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## **Kid ASA Announcement of Terms in the Initial Public Offering**

**Lier, 16 October 2015:** Further to the intention to float announcement published on 5 October 2015, Kid ASA ("Kid" or the "Company") has resolved to launch an initial public offering (the "Offering" or the "IPO"). Subject to approval of the listing application and successful completion of the Offer, the shares of Kid will be admitted to trading on the Oslo Stock Exchange on 30 October 2015 under the ticker "KID" (subject to an extension or shortening of the Offer period).

The Offer Shares (as defined below) are expected to be offered for sale at a price per Offer Share (the "Offer Price") between NOK 31 and NOK 37, corresponding to a pre-money valuation of between NOK 1,085 million and NOK 1,295 million and an equity value at trading of between NOK 1,260 million and NOK 1,470 million. The Offer Price may, however, be set above or below this indicative price range.

It is expected that the free float of Kid will be 80% of the share capital, assuming that the maximum number of Sale Shares (as defined below) are sold in the Offering and the over-allotment option is exercised in full.

### **The Offer Shares and Over-allotment**

Gjelsten Holding AS (the "Selling Shareholder") intends to offer up to 22.9 million shares (the "Sale Shares"), representing up to 58% of the Shares of Kid following the Offering (excluding any additional shares sold under the over-allotment option). In addition, the Company intends to raise gross proceeds of NOK 175 million by issuing between 4.7 million and 5.6 million new shares (the "New Shares", and, together with the Sale Shares, the "Offer Shares") in the Offering. The net proceeds from the issue of the New Shares will be used by the Company to secure an appropriate capital structure following the IPO.

Further, pursuant to an over-allotment option, the Joint Bookrunners (as defined below) may elect to purchase a number of additional shares from the Selling Shareholder equalling up to 15% of the aggregate number of Offer Shares to cover any over-allotments made in connection with the Offering. The Company will not receive any proceeds from any exercise of the over-allotment option.

### **The Offering**

The Company is in the process of preparing a prospectus in connection with the Offering and the listing (the "Prospectus") presenting the terms and conditions for the Offering, which comprise:

(i) an institutional offering, in which Offer Shares are being offered (a) to institutional and professional investors in Norway, (b) to investors outside Norway and the United States, subject to applicable exemptions from prospectus and registration requirements, and (c) in the United States to QIBs in reliance on Rule 144A under the U.S. Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,000,000;

(ii) a retail offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each investor. Investors who intend to place an order in excess of NOK 1,999,999 must do so in the institutional offering; and

(iii) an employee offering, in which Offer Shares are being offered to eligible employees of the Company, subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each eligible employee. Eligible employees participating in the employee offering will receive full allocation for any application up to and including an amount of NOK 200,000. Each eligible employee will receive a fixed cash discount of NOK 1,500 on the aggregate amount payable for the Offer Shares allocated to such employee.

### **Timeline and Offering Period**

The bookbuilding period for the institutional offering will take place from 19 October 2015 at 09:00 hours (CET) to 14:00 hours (CET) on 28 October 2015, and the application period for the retail offering and the employee offering will take place from 19 October 2015 at 09:00 hours (CET) to 12:00 hours (CET) on 28 October 2015. The bookbuilding period and/or the application period may be shortened or extended. The final number of Offer Shares, and the Offer Price, will be determined by the Selling Shareholder and Kid, in consultation with the Joint Bookrunners, after completion of the bookbuilding period for the institutional offering. The announcement of the Offer Price is expected to take place on or around 29 October 2015. Trading of the Shares on the Oslo Stock Exchange, alternatively Oslo Axess, is expected to commence on or about 30 October 2015 under the ticker "KID".

### **Joint Bookrunners and Advisors**

ABG Sundal Collier ASA and Arctic Securities AS are acting as Joint Bookrunners in the IPO. Wiersholm is acting as legal advisors to the Company, and Schjødt is acting as legal advisors to the Joint Bookrunners.

### **Lock-up**

The Company and the Selling Shareholder are subject to a 6 month lock-up period. In addition, members of the Company's management and Board of Directors subscribing for shares in the IPO are subject to a 12 month lock-up period. These lock-up agreements will be subject to certain exceptions and may only be waived with the consent of the Joint Bookrunners.

