to the share-based program (2021/2022 NOK -22 million), and NOK 90 million is booked as a liability (on 30 April 2022 NOK 90 million). The fair value of options was estimated using a Monte Carlo model. From 2022/2023 the Group receives annual intercompany charge from Currys plc's relating to annual share option cost.

Group management participates in the following plans:
- Annual share-plan, which allows nil-priced options to be offered to management and senior employees. Options were first granted under the scheme in January 2014. The options are subject to continuing employment and certain awards are subject to performance conditions.
- In February 2019, the Colleague Shareholder Award was launched. This granted every permanent colleague with 12 months service at least £1 000 of options which will vest after three years. These awards are not subject to performance conditions.

Options awarded from June 2018 to February 2023:

	Outstanding options at 1 May 2022	**Granted**	**Lapsed/ terminated**	**Excercised**	**Outstanding options at 30 April 2023**		**Weighted average excercise price**
Erik Gunset Sønsterud, CEO May.22 - Feb.23	1 673 122	1 556 929	2 414 225	140 836	674 990	£	-
Fredrik Tønnesen, CEO Mar.23 - Apr.23	332 585	578 164		86 684	824 065	£	-
Other employees	11 048 542	3 114 837	93 327	2 261 187	11 808 865	£	-
Sum	**13 054 249**	**5 249 930**	**2 507 552**	**2 488 707**	**13 307 920**	£	-

Weighted average life of options outstanding at the end of the period: 8.2 years

Weighted average fair value of outstanding options at the end of the period: £0.7.

A number of variables are taken into account when calculating the fair value of the share options.

Assumptions used:	2022/2023
Exercise price	£nil
Expected option life	10 years
Weighted average share price	£0,71
Volatility	44%
Dividend yield	4.5%

6 OPERATING EXPENSES

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Operating leases of buildings, land and equipment	38	33
Marketing and advertising	764	830
Operation, maintenance and other costs of premises, vehicles etc.	589	517
Other operating expenses	966	1 006
Total operating expenses	**2 357**	**2 386**

Other operating expenses comprise IT, travel, security, warranties, stationery and supply expenses etc., where the cost of IT is the single largest contributor to the expenses. Increase in IT cost is primarily related to software development and operating costs, given a change in strategic direction towards cloud-based solutions which will aim to achieve operational efficiencies and improve the customer journey.

Auditor's remuneration comprises the following (exclusive of VAT):

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Fees payable to the company's auditor for audit of the company's annual accounts	0,8	1,5
Fees payable to the company's auditor and its associates for their audit of the company's subsidiaries	3,4	3,0
Total audit fees	**4,2**	**4,5**
Other services	0,3	0,3
Total audit and non-audit fees	**4,5**	**4,8**

7 OTHER ITEMS; NET CURRENCY GAINS (LOSSES)

Net currency gains (losses) are disaggregated as follows:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Foreign exchange rate gain	6 705	696
Foreign exchange rate loss	-6 574	-626
Net currency gains (losses)	**131**	**70**

Other expenses include the following non-recurring expenses:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Severance and other direct employee cost	75	-
Restructuring	186	-
Impairment of intangible assets	58	-
Other	11	-
Other expenses	**330**	**-**

Restructuring costs of NOK 330 million in the current year relate primarily to the Groups strategic change programme to reduce the cost base. The project involves rationalising the store estate, reducing headcount and reviewing assets. Some elements in isolation may not be considered exceptional during the normal course of business, however given they wouldn't have occurred without this programme we deem them non-recurring.

8 NET FINANCE COSTS

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Interest income from cash pool	45	3
Finance income	**45**	**3**
Interest expense on cash pool	-19	-15
Interest on bank overdrafts	-131	-46
Amortisation of facility fees	-13	-10
Interest expense on lease liabilities	-242	-215
Other interest expense	-62	-67
Finance cost	**-467**	**-353**
Total net finance costs	**-422**	**-350**

See note 18 for further details regarding the interest calculation on the lease liability and note 16 for further details about the cash pool.

The Group's Revolving Credit Facility expires in April 2026.

9 TAX

Accounting policy
Current tax
Current tax is provided at amounts expected to be paid or recovered using the prevailing tax rates and laws that have been enacted or substantially enacted by the balance sheet date and adjusted for any tax payable in respect of previous years.

Deferred tax
Deferred tax liabilities are recognised for all temporary differences between the carrying amount of an asset or liability in the balance sheet and the tax base value and represent tax payable in future periods. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. No provision is made for tax which would have been payable on the distribution of retained profits of subsidiaries, where it has been determined that these profits will not be distributed in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Current and deferred tax is recognised in the income statement except where it relates to an item recognised directly in other comprehensive income or reserves, in which case it is recognised directly in other comprehensive income or reserves as appropriate.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantially enacted by the balance sheet date.

Deferred tax assets and liabilities are offset against each other when they relate to income taxes levied by the same tax jurisdiction and when the Group intends to settle its current tax assets and liabilities on a net basis. Deferred tax balances are not discounted.

Tax expense
The corporation tax charge comprises:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Current tax		
Current tax on profits for the year	89	116
Tax effect on group contribution distributed (Norway)	0	155
Deferred tax income		
Decrease/(increase) in deferred tax assets	-171	39
(Decrease)/increase in deferred tax liabilities	-9	15
Deferred tax on equity items	2	-25
Total income tax expense	**-89**	**299**

The Group makes a group contribution to holding company Dixons Stores Group Retail Norway AS.

Reconciliation of standard to actual (effective) tax rate
The principal differences between the total tax charge shown above and the amount calculated by applying the standard rate of the Norwegian corporation tax to profit / (loss) before taxation are as follows:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Net income before tax	-467	1 405
Expected income tax assessed at the tax rate for the Parent company 22%	-102	309
Adjusted for tax effect of the following items:		
Permanent differences	9	1
Prior year adjustment	4	-2
Effect from currency effects and other items	0	-9
Total income tax expense for operations	**-89**	**299**
Effective income tax rate	19.0%	21.3%

The effective tax rate on profit before tax of 19.0% (2021/2022: 21.3%) has decreased due to permanent differences and a prior year adjustment.

Deferred tax
Specification of effects of temporary differences:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Intangible assets	-161	-176
Tangible assets	5	-6
Derivatives including cash flow hedges	-26	-1
Swedish P-funds	-90	-75
Pensions	3	1
Other temporary differences	326	158
Deferred tax asset (+) / liability (-)	**57**	**-97**
Whereof:		
Presented as deferred tax asset	269	97
Presented as deferred tax liability	-212	-194
Deferred tax asset (+) / liability (-)	**57**	**-97**

Movements in deferred tax:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Carrying amount net deferred tax assets (+)/ liabilities(-) at 1 May	-97	-47
Recognised as income/expense (-) in income statement	181	-54
Effect from currency effects and other items	-26	3
Carrying amount net deferred tax assets (+)/ liabilities(-) at 30 April	**57**	**-97**

Analysis of deferred tax relating to items (charged) / credited to other comprehensive income in the period:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Derivatives	2	-25
Total	**2**	**-25**

10 GOODWILL

Accounting policies
On acquisition of a subsidiary or associate, the fair value of the consideration is allocated between the identifiable net tangible and intangible assets and liabilities on a fair value basis, with any excess consideration representing goodwill. Goodwill does not generate cash flows independently of other assets or groups of assets and is allocated to the cash-generating units (defined below) expected to benefit from the synergies of the combination that gave rise to the goodwill.

Goodwill is not amortised, but is reviewed annually for impairment, or more frequently where there is an indication that goodwill may be impaired. Impairment is assessed by measuring the recoverable amount of the group of CGUs to which the goodwill relates, at the level at which this is monitored by management. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

On disposal of subsidiary undertakings and businesses, the relevant goodwill is included in the calculation of the profit or loss on disposal.

Changes in goodwill during the year:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
At beginning of period	1 100	1 108
Additions	21	-
Foreign exchange	118	-8
At the end of the period	**1 238**	**1 100**

Carrying value of goodwill
The components of goodwill comprise the following segments:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Norway	482	461
Sweden	13	12
Denmark	696	586
Finland	48	41
Total	**1 238**	**1 100**

Goodwill impairment testing
As required by IAS 36, goodwill is subject to annual impairment reviews. These reviews are carried out using the following criteria:

- Business acquisitions generate an attributed amount of goodwill;
- Judgement is involved in determining what constitutes a CGU. Management considers that the CGU for impairment testing purposes is a segment as the stores are managed on a portfolio basis within each segment and not as single stores;
- The manner in which these businesses are run and managed is used to determine the CGU grouping as defined in IAS 36 'Impairment of Assets';
- The recoverable amount of each CGU group is determined based on calculating its value-in-use ('VIU');
- The VIU is calculated by applying discounted cash flow modelling to management's own projections covering a five-year period;
- Cash flows beyond the five-year period are extrapolated using a long-term growth rate equivalent to long-term forecasts of Gross Domestic Product ('GDP') growth rates for the relevant market; and
- The VIU is then compared to the carrying amount in order to determine whether impairment has occurred.

