

Förvaltningsberättelse

The Board of Directors and the managing director of Hemtex AB (publ), Corporate identity number 556132 – 7056, hereby submit the annual accounts and consolidated accounts for the financial year January 1 – December 31, 2014. Comparative figures refer to the financial year January 1 – December 31, 2013 unless otherwise stated.

General information about the business

Hemtex is a leading home textiles retail chain with a total of 157 stores as of December 31, 2014, of which 133 in Sweden, 19 in Finland and five in Estonia. Of the chain's stores is 142 owned by the group and 15 by franchises.

Hemtex's stores sell home furnishing products with an emphasis on home textiles. The range is divided into seven product areas: sleeping, swimming, eating socializing, lighting, rugs and storage. These are complemented by non-textile home accessories.

Hemtex AB is the parent company of the group. The parent company operates the group's stores in Sweden, responsible for concept development, marketing, business management and supply of goods to all stores within the chain.

In addition to the parent company Hemtex AB