### **Prospectus**

The Prospectus will, subject to regulatory restrictions in certain jurisdictions, be available at, [www.abgsc.no](http://www.abgsc.no), and [www.arcticsec.no](http://www.arcticsec.no), from the commencement of the book-building period and the application period for the Offering at 19 October 2015 at 09:00 hours (CET). Hard copies of the Prospectus may also be obtained free of charge from the same date by contacting the Company or one of the Joint Bookrunners.

### **Conditions for the Offering**

Completion of the Offering is conditional upon (i) the board of directors of the Oslo Stock Exchange approving the application for listing of the Shares in the Company in its meeting expected to be held on 28 October 2015 and the satisfaction of the conditions for admission to trading set by the Oslo Stock Exchange, which are expected to be that (a) Kid will have in excess of 500 shareholders, each

holding Shares with a value of more than NOK 10,000 (alternatively in excess of 100 shareholders for a listing on Oslo Axess), (b) there will be a minimum free float of the Shares of 25% and (c) completion of the share capital increase pertaining to the New Shares, (ii) the Selling Shareholder and the Company, in consultation with the Joint Bookrunners, having approved the Offer Price and the allocation of the Offer Shares to eligible investors following the bookbuilding process and (iii) the Board of Directors resolving to issue the New Shares. There can be no assurance that these conditions will be satisfied. If the conditions are not satisfied, the Offering may be revoked or suspended without any compensation to the applicants.

### **Enquiries**

Kjersti Hobøl, CEO Kid, +47 918 35 965

Petter Schouw-Hansen, CFO Kid, +47 482 24 534

### **About Kid ASA**

Kid is the leading and most profitable retailer in the Norwegian home textile market, typified by products like duvets, pillows, curtains, bed linens and other accessories and decorating items. As of 30 June 2015, Kid operated a total of 128 wholly-owned stores in Norway, in addition to an established e-commerce platform. Kid traces its history back to 1937, and has since the 1950s renewed Norwegian homes by offering attractive and practical curtains, bed linens and other interior articles. Kid is among the known brands within retail in Norway, with 97% of Norwegian women being familiar with the Company<sup>1</sup>. Kid has approximately 900 employees with headquarters in new and modern facilities in Lier, Norway. Kid is a wholly-owned subsidiary of Gjelsten Holding. For more information visit [www.kid.no](http://www.kid.no)

### **About Gjelsten Holding AS**

Gjelsten Holding is an investment company with a goal of creating sustainable value through active ownership. The company has investments in real estate, retail and the industrial sector through portfolio companies such as Fabritius, Profier, Kid, Sport1 Gruppen, Norsk Avfallshåndtering (NOAH) and Ultimovacs. Gjelsten Holding was established in 2000 and had in 2014 annual revenues of NOK 2.6 bn and approximately 1,100 employees. Gjelsten Holding is wholly owned by Bjørn Rune Gjelsten. For more information visit [www.gjelsten.no](http://www.gjelsten.no)

### **Important Notice**

This announcement is not and does not form a part of any offer to sell, or a solicitation of an offer to purchase, any securities of the Company.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Hong Kong, Canada, Japan or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or

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<sup>1</sup> Opinion brand research March 2015, among women aged 20+

sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any part of the offering in the United States or to conduct a public offering of securities in the United States. Any sale in the United States of the securities mentioned in this announcement will be made solely to "qualified institutional buyers" as defined in Rule 144A under the Securities Act.

Any offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus for the purposes of Directive 2003/71/EC (as amended, together with any applicable implementing measures in any Member State, the "Prospectus Directive"). Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in a prospectus.

In any EEA Member State that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only for relevant persons and will be engaged in only with relevant persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "strategy", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in public sector investment levels, changes in the general economic, political and market conditions in the Norwegian market, the Company's ability to attract, retain and motivate qualified personnel, changes in the Company's ability to engage in commercially acceptable acquisitions and strategic investments, and changes in laws and regulation and the potential impact of legal proceedings and actions. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this presentation are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or any obligation to update or revise the statements in this presentation to reflect

subsequent events. You should not place undue reliance on the forward-looking statements in this document.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.