The key assumptions used in calculating value-in-use are:
- Management's projections;
- The growth rate beyond five years; and
- The pre-tax discount rate.

The long-term projections are based on budgets for 2022/2023 together with a five-year strategic plan. These projections have taken into account the relative performance of competitors and knowledge of the current market together with management's views on the future achievable growth in market share and impact of the committed initiatives. The cash flows which derive from these five-year projections include ongoing capital expenditures required to develop and upgrade the store network and systems in order to maintain and operate the businesses and to compete in their markets. In forming the five-year projections, management draws on past experience as a measure to forecast future performance.

Given the global political and economic uncertainty resulting from the Covid-19 pandemic, Ukraine war, rate hikes and high inflation, the cash flows have been adjusted to represent management's best estimate of the economic conditions that will exist over the five-year period. In forming these assumptions, management have incorporated guidance from the governments in which each business unit operates and readily available external market information.

Key assumptions used in determining the five-year projections comprise the growth in sales and costs over this period. The compound annual growth rate in sales and costs can rise as well as fall year-on-year depending not only on the year five targets, but also on the current financial year base. These targets, when combined, accordingly drive the resulting profit margins and the profit in year five of the projections which is in turn used to calculate the terminal value in the VIU calculation. Historical amounts for the businesses under impairment review as well as from other parts of the Group are used to generate the values attributed to these assumptions.

The value attributed to these assumptions for the most significant components of goodwill are as follows:

	30 April 2023		30 April 2022	
	Growth rate beyond five years	**Pre-tax discount rate**	Growth rate beyond five years	Pre-tax discount rate
Norway	1.5%	10.8%	1.5%	9.6%
Sweden	1.6%	10.8%	1.6%	9.6%
Denmark	1.2%	10.8%	1.2%	9.6%
Finland	1.1%	10.8%	1.1%	9.6%

Growth rates used were determined based on third-party long-term growth rate forecasts and are based on the GDP growth rate for the territories in which the businesses operate. The pre-tax discount rates applied to the forecast cash flows reflect current market assessments of the time value of money and the risks specific to the CGUs.

Goodwill impairment sensitivity analysis
A sensitivity analysis has been performed on each of the base case assumptions used for assessing the goodwill with other variables held constant. Consideration of sensitivities to key assumptions can evolve from one financial year to the next. The directors have concluded that there are no reasonably possible changes in key assumptions which would cause the carrying amount of goodwill to exceed its value-in-use.

11 INTANGIBLE ASSETS

Accounting principles
Intangible assets are mainly software and licences, and include costs incurred to acquire the assets, as well as internal infrastructure and design costs incurred in the development of software, in order to bring the assets into use.

Internally generated software is recognised as an intangible asset, only if it can be separately identified, it is probable that the asset will generate future economic benefits which exceed one year, and the development cost can be measured reliably. Where these conditions are not met, development expenditure is recognised as an expense in the year in which it is incurred. Costs associated with developing or maintaining computer software are recognised as an expense as incurred unless they increase the future economic benefits of the asset, in which case they are capitalised.

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overhead. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Software is stated at cost less accumulated amortisation and, where appropriate, provision for impairment in value or estimated loss on disposal. Amortisation is provided to write off the cost of the assets on a straight-line basis between three and eight years and is recognised in the income statement in the line item amortisation and depreciation.

Intangible assets are assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable. When assets are to be taken out of use, an impairment charge is levied. When the intangible assets form part of a separate CGU, such as a store or business unit, and business indicators exist which could lead to the conclusion that the net book value is not supportable, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use.

NOK in million	30 April 2023 **Software and licences**	30 April 2022 Software and licences
Balance at beginning of the year	**856**	**823**
Additions	225	268
Amortisation	-284	-235
Disposal	-	-0
Impairment	-58	-
Foreign exchange	0	-0
Balance at end of the year	**740**	**856**
Cost	1 970	1 803
Accumulated amortisation	-1 230	-947
Balance at end of the year	**740**	**856**
Amortisation period	3-8 years	3-8 years

Additions consist of capitalised development costs for systems where core systems are amortised over five to eight years. Software and licences include assets with a cost of NOK 1 million in 2022/2023 (NOK 2 million in 2021/2022) on which amortisation has not been charged as the assets have not yet been brought into use. The Group has no significant R&D expenses.

The Group has over the last years implemented a new store system and a new e-commerce platform with extensive functionality. As part of the Groups strategic change programme, IT-development contracts were terminated and a NOK 58 million was impaired due to development work put on hold or cancelled. The impairment is recognised as part of other expenses in the Income statement. See Note 7 for further details regarding other expenses.

12 PROPERTY, PLANT & EQUIPMENT

Accounting policies
Property, plant & equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

With the exception of land, depreciation is provided to write off the cost of the assets over their expected useful lives on a straight-line basis from the date the asset was brought into use or is capable of being used.

Property, plant & equipment is assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable. When assets are to be taken out of use, an impairment charge is levied. When property, plant & equipment form part of a separate cash generating unit, such as a store or group of stores, and business indicators exist which could lead to the conclusion that the net book value is not supportable, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use.

NOK in million	**30 April 2023** **Fixtures, fittings and other equipment**	**Total**	30 April 2022 Fixtures, fittings and other equipment	Total
Balance at beginning of the year	**876**	**876**	**851**	**851**
Additions	284	284	359	359
Depreciation	-307	-307	-317	-317
Disposal	-10	-10	-6	-6
Foreign exchange	85	85	-10	-10
Balance at end of the year	**928**	**928**	**876**	**876**
Cost	3 405	3 405	3 026	3 026
Accumulated depreciation	-2 477	-2 477	-2 150	-2 150
Balance at end of the year	**928**	**928**	**876**	**876**
Depreciation period	3-10 years		3-10 years	

For the year ended 30 April 2023 the Group had NOK 2 million (2021/2022: NOK 0 million) in capital commitment related to its investments.

The Group has no restrictions on title, and property, plant and equipment pledged as security for liabilities.

13 RIGHT-OF-USE ASSETS

Accounting policies
The Group's leasing activities predominantly relate to retail store properties and distribution properties. The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which comprise IT equipment and small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease with no corresponding right-of use asset.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received, any initial direct costs and any dilapidation costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. Right-of-use assets are assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable as further described above. Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

See note 18 for further details regarding measurement of lease liability and corresponding adjustment to the related right-of-use asset.

The balance sheet shows the following amounts relating to leases:

NOK in million	30 April 2023 Land and buildings	Vehicles, equipment and other	Total	30 April 2022 Land and buildings	Vehicles, equipment and other	Total
Balance at beginning of the year	**4 734**	**45**	**4 780**	**3 922**	**34**	**3 956**
Additions	1 363	30	1 393	1 753	31	1 784
Depreciation	-969	-21	-990	-880	-18	-898
Disposal	-31	-0	-31	-13	-0	-14
Foreign exchange	416	5	421	-48	-1	-48
Balance at end of the year	**5 477**	**59**	**5 536**	**4 734**	**45**	**4 780**
Cost	9 138	110	9 248	7 209	79	7 289
Accumulated depreciation	-3 661	-51	-3 712	-2 475	-34	-2 509
Balance at end of the year	**5 477**	**59**	**5 536**	**4 734**	**45**	**4 780**
Lower of remaining lease term or economic life	0-14 years	0-5 years		0-13 years	0-6 years	
Depreciation method	Linear	Linear		Linear	Linear	

14 INVENTORY

Accounting policies

Inventories are stated at the lower of cost and net realisable value, and on a weighted average cost basis. Cost comprises direct purchase costs and related overhead that has been incurred in bringing the inventories to their present location and condition less any attributable discounts and bonuses received from suppliers in respect of that inventory. Net realisable value is based on estimated selling price, less further costs expected to be incurred to disposal. Provision is made for obsolete, slow moving or defective items when appropriate.

Certain purchases of inventories may be subject to cash flow hedges to address foreign exchange risk. Where this is the case a basis adjustment is made; the initial cost of hedged inventory is adjusted by the associated gain or loss transferred from the cash flow hedge reserve.

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Finished goods and goods for resale	5 929	6 681
Provision for obsolete inventories	-190	-164
Balance at end of the year	**5 740**	**6 517**

15 TRADE AND OTHER RECEIVABLES

Accounting principles

Financial assets are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the investment. The Group's financial assets comprise cash and cash equivalents, and receivables which involve a contractual right to receive cash from external parties.

Trade receivables are recognised initially at the amount of consideration that is unconditional. Trade receivables are generally due for settlement within 30 days and therefore classified as current.

At initial recognition, the group measures other financial assets at fair value.

The majority of trade and other receivables are non-interest bearing. The carrying amount of trade and other receivables approximates fair value.

When the Group recognises a financial asset, it classifies it in accordance with IFRS 9. Cash and cash equivalents and trade and other receivables (excluding derivative financial assets) are classified as held at amortised cost.

All of the Group's assets are subject to impairments driven by the expected credit loss (ECL) model. For the Group's trade and other receivables in the Nordics, it has adopted the simplified approach to calculating expected credit losses allowed by IFRS 9. Historical credit loss rates are applied consistently to groups of financial assets with similar risk characteristics. These are then adjusted for known changes in, or any forward-looking impacts, on creditworthiness.

Indicators that an asset is credit-impaired would include observable data in relation to the financial health of the debtor: significant financial difficulty of the issuer or the debtor; the debtor breaches contract; it is probable that the debtor will enter bankruptcy or financial reorganisation.

Most groups of receivables have immaterial levels of credit risk. For material concentrations of credit risk, the asset type and notional is set out below:

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Business to Business	341	341
Franchise debtors	395	343
Total	**736**	**685**

Ageing of the areas of credit risk is set out in the tables below:

Year ended 30 April 2023	Gross amounts recognised in financial assets	Weighted average loss rates	Expected credit losses
Not yet due	663	0.4%	3
0-90 days	38	3.3%	1
91-180 days	7	28.2%	2
180+ days	28	78.5%	22
Total	**736**		**28**

The Group derecognises a financial asset when the contractual rights to the cash flows expire or the Group transfers the financial asset in a way that qualifies for derecognition in accordance with IFRS 9.

The Group has reviewed losses, changes in receivables past due and mitigating initiatives to reduce risk and have concluded that the current ECL rates are representative and cover the risk of credit losses in lights of macro-economic uncertainty and forward-looking information.

Specification of trade and other receivables

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Trade receivables	1 406	1 564
Expected credit loss	-62	-63
Prepayments	237	307
Other receivables	366	371
Accrued income	693	385
Total	**2 641**	**2 563**
Non-current	32	28
Current	2 609	2 535
Total	**2 641**	**2 563**

NOK in million	30 April 2023 Gross trade receivables	Provision	Net trade receivables	30 April 2022 Gross trade receivables	Provision	Net trade receivables
Ageing of gross trade receivables and provisions:						
Not yet due	1 249	-4	1 244	1 365	-2	1 363
Past due:						
Under two months	35	-1	35	98	-1	97
Two to four months	42	-8	33	17	-4	13
Over four months	80	-48	32	84	-57	27
Total	**1 406**	**-62**	**1 345**	**1 564**	**-63**	**1 501**

Movements in the provision for impairment of trade receivables are as follows:

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Balance at beginning of the year	**-63**	**-44**
Charged to the income statement	-22	-30
Receivables written off as irrecoverable	23	11
Balance at end of the year	**-62**	**-63**

The timing of revenue recognition, billings and cash collections results in trade receivables (billed amounts) and customer advances and deposits (contract liabilities) on the Group's balance sheet. For services in which revenue is earned over time, prepayment of service is classified as a contract liability. See note 4 for further details regarding timing and revenue recognition.

16 CASH POOL

The Group is a part of its parent, Currys plc's, cash pool arrangement. The cash pool agreements are a combination of zero balancing and notional pooling arrangements. All entities in the Group have individual agreements with Currys plc, whereby Currys plc has the head account against the bank. The cash pool balances are presented as an intercompany receivable or payable. The arrangement is subject to interest calculations based on the arm's length principle. An appropriate floating interest rate including a margin element is calculated and applied consistently.

The presentation shows gross amounts, as each entity's net position cannot be offset against another entity's net position in the Group.

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Cash pool receivable	1 984	2 530
Cash pool liability	-383	-54
Net balance	**1 601**	**2 476**

17 TRADE AND OTHER LIABILITIES

Accounting principles
Trade and other payables (excluding derivative financial liabilities) are initially recorded at fair value and subsequently measured at amortised cost.

Where the Group has the right and intention to offset in relation to financial assets and liabilities under IAS 32, these are presented on a net basis.

Contract liabilities predominantly relate to the sale of customer support agreements. Revenue is recognised in full, as each performance obligation is satisfied under the contracts with the customer. Where consideration is received in advance of the performance of the obligations being satisfied, a contract liability is recognised. Due to the cancellation options and customer refund clauses, contract terms have been assessed to be a series of day to day contracts with revenue recognised as performed.

Specification of trade and other payables:

NOK in million	Year ended 30 April 2023 Current	Non-current	Year ended 30 April 2022 Current	Non-current
Trade payables	5 857	-	6 310	-
Other taxes and social security	1 094	-	1 340	-
Contract liabilities	819	-	1 003	-
Other current payables	599	-	574	-
Accruals	304	67	530	62
Balance at end of the year	**8 673**	**67**	**9 757**	**62**

The carrying amount of trade and other payables approximates their fair value.

Contract liabilities
Movements in the contract liabilities balance are as follows:

NOK in million	Year ended 30 April 2023	Year ended 30 April 2022
Balance at beginning of the year	**1 003**	**802**
Reveue recognised in the period that was included in the opening balance	-806	-725
Revenue recognised in the period from sales in the year	-16 449	-18 173
Increase due to money owed/received in the year	17 070	19 100
Balance at end of the year	**819**	**1 003**

The above reconciliation shows the movement from opening to closing balance. The reduction in the contract liability balance due to amounts recognised as revenue within the year that were included in the balance at the start of the year have been offset by new sales made and consideration received in advance of satisfying the performance obligations.

18 LEASE LIABILITY

Accounting principles
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's weighted average incremental borrowing rate and subsequently held at amortised cost in accordance with IFRS 9.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Overview of lease liabilities:

NOK in million	**30 April 2023**	30 April 2022
Analysed as:		
Current	1 202	991
Non-current	4 585	3 937
Total lease liabilities	**5 787**	**4 928**

Total undiscounted future committed payments due are as follows:

NOK in million	**30 April 2023**	30 April 2022
Amounts due:		
Year 1	1 249	1 029
Year 2	1 123	927
Year 3	1 033	830
Year 4	896	751
Year 5	721	629
Onward	1 760	1 649
Total undiscounted future committed payments	**6 782**	**5 814**

NOK in million	**30 April 2023**	30 April 2022
Summary of the lease liabilities in the financial statements:		
Opening balance	4 928	4 017
New lease liabilities recognised in the year	1 370	1 771
Cash payments for the principal portion of the lease liability	-1 193	-1 027
Cash payments for the interest portion of the lease liability	242	215
Reassessment of the discount rate on previous lease liabilities		
Currency exchange differences	441	-48
Total lease liabilities	**5 787**	**4 928**
Expensed variable payments linked to performance or use		
- Expenses related to contracts with exception for short term leases	20	17
- Expense relating to variable lease payments not included in the measurement of the lease liability	17	17
- Expenses related to contracts with exception for low value assets (short term contract excluded)	0	0

The leases do not contain any restrictions on the Group's dividend policy or financing. The Group does not have any significant residual value guarantees related to its leases to disclose.

19 PROVISIONS

Accounting principles

Provisions are recognised when a legal or constructive obligation exists as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are discounted where the time value of money is considered to be material.

All provisions are assessed by reference to the best available information at the balance sheet date.

	30 April 2023					30 April 2022				
NOK in million	**Reorganisation**	**Sales**	**Property**	**Share options**	**Total**	Reorganisation	Sales	Property	Share options	Total
At beginning of period	**2**	**36**	**2**	**91**	**131**	**5**	**39**	**8**	**112**	**165**
Additions	70	233	138	-	441	-	98	2	10	109
Released in the period	-	-	-	-	-	-	-	-	-	-
Utilised in the period	-15	-234	-26	-	-274	-3	-101	-8	-31	-143
At end of period	**57**	**35**	**114**	**91**	**297**	**2**	**36**	**2**	**91**	**131**
Analysed as:										
Current	57	18	114	91	280	-2	17	1	53	69
Non-current	-	18	-	-	18	4	19	2	38	62
	57	**35**	**114**	**91**	**297**	**2**	**36**	**2**	**91**	**131**

Reorganisation provisions relate principally to redundancy costs and other onerous contracts arising as a result of the reorganisation, and are only recognised when plans are demonstrably committed and where appropriate communication to those affected has been undertaken at the balance sheet date.

Sales provisions relate to product warranties. The anticipated costs of these items are assessed by reference to historical trends and any other information that is considered to be relevant.

Property provisions relate mainly to costs associated with operating lease early exit premiums, onerous leases and provisions for dilapidations. The share option provision relates to the Group's participation in Currys plc's share-based arrangements and the provision is based on the fair value of options using a Monte Carlo model.

Non-current provisions are expected to be utilised over a period of up to five years.

20 ADDITIONAL EQUITY INFORMATION

Paid in capital

NOK in million	Numer of shares	Share capital	Other paid in capital	Total Paid in capital
At 1 May 2021	**35 800 050**	**72**	**107**	**179**
At 30 April 2022	**35 800 050**	**72**	**107**	**179**
At 30 April 2023	**35 800 050**	**72**	**107**	**179**

There are no changes in the periods presented. The share capital is fully paid. Par value of the shares is NOK 2.

As of 30 April 2023, Elkjøp Nordic AS is 100% owned by Elkjøp Holdco AS and is included in the consolidated statements of Currys plc which is listed on the London Stock Exchange.

Other reserves

NOK in million	Translation reserve	Pension remeasurement reserve	Cash flow hedge reserve	Taxes on pension remeasurement reserve	Taxes on cash flow hedge reserve	Total Other reserves
At 1 May 2021	**58**	**-15**	**-103**	**3**	**23**	**-33**
Changes during the year	-42	-	-31	-	7	-66
Recycled to profit and loss from comprehensive Income			147		-32	115
At 30 April 2022	**16**	**-15**	**13**	**3**	**-1**	**16**
Changes during the year	270	-	3	-	-1	273
Recycled to profit and loss from comprehensive Income			-14		3	-11
At 30 April 2023	**287**	**-15**	**2**	**3**	**1**	**277**

Translation reserve
This reserve relates to currency translation for entities within the Group that have a different functional currency than NOK.

Pension remeasurement reserve and taxes on pension remeasurements reserve
These reserves include the effect of re-measurement of the pension obligation arising due to changes in assumptions, such as the discount rate, long-term demographic trends and the related tax effects.

Cash flow hedge reserve and taxes on the cash flow hedge reserve.
These reserves relate to cash flow hedges measured at fair value through other comprehensive income until recycling, including its tax effects, see also note 21.

21 FINANCIAL RISK MANAGEMENT

Financial instruments that are measured at fair value in the financial statements require disclosure of fair value measurements by level based on the following fair value measurement hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Contingent consideration is categorised as level 3 in the fair value hierarchy as the valuation requires the use of significant unobservable inputs.

The significant inputs required to fair value the Group's remaining financial instruments that are measured at fair value on the balance sheet, being derivative financial assets and liabilities, are observable and are classified as level 2 in the fair value hierarchy. There have also been no transfers of assets or liabilities between levels of the fair value hierarchy.

Fair values have been derived by discounting future cash flows (where the impact of discounting is material), assuming no early redemption, or by revaluing forward currency contracts and interest rate swaps to period end market rates as appropriate to the instrument.

Management considers that the book value of financial assets and liabilities recorded at amortised cost and their fair value are not materially different.

The fair value of the Group's financial assets, liabilities and derivative financial instruments are as follows:

NOK in million	**Year ended 30 April 2023**	Year ended 30 April 2022
Cash pool assets [1]	1 984	2 530
Cash and cash equivalents [1]	491	509
Trade and other receivables excluding derivative financial assets [1]	2 609	2 535
Derivative assets [2]	238	131
Derivative liabilities [4]	-119	-128
Cash pool liabilities [3]	-383	-54
Trade and other liabilities - current [3]	-8 673	-9 757
Trade and other liabilities - non current [3]	-67	-62
Deferred and contingent consideration - current [4]	-	-

[1] Financial assets measured at amortised cost.
[2] Financial assets measured at fair value through profit and loss.
[3] Financial liabilities measured at amortised cost.
[4] Financial liabilities measured at fair value through profit and loss.

For trade receivables, cash pool receivables and other current receivables, trade and other payables the carrying amount is assessed to be a reasonable approximation of fair value. The effect of not discounting is considered to be immaterial for this class of financial instruments.

Financial risk management policies
The Group's activities expose it to certain financial risks including market risk (such as foreign exchange risk and interest rate risk), credit risk and liquidity risk. The parent company Currys plc's treasury function, which operates treasury policies approved by the Currys plc Board, uses certain financial instruments to mitigate potentially adverse effects on the Currys plc's financial performance from these risks. These financial instruments consist of bank loans and deposits, spot and forward foreign exchange contracts, foreign exchange swaps and interest rate swaps. The Group only participate in the cash pools facilitated by Currys plc.

Throughout the period, in accordance with Group policy, no speculative use of derivatives, foreign exchange or other instruments was permitted.

No contracts with embedded derivatives have been identified and, accordingly, no such derivatives have been accounted for separately.

See note 22 for information about derivatives.

Foreign exchange risk
For the Group, the foreign exchange risk exposure is in the Norwegian entity Elkjøp Nordic AS, which has NOK as its functional currency.

Elkjøp Nordic AS undertakes certain purchase transactions that are denominated in foreign currencies and as a consequence has exposure to exchange rate fluctuations. These exposures arise from inventory purchases, where most of the Group's exposure being to Euro and Swedish Krona fluctuations. Further, the Group's revenue is exposed to fluctuations in Swedish Krona, Danish Krona and Euro. The Group uses spot and forward currency contracts to mitigate these exposures, with such contracts designed to cover exposures ranging from one month to six months.

Monetary assets and liabilities and foreign exchange contracts are sensitive to movements in foreign exchange rates. This sensitivity can be analysed in comparison to year-end rates (assuming all other variables remain constant) as follows:

	Year ended 30 April 2023	Year ended 30 April 2022
NOK in million	**Effect on Profit and Loss**	**Effect on Profit and Loss**
+/-10% movement in the US dollar exchange rate	27	48
+/-10% movement in the Euro exchange rate	520	485
+/-10% movement in the Swedish Krona exchange rate	46	57
+/-10% movement in the Danish Krona exchange rate	39	77
+/-10% movement in the Czech Koruna exchange rate	-1	-

Interest rate risk
The Group's interest rate risk arises primarily on cash pool receivables and payables, all of which are at floating rates of interest, and which therefore expose the Group to cash flow interest rate risk. The floating rates used in the cash pool are linked to NIBOR (NOK), LIBOR (USD), STIBOR (SEK), EONIA (EUR), CIBOR (DKK), DRI/DRU (CZK) and other interest rate bases as appropriate to the instrument and currency. Group policy permits the use of long-term interest rate derivatives in managing the risks associated with movements in interest rates.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages its exposure to liquidity risk by reviewing regularly the long-term and short-term cash flow projections for the business against the resources available to it.

In order to ensure that sufficient funds are available for ongoing and future developments, the Group is part of the parent company Currys plc arrangement that has committed bank facilities, excluding overdrafts repayable on demand, totalling £636 million (2021/22: £543 million).

In April 2021, the Group signed a NOK 4,036m (£301m) (2021/22: £343m) revolving credit facility with a number of relationship banks which was initially due to expire in April 2025. In April 2022, this facility was extended by one year to expire in April 2026. This is on broadly similar terms to the £200m facility. At 30 April 2023, the Group had drawn down on this facility by NOK 1,435m (£107m) (2021/22: £nil).

In October 2022, the Group signed a £90m revolving credit facility and a NOK 600m (£45m) revolving credit facility with a number of relationship banks to mitigate against any potential short-to-medium term macroeconomic uncertainty. These facilities are for one year, with the option of a further year at the bank's option and are on broadly similar terms to the £200m facility signed in April 2021. At 30 April 2023, both facilities remain undrawn.

Credit risk
Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations and arises principally from the Group's receivables from consumers. The Group's exposure to credit risk is regularly monitored and the Group's policy is updated as appropriate.

The Group's trade receivables also include balances due from sales to franchisees, business to business consumers and consumer credit receivables. The credit procedures are centralised, and customers must pass an external credit rating to be granted a credit limit. Provision is made for any receivables that are considered to be irrecoverable. Details of trade receivables which are past due but not impaired are provided in note 15.

The credit risk on cash and cash equivalents and derivative financial instruments is closely monitored and credit ratings are used in determining maximum counterparty credit risk.

The Group's funding, through Currys plc's cash pool facility, is reliant on its £636 million bank facilities, which are provided by a number of relationship banks; these institutions are considered to be adequately capitalised to continue to meet their obligations under the facility.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Capital management
The Group manages its capital to ensure that all Group entities have sufficient working capital and liquidity to meet all operational needs. Capital is defined by management as the sources of funding for the group. Capital is managed through the cash pool bank accounts, cash and cash equivalents balances and group contributions. The Group does not have any external long-term borrowings. The treasury department of the UK parent company (Currys plc) manages and administers the cash pool.

22 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITY

Accounting principles
Hedge accounting
The Group uses derivative financial instruments to protect from volatility in foreign exchange rates on its foreign currency inventory purchases / sales and interest rate fluctuations on its floating rate debt. The Group uses the derivatives to hedge highly probable forecast transactions and with the purpose of fixing floating rate debt and therefore all hedges are designated as cash flow hedges.

Derivatives are recognised at fair value at inception and are subsequently measured at fair value until maturity. The effective element of any gain or loss from the revaluation of the hedging instrument is recognised in the Group's hedging reserves. The cumulative gain or loss related to hedging instruments is recycled from the Group's statement of changes in equity into the Group's income statement during the period at which the hedged item impacts the Group's income statement. Any ineffectiveness is recognised immediately in the Group's income statement within financing costs. For hedges of forecasted inventory payments, the amounts accumulated in the cash flow hedge reserve are recycled directly in the initial cost of the inventory item (a non-financial asset) at the point in time inventory is recognised.

The Group does not enter derivative financial instruments for trading purposes.

At inception, the relationship between the hedging instrument and the hedged item is documented, as well as an assessment of the effectiveness of the derivative instrument used in the hedging transaction in offsetting changes in the cash flow of the hedged item. This effectiveness assessment is repeated on an ongoing basis during the life of the hedging instrument to ensure that the instrument remains an effective hedge of the transaction.

1. Derivatives classified as cash flow hedges: the effective portion of changes in the fair value is recognised in other comprehensive income. Any gain or loss relating to the ineffective portion is recognised immediately in the income statement in sales or cost of sales, to match the hedged transaction. Amounts recognised in other comprehensive income are recycled to the income statement in the period when the hedged item will affect profit or loss. If the hedging instrument expires or is sold, or no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the income statement. If the forecast transaction is no longer expected to occur, the cumulative gain or loss in other comprehensive income is immediately transferred to the income statement.
2. Derivatives that do not qualify for hedge accounting: these are classified at fair value through profit or loss. All changes in fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

Derivative financial instruments with their notional values and the fair value measured in NOK:

			30 April 2023			30 April 2022
Designated	Notional values			Notional values		
Currency million	Buy	Sell	Fair Value in NOK	Buy	Sell	Fair Value in NOK
DKK (02.05.23 - 26.09.23)	-	506	-37	-	506	10
EUR (02.05.23 - 26.09.23)	181	-	82	187	-	-31
SEK (02.05.23 - 26.09.23)	-	994	-43	-	994	22
USD (02.05.23 - 26.09.23)	29	-	10	29	-	16
			13			16

			30 April 2023			30 April 2022
Not designated	Notional values			Notional values		
Currency million	Buy	Sell	Fair Value in NOK	Buy	Sell	Fair Value in NOK
DKK (02.05.23 - 26.09.23)	-	321	-16	30	254	5
EUR (02.05.23 - 26.09.23)	347	13	138	260	-	-27
SEK (02.05.23 - 26.09.23)	-	970	-23	-	1 165	-2
USD (02.05.23 - 26.09.23)	36	4	7	62	-	13
DKK/EUR (12.05.22)	-	-	-	112	-	-0
SEK/EUR (13.05.22)	-	-	-	467	-	-3
			106			**-13**

23 NOTES TO THE CASH FLOW STATEMENT

Accounting principles
Cash on hand includes petty cash balances held in branches together with any amounts held in overnight safes. Any amount of cash which has been received from customers but which has not yet been deposited with the bank are included as cash. This includes amounts which are no longer on Group premises, but have not yet reached the bank (i.e. amounts in transit). In relation to credit cards, a debtor may often exist with the credit card companies for payment against the transactions processed. Where the expected payment is within a reasonable timeframe, such amounts are presented in the balance sheet as cash.

24 MANAGEMENT REMUNERATION

Compensation earned by key management is as follows:

Year ended 30 April 2023:

NOK 1 000	Salary, bonus and other short-term benefits	Pensions	Post-employment benefits	Share options	Share options: Issued	Share options: Excercised	Share options: Closing balance
Total key management compensation	38 459	3 449	879	5 989	2 339 396	462 502	3 382 713
Erik G Sønsterud (CEO) Apr. 2022 - Feb. 2023	6 730	647	766	1 164	1 556 929	140 836	674 990
Fredrik Tønnesen (CEO) Mar. 2023 - Apr. 2023	4 801	464	-	716	578 164	86 684	824 065

Year ended 30 April 2022:

NOK 1 000	Salary, bonus and other short-term benefits	Pensions	Post-employment benefits	Share options	Share options: Issued	Share options: Excercised	Share options: Closing balance
Total key management compensation	40 157	2 656	-	7 338	1 137 412	513 800	4 228 233
Erik G Sønsterud (CEO)	7 443	522	-	3 400	466 674	60 519	2 081 783

Key management are:

	Per 30 April 2023	Per 30 April 2022
Fredrik Tønnesen	x	x
Erik Gunset Sønsterud		x
Marianne Nøkleby		x
Stein Riibe	x	x
Andreas Westgaard		x
Morten Syversen	x	x
Lill Beate Pedersen	x	x
Marianne Gade Gørbitz	x	x
Thomas Ørsal Hegerlund	x	
Hans Gunnar Trolläng	x	

Board members are:

	Per 30 April 2023	Per 30 April 2022
Bruce Marsh	x	x
Fredrik Tønnesen	x	x
Erik Gunset Sønsterud		x
Lill Beate Pedersen	x	x
Andreas Westgaard		x
Thomas Ørsal Hegerlund	x	
Hans Gunnar Trolläng	x	

The Board members are employed by the Group or by its owners and are not receiving any fees for the Board assignment. The CEO has a bonus agreement based on individual performance and group results. The CEO and the company have a mutual agreement of 6 months period of notice. In addition, the CEO is ensured 6 months pay after termination of employment.

25 RELATED PARTY TRANSACTIONS

Transactions between the Group's subsidiary undertakings, which are related parties, have been eliminated on consolidation and accordingly are not disclosed. See note 24 for details of related party transactions with key management personnel. The Group is 100% owned by Currys plc.

The Group had the following transactions and balances:

Transactions	Counterpart	Year ended 30 April 2023 NOK million	Year ended 30 April 2022 NOK million
Purchases of goods from parent companies	DSG Retail Ltd	713	613
Shared service center	Currys CoE s.r.o.	48	90
IT recharges (service and maintenance fee)	DSG Retail Ltd	23	22
Interests income	Currys plc	45	3
Interests expense	Currys plc	19	17
Dividend	Elkjøp Holdco AS	1 000	-
Group contribution	Elkjøp Holdco AS	543	780
Group contribution	Dixons Stores Group Retail Norway AS	-	47

Balances	Counterpart	Year ended 30 April 2023 NOK million	Year ended 30 April 2022 NOK million
Receivable	DSG Retail Ltd	27	48
Cashpool receivable	Currys plc	1 984	2 530
Amounts receivable to Currys		**2 010**	**2 578**
Cashpool payable	Currys plc	-383	-54
Payable	Currys CoE s.r.o.	-	-8
Payable	DSG Retail Ltd	-100	-116
Amounts owed to Currys		**-482**	**-178**

All transactions entered into with related parties were completed on an arm's length basis.

Guarantees	Year ended 30 April 2023 NOK million	Year ended 30 April 2022 NOK million
Facility and pension guarantee	3 300	3 300

The Group companies Elkjøp Nordic AS and Elkjøp Norge AS have issued guarantees in favor of group companies in the UK, partly as security for liabilities in loan facilities and partly as security for pension obligations. The guarantee amount represents the maximum liability for Elkjøp Nordic AS and Elkjøp Norge AS and will be terminated when certain conditions are met. Elkjøp Nordic AS and Elkjøp Norge AS have received a guarantee provision from the group companies in the UK of 0.5% on the overall NOK value of the guarantee amount.

In April 2021, and October 2022, new loan facilities were entered into, divided between a reduced UK facility and a multicurrency revolving loan facility of NOK 4 036 million, and NOK 600 million, with Elkjøp Nordic AS as borrower. The guarantees are maintained, and the same applies to the maximum liability referred to above. The 4 036 million loan facility have been drawn down by NOK 1,435m (£107m) and the 600 million loan have not been utilized at year-end.

26 SUBSIDIARIES

The Group consists of the following subsidiaries, all consolidated:

Subisidiaries	Place of incorporation	Ownership share
Elkjøp Norge AS	Oslo, Norway	100%
Elgiganten AB	Kista, Sweden	100%
Elgiganten Logistik AB	Jønkøping, Sweden	100%
Elgiganten AS	Copenhagen, Denmark	100%
Gigantti OY	Helsinki, Finland	100%
CCC Nordic AS	Copenhagen, Denmark	100%
Elcare Nordic AS	Kongsvinger, Norway	100%
Electrocare Nordic AB	Växjö, Sweden	100%
Elcare Nordic OY	Vantaa, Finland	100%
Epoq Logistics DC k.s.	Modřice, Czech Republic	99%

27 EVENTS AFTER THE BALANCE SHEET DATE

In the period between 30 April 2023 and the date of these financial statements, the Board of Directors is not aware of any matter or circumstance not otherwise dealt with in this report that has significantly affected, or may significantly affect, the operations of the Group.

28 RECENT ACCOUNTING DEVELOPMENTS

In the current year, the Group has applied a number of amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for the financial year beginning 1 May 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements. The Group has considered the following standards whose impact is not deemed to be material:

- Amendments to IFRS 3 – Reference to the Conceptual Framework
- Amendments to IAS 16 – PP&E: Proceeds before Intended Use
- Amendments to IAS 37 – Onerous Contracts – Costs of Fulfilling a Contract
- Amendment to IAS 1 - Classification of Liabilities as current or non-current
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimates
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from Single Transaction

For the period covered by this report, no standards and interpretations are early adopted.

ANNUAL ACCOUNTS

Elkjøp Nordic AS 2022/2023

INCOME STATEMENT

All numbers in '000 NOK

NOTE	REVENUES AND OPERATING EXPENSES	2022/2023	2021/2022
2, 16	Operating revenues	38 132 743	41 558 023
	Operating revenues	**38 132 743**	**41 558 023**
16	Cost of goods sold	36 195 761	38 614 835
3,10,19	Wages and salaries	580 474	638 903
4,5	Depreciations and amortisation	299 033	236 582
3	Other operating expenses	1 584 159	1 601 202
	Operating expenses	**38 659 427**	**41 091 521**
	Operating profit	**-526 685**	**466 501**
	FINANCIAL INCOME AND EXPENSES		
6	Income from investments in subsidiaries	419 311	769 173
16	Interest received from group companies	24 359	2 517
17	Financial income	3 760 424	687 894
16	Interest paid to group companies	-12 537	-15 202
	Interest expenses	-184 949	-105 675
17	Financial expenses	-3 654 757	-625 709
	Net financial items	**351 851**	**712 999**
	Profit before tax	**-174 834**	**1 179 500**
12	Taxes	-128 131	177 465
	Profit after tax	**-46 703**	**1 002 035**
	ALLOCATION		
9	Transferred to other equity	-46 703	459 014
9	Group contribution (net after tax)	-	543 020
	Total allocation	-46 703	1 002 035

BALANCE SHEET AS OF 30 APRIL

All numbers in '000 NOK

NOTE	ASSETS	30.04.2023	30.04.2022
	Fixed assets		
	Intangible assets		
12	Deferred tax asset	173 135	42 633
4	Other intangible assets	732 079	848 757
	Total intangible assets	905 213	891 390
	Tangible fixed assets		
5	Machinery and equipment	3 669	2 662
5	Fixtures and fittings	10 653	11 953
	Total tangible fixed assets	14 322	14 615
	Financial non-current assets		
6	Investment in subsidiaries	1 273 231	1 273 231
	Other long term receivables	431	1 100
	Total financial non-current assets	1 273 662	1 274 331
	Total fixed assets	**2 193 197**	**2 180 336**
	Current assets		
7	Inventories	2 156 553	2 856 684
	Receivables		
12	Income tax receivable	2 350	-
	Accounts receivables	873 019	1 087 063
11	Receivables from group companies	2 827 211	3 272 305
18	Other receivables	971 869	687 568
	Total receivables	4 674 449	5 046 936
	Total current assets	**6 831 002**	**7 903 620**
	TOTAL ASSETS	**9 024 199**	**10 083 957**

BALANCE SHEET AS OF 30 APRIL

All numbers in '000 NOK

NOTE	EQUITY AND LIABILITIES	30.04.2023	30.04.2022
	Equity		
	Paid-in capital		
8.9	Share capital	71 600	71 600
9	Share premium	106 031	106 031
9	Other paid-in capital	1 006	1 006
	Total paid-in capital	178 637	178 637
	Retained earnings		
9	Other equity	1 474 232	2 529 343
	Total retained earnings	1 474 232	2 529 343
	Total equity	**1 652 869**	**2 707 980**
	Liabilities		
	Long term obligations		
10	Pension obligations	13 154	5 957
	Total long term obligations	13 154	5 957
	Current liabilities		
	Accounts payable	5 461 742	5 739 917
12	Income tax payable	-	1 858
	Public duties payable	101 229	195 023
11	Short-term liabilities to group companies	-	873 565
16	Interest bearing debt	1 435 000	-
14,18,19,20	Other short-term liabilities	360 205	559 656
	Total current liabilities	7 358 175	7 370 019
	Total liabilities	**7 371 330**	**7 375 977**
	TOTAL EQUITY AND LIABILITIES	**9 024 199**	**10 083 957**

Oslo, Norway, 6 July 2023, The Board of Directors, Elkjøp Nordic AS

Bruce Marsh
Chairman of the Board

Fredrik Tønnesen
Managing Director / Member of the Board

Lill Beate Pedersen
Member of the Board

Thomas Ørsal Hegerlund
Member of the Board

Hans Gunnar Trolläng
Member of the Board

CASH FLOW STATEMENT

All numbers in '000 NOK

CASH FLOWS FROM OPERATIONS:	2022/2023	2021/2022
Profit before tax	-174 834	1 179 500
Taxes paid for the period	-4 208	-44 471
Depreciation and amortisation	299 033	236 582
Gain/loss from sale of fixed assets	45 777	10 267
Pension expenses	7 197	1 954
Change in inventory	700 131	-520 969
Change in accounts receivables	214 044	-593 107
Change in accounts payables	-278 175	809 019
Changes in intercompany balances	-595 621	-25 871
Changes in other current assets and other liabilities	847 342	-199 015
Net cash flows from operations	**1 060 688**	**853 887**
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Outflows due to purchases of fixed assets	-4 192	-9 407
Outflows due to purchases of intangibles	-223 646	-276 610
Net cash flows from investment activities	**-227 838**	**-286 016**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in cash pool	-927 745	-384 371
Received dividend	407 974	382 712
Payments in due to group contribution	383 101	493 788
Payments out due to group contribution	-696 180	-1 060 000
Net cash flows from financing activities	**-832 850**	**-567 870**
Net change in bank deposits, cash and equivalents	-	-
Bank deposits, cash and equivalents at 1 May	-	-
Bank deposits, cash and equivalents at 30 April	-	-

NOTES TO THE ACCOUNTS 2022/2023

NOTE 1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

Valuation and classification of assets and liabilities
Current assets and liabilities include items due for payment within one year of the acquisition date, and items related to the business cycle. Other items are classified as non-current assets / liabilities.

Current assets are valued at the lower of historical cost and fair value. Current liabilities are valued at nominal value.

Fixed assets are carried at historical cost, but are written down to fair value if the decline in value is expected to be permanent. Long-term debt is recorded at nominal value.

Intangible assets are recorded at historical cost and are written down to fair value if the decline in value is expected to be permanent. Depreciation is calculated on a straight-line basis over the assets' estimated useful life.

Foreign currency translation and transactions
All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date.

Material transactions in foreign currencies are hedged using forward purchases or sales of the relevant currencies and are recognised in the financial statements at the exchange rates thus obtained. Unhedged transactions are recorded at the exchange rate on the date of the transaction.

Hedge accounting as defined by IFRS 9 'Financial Instruments' has been applied. Derivatives are recognised at fair value at inception and are subsequently measured at fair value until maturity. The effective element of any gain or loss from the revaluation of the hedging instrument is recognised in the hedging reserves. The cumulative gain or loss related to hedging instruments is recycled from equity into the income statement during the period at which the hedged item impacts the income statement. Any ineffectiveness is recognised immediately in the income statement within financing costs.

Shares in subsidiaries and associates
All companies that are included as subsidiaries in Elkjøp Nordic AS is part of the consolidated financial statements of Currys plc reporting to the London Stock Exchange.

Subsidiaries and associated companies are carried at cost. Investments are valued at acquisition cost, unless write-downs have been necessary. Investments are written down to fair value when a decline in value is expected to be permanent, and deemed necessary according to generally accepted accounting principles. Impairments are reversed when the basis for the write-down no longer exists.

Dividends and group contribution from subsidiaries are recognised in the same year as it is recognised by the subsidiary. Dividends from associates are recognised at the time of payment of dividend.

Receivables
Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables.

Bank
The company is included in the Currys plc group cash pool. Deposits related to the group cash pool is classified as intercompany in the balance sheet.

Cost of sales and other expenses
Cost of sales and other expenses are recognised in the same period as the revenue to which they relate.

Revenue
Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer.

Inventories
Inventories are recognised at the lower of cost in accordance with the average cost method and net realisable value.

Product warranties and service obligations
An accrual for future warranties and service obligations related to sales is made. The accruals are presented as short term.

Share options
Share-based payments are measured at fair value at the date of grant, and expensed on a straight line basis over the vesting period, based on an estimate of the number of shares that will eventually vest. The Monte Carlo model is used to measure fair value, and the number of options expected to vest is recalculated at each balance sheet date, based on expectations of leavers prior to vesting. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement.

Income taxes
Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax is calculated at 22% based on the temporary differences between accounting and tax values and tax losses carried forward at the end of the financial year. Taxable and deductible temporary differences that reverse or may reverse in the same period are offset.

NOTE 2 SALES REVENUES (AMOUNTS IN 1.000)

Per area of operation	2022/2023	2021/2022
Norway	11 846 368	12 718 331
Sweden	13 207 697	14 339 927
Denmark	7 371 794	8 296 119
Finland	5 247 819	5 634 188
Other	459 065	569 458
Total	**38 132 743**	**41 558 023**

Sales revenues consist of supply of consumer electronics and related products to the Group's operations in the Nordic region. Sales to "Other" is sale to Greenland, the Farao Island, Iceland and other countries.

NOTE 3 PAYROLL COSTS, NUMBER OF EMPLOYEES, BENEFITS, LOANS TO EMPLOYEES ETC. (AMOUNTS IN 1.000)

Payroll costs	2022/2023	2021/2022
Payroll	424 225	501 036
Social security tax	69 787	65 421
Pension costs (see note 10)	37 847	30 712
Other benefits	48 615	41 734
Total	**580 474**	**638 903**
Average number of employees during the year	**415**	**439**

Directors' remuneration - Erik G. Sønsterud	CEO
Payroll	4 595
Bonus	2 689
Pension costs	647
Options	1 164
Other benefits	212

Directors' remuneration - Fredrik Tønnesen - New CEO from 01.03.2023.	CEO
Payroll	3 487
Bonus	1 307
Pension costs	464
Options	716
Other benefits	8

No compensation is paid to the Board of Directors in 2022/2023. The CEO has a bonus agreement based on individual performance and group results. The CEO and the company have a mutual agreement of 6 months period of notice. In addition, the CEO is ensured 6 months pay after termination of employment. In March 2023, Erik G. Sønsterud was succeded by Fredrik Tønnesen as CEO. Tables illustrate their full FY compensation.

Auditor
Remuneration to KPMG AS is as follows:

	2022/2023	2021/2022
Statutory audit	848	1 479

NOTE 4 INTANGIBLE ASSETS (AMOUNTS IN 1.000)

	Software	Total
Cost at 1 May 2022	1 700 326	1 700 326
Additions	223 646	223 646
Disposals	69 547	69 547
Cost at 30 April 2023	**1 854 425**	**1 854 425**
Acc. amortisation at 1 May 2022	-852 730	-852 730
Amortisation retirement for the year	24 594	24 594
Current year amortisation	-294 209	-294 209
Sum accumulated amortisation 30 April 2023	**-1 122 346**	**-1 122 346**
Balance at 30 April 2023	**732 079**	**732 079**
Current year amortisation	294 209	294 209
Economic life	3-8 years	

Amortisation is calculated on a straight-line basis over the assets' estimated useful life.

NOTE 5 PROPERTY, PLANT AND EQUIPMENT (AMOUNTS IN 1.000)

	Investments on leased premises	Transportation and machinery	Fittings and fixtures	Total
Cost at 1 May 2022	2 733	8 675	32 060	43 468
Additions	0	2 592	1 600	4 192
Disposals	0	0	0	0
Cost at 30 April 2023	**2 733**	**11 267**	**33 660**	**47 660**
Acc. depreciation at 1 May 2022	-1 059	-7 349	-20 107	-28 514
Depreciation retirement for the year	0	0	0	0
Current year depreciation	-273	-1 651	-2 900	-4 824
Sum accumulated depreciation 30 April 2023	**-1 332**	**-8 999**	**-23 007**	**-33 338**
Balance at 30 April 2023	**1 401**	**2 268**	**10 653**	**14 321**
Current year depreciation	273	1 651	2 900	4 824
Economic life	5-10 years	3-5 years	5 years	
Depreciation method	Straight-line	Straight-line	Straight-line	
Annual lease of non-capitalised fixed assets			773	
Lease term			1-5 years	

NOTE 6 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES (AMOUNTS IN 1.000)

Subsidiaries and investments in associates are carried at cost.

Company	Registered office	Year	Voting and ownership share	Profit/loss latest financial statements (LOC)	Equity latest financial statements (LOC)	Carrying value (NOK)
Elkjøp Norge AS	Oslo	22/23	100%	-103 378	71 516	151 548
Elgiganten AB	Kista	22/23	100%	114 466	270 852	194 940
Elgiganten Logistik AB	Jönköping	21/22	100%	224 455	556 386	1 065
Elgiganten A/S	Copenhagen	22/23	100%	34 156	352 745	687 462
Gigantti OY	Helsinki	22/23	100%	2 175	28 104	111 465
CCC Nordic A/S	Copenhagen	21/22	100%	8 544	11 483	-
Elcare Nordic OY	Vantaa	22/23	100%	307 736	1 389 677	6 142
Elcare Nordic AS	Kongsvinger	22/23	100%	7 033	32 220	32 098
Electrocare Nordic AB	Växjö	22/23	100%	10 593	22 965	88 511
Total						**1 273 232**

For investments where book value exceeds equity in the subsidiary or associated company, impairment has not been recognised on the basis that fair value is assessed higher than book value.

Income from investments in subsidiaries relates to group contribution from Elcare Nordic AS, dividend from Elgiganten AB and El-Giganten Logistik AB.

NOTE 7 INVENTORIES (AMOUNTS IN 1.000)

	2022/2023	2021/2022
Goods for resale	2 196 777	2 879 825
Provision for obsolete inventories	-40 224	-23 141
Total	**2 156 553**	**2 856 684**

NOTE 8 SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital in the company at 30 April 2023 consists of the following classes:

	Number	Nominal amount	Carrying value
Ordinary shares	35 800 050	2	71 600 100
Sum	**35 800 050**		**71 600 100**

All shares are held by Elkjøp Holdco AS which have 100% of the voting rights in Elkjøp Nordic AS.

Elkjøp Holdco AS is a subsidiary of Currys plc.

NOTE 9 EQUITY (AMOUNTS IN 1.000)

	Share capital	Share permium	Other paid-in capital	Other equity	Total
Equity at 1 May 2022	71 600	106 031	1 006	2 529 343	2 707 980
Profit for the period				-46 703	-46 703
Value change forward contracts				-8 408	-8 408
Distributed dividends				-1 000 000	-1 000 000
Equity at 30 April 2023	**71 600**	**106 031**	**1 006**	**1 474 232**	**1 652 869**

The company has paid dividend to to Elkjøp Holdco.

NOTE 10 PENSION COSTS, ASSETS AND LIABILITIES (AMOUNTS IN 1.000)

The company is required to have an occupational pension plan in accordance with Norwegian legislation on occupational pensions ("lov om obligatorisk tjenestepensjon"). The company's pension plan meet the requirements of this legislation. The company has a defined contribution pension plan covering 424 employees. During this year, the company has paid TNOK 25 957 (2021/2022: TNOK 21 453) to the pension plan and the premium fund is recognised in the balance sheet with face value of TNOK 0 (2021/2022: TNOK 0).

NOTE 11 RELATED PARTY TRANSACTIONS AND BALANCES (AMOUNTS IN 1.000)

Related party balance items

	Current receivables		Current liabilities	
	30.04.23	30.04.22	**30.04.23**	30.04.22
Debtors group companies	1 877 950	2 494 655	0	0
Bank accounts in group cash pool	927 745	384 371	0	0
Group contribution	11 337	383 101	0	696 180
Other receivables/liabilities	10 179	10 179	0	177 385
Group companies	2 827 211	3 272 305	0	873 565

Internal debtors and creditors are presented with net amounts.

NOTE 12 INCOME TAX EXPENSE (AMOUNTS IN 1.000)

Specification of income tax expense:	2022/2023	2021/2022
Current income tax payable	-	3 696
Changes in deferred tax	-130 503	46 198
Tax on group contribution	-	153 160
Change in deferred tax booked against equity	2 372	-25 459
Difference in tax from previous years	-	-129
Tax on profit	-128 131	177 465

Specification of current income tax payable:

	2022/2023	2021/2022
This year's payable income tax expense	-	156 856
Income tax on given group contribution	-	-153 160
Tax credit for foreign tax	-2 350	-1 684
Previous year adjustment	-	-155
Current income tax payable in the balance sheet	-2 350	1 858

Reconciliation from nominal to actual income tax rate:

	2022/2023	2021/2022
Profit/(loss) before taxation	-174 834	1 179 500
Estimated income tax according to nominal tax rate 22%	-38 463	259 490
The tax effect of the following items:		
Dividends	-87 260	-84 197
Other permanent differences	-4 795	176
Other	2 388	1 996
Income tax expense	-128 131	177 465
Effective income tax rate	73.3%	15.0%

Specification of the tax effect of temporary differences and losses carried forward:

	2022/2023		2021/2022	
	Benefit	Liability	Benefit	Liability
Fixed assets	91 948	-	12 984	-
Inventories	40 224	-	23 141	-
Receivables	23 425	-	14 280	-
Pension liability	13 154	-	5 959	-
Provisions under NGAAP	100 790	-	124 911	-
Forward exchange contracts		118 514	-	3 533
Loss carried forward	446 714	-	-	-
Other differences	189 235	-	16 044	-
Total	905 491	118 514	197 320	3 533
Deferred tax benefit/liability	173 135	-	42 633	-
Net deferred benefit/liability in the balance sheet	**173 135**	-	**42 633**	-

The deferred tax benefit is included in the balance sheet on the basis of future income.

NOTE 13 FINANCIAL MARKET RISK

The company uses financial instruments to manage its financial risk.

Interest rate risk:
Interest rate risk occurs on short and medium-term basis as part of the company's debt is charged with market rate. The company's debt is to other group companies, and according to group policy market rate is applied.

Currency risk:
Fluctuations in exchange rates involves both a direct and indirect risk to the company. The company's risk arises from transactions conducted in currencies other than Norwegian kroner. In general, the company's exposure to fluctuation in currencies is a result of commodities purchased in euros. The risk related to currency is managed through the company's use of financial instruments and derivatives.

NOTE 14 WARRANTY PROVISION (AMOUNTS IN 1.000)

Warranty provision in the balance sheet	2022/2023	2021/2022
Warranty provision	35 233	35 735

The company has issued guarantees for 125 rent contracts for its subsidiaries. The majority of these rent contracts relate to locations on which the subsidiaries operate its retail business.

NOTE 15 LEASE OBLIGATIONS (AMOUNTS IN 1.000)

	2022/2023		2021/2022	
	Land/buildings	Other assets	Land/buildings	Other assets
Total undiscounted lease obligations				
Due within one year	26 662	523	22 935	561
Due between two and five years	103 076	250	87 605	618
Over five years	-	-	16 426	-
Total obligations	129 738	773	126 966	1 179

Lease commitments represent future payments for the rental of premises, land, vehicles and office equipment.

NOTE 16 RELATED-PARTY TRANSACTIONS (AMOUNTS IN 1.000)

The company's sale of goods is mainly against related parties. All transactions are a part of ordinary business and carried out in accordance with the arm's length principle. The following transactions were carried out with related parties:

Transaction	2022/2023	2021/2022
Sales of goods and services to group companies	37 673 678	40 988 565
Purchases of goods from parent companies	713 491	612 644
Intercompany interest income	24 359	2 517
Intercompany interest cost	12 537	15 202
Service center	20 844	15 683
Bookkeeping expenses	2 844	4 380
Handling Fees Central Distribution	741 921	781 044

Guarantees	2022/2023	2021/2022
Facility and pension guarantee	3 300 000	3 300 000

Elkjøp Nordic AS has issued guarantees in favor of group companies in the UK, partly as security for liabilities in loan facilities and partly as security for pension obligations. The guarantee amount represents the maximum liability for Elkjøp Nordic AS and will be terminated when certain conditions are met. The company has receive a guarantee provision from the group companies in the UK of 0.5% on the overall NOK value of the guarantee amount.

In April 2021, the Group signed a NOK 4,036m (£301m) (2021/22: £343m) revolving credit facility with a number of relationship banks which was initially due to expire in April 2025. In April 2022, this facility was extended by one year to expire in April 2026. This is on broadly similar terms to the £200m facility. At 29 April 2023, the Group had drawn down on this facility by NOK 1,435m (£107m) (2021/22: £nil).

In October 2022, the Group signed a £90m revolving credit facility and a NOK 600m (£45m) revolving credit facility with a number of relationship banks to mitigate against any potential short-to-medium term macroeconomic uncertainty. These facilities are for one year, with the option of a further year at the bank's option and are on broadly similar terms to the £200m facility signed in April 2021. At 29 April 2023, both facilities remain undrawn.

NOTE 17 FINANCIAL INCOME / FINANCIAL EXPENSES (AMOUNTS IN 1.000)

Financial income	2022/2023	2021/2022
Foreign exchange gain	3 760 561	687 430
Other	-138	464
SUM	3 760 423	687 894

Financial expenses	2022/2023	2021/2022
Foreign exchange loss	3 638 729	613 828
Other	16 029	11 880
SUM	3 654 758	625 709

NOTE 18 SPESIFICATION OF BALANCE SHEET ITEMS (AMOUNTS IN 1.000)

	2022/2023	2021/2022
Other receivables:		
Other receivables	733 891	556 288
Forward exchange contracts	237 979	131 280
Other receivables	**971 869**	**687 568**
Other short-term liabilities:		
Vacation allowances	58 339	59 119
Warranty provision	35 233	35 755
Other accruals	147 168	337 036
Forward exchange contracts	119 465	127 747
Other short-term liabilities	**360 205**	**559 656**

NOTE 19 SHARE - OPTION SCHEME

The company has a share option scheme that has been allocated to board members, managers and other employees. Each share option allows for the subscription of one share in the Parent Company, Currys plc. New share options have been issued during this financial year. An amount of TNOK 20 821 has been charged in the profit and loss statement for 2022/2023 relating to the share based program, and TNOK 53 572 is booked as liabilities. The fair value of the options is calculated according to the Monte Carlo model and assumptions listed below.

Options awarded in June 2018 to July 2022

	Outstanding options at 1 May 2022	Granted	Lapsed/ terminated	Excercised	Outstanding options at 30 April 2023	Weighted average excercise price
Erik Gunset Sønsterud, CEO Apr.22-Feb.23	1 673 122	1 556 929	2 414 225	140 836	674 990	£ -
Fredrik Tønnesen, CEO Mar.23-	332 585	578 164		86 684	824 065	£ -
Other employees	4 339 817	3 414 384	203 471	1 117 048	6 433 682	£ -
Other employees (All Colleague Shareholder award)	206 108		26 595	33 231	146 282	£ -
Sum	**6 551 632**	**5 549 477**	**2 644 291**	**1 377 799**	**8 079 019**	£ -

Annual share-plan, which allows nil-priced options to be offered to management and senior employees. Options were first granted under the scheme in January 2014. The options are subject to continuing employment and certain awards are subject to performance conditions.

In February 2019, the Colleague Shareholder Award was launched. This granted every permanent colleague with 12 months service at least £ 1 000 of options which will vest after three years. These awards are not subject to performance conditions.

Weighted average life of options outstanding at the end of the period: 8,2 years

Weighted average fair value of outstanding options at the end of the period: £0,7

A number of variables are taken into account when calculating the fair value of the share options.

Assumptions used:

	2022/2023
Exercise price	£nil
Expected option life	10 years
Weighted average share price	£0,71
Volatility	44%
Dividend yield	4.5%

NOTE 20 FINANCIAL INSTRUMENTS

The company uses financial instruments to manage its financial risk.

At year-end the company has 93 different forward exchange contracts with a net present value of TNOK 118 514. The company mainly hedges purchases in EUR and USD against NOK, and sales in DKK and SEK against NOK.

The contracts are entered into on regular market terms and changes in value is booked against equity.

The company uses generally accepted practices to calculate the value of the contracts. The company has no other categories of financial instruments.

The table below shows forward exchange contracts grouped by currency:

	Expiration date		Currency amount	
Currency	Pay	Receive	Pay	Receive
DKK		02.05.23 - 26.09.23		826 186 000
EUR	02.05.23 - 26.09.23	12.05.2023	527 932 000	13 000 000
SEK		02.05.23 - 26.09.23		1 964 310 000
USD	02.05.23 - 26.09.23	12.05.2023	64 720 000	4 000 000

INDEPENDENT AUDITOR'S REPORT

Elkjøp Nordic AS 2022/2023

KPMG

KPMG AS
Vangsveien 73
N-2317 Hamar

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Elkjøp Nordic AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Elkjøp Nordic AS, which comprise:

- the financial statements of the parent company Elkjøp Nordic AS (the Company), which comprise the balance sheet as at 30 April 2023, the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Elkjøp Nordic AS and its subsidiaries (the Group), which comprise the balance sheet as at 30 April 2023, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 30 April 2023, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 30 April 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information

KPMG

in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hamar, 7 July 2023
KPMG AS

Thore Kleppen
State Authorised Public Accountant

ALTERNATIVE PERFORMANCE MEASURES

Elkjøp Nordic AS, 2022/2023

In the Highlights and Key Figures section, the Group refers to alternative performance measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with IFRS. The Group believes that the alternative performance measures provide useful supplemental information to investors, analysts and other stakeholders and are meant to provide an enhanced insight into the financial development of the Group's business operations and to improve comparability between periods.

Elkjøp Nordic AS is part of Currys plc and must adhere to Currys' accounting year which follows the 445-calender where accounting year-end date is not always on month-end date. Our consolidated annual report is based on Norwegian rules and regular calendar with an accounting year-end set to 30 of April. To align communication to the market we have chosen to adjust for transactions that are not part of our reporting to Currys plc as this is the performance measure that Nordic management is measured on. Adjustments for current year is 6 million NOK (2021/2022: NOK -62 million). The adjustment is related to cut-off and use of different accounting measure for share options.

	2022/2023	2021/2022
Operating profit before other income / (expenses) in Consolidated income statement	285	1 755
Adjustment of official accounting year to 445-year	6	2
Share options	0	-64
Operating profit reported in 445-format	**291**	**1 692**

Market segment: in the market segment the Group provides a summary of its retail operations across Nordic where shared functions such as central distribution and workshops are excluded. Reported figures are according to the 445-calender.

Asset/equity ratio: is total assets divided by total equity.

Revenue timing: The 445-financial year has one day less compared to the official financial year. To clarify comparison the following table present relevant revenue figures;

Period	Revenue
FY21/22 - 52 weeks (445)	48.7 billion
FY21/22 - accounting year 01.05.21-30.04.22	48.8 billion
FY22/23 - 52 weeks (445)	45.9 billion
FY22/23 - accounting year 01.05.22-30.04.23	46.0 billion


18A
NYDALSVEIEN
ELKJØP
NORDIC AS


INSPIRED
YOU CAN BE
INSPIRATION

ELKJØP
NORDIC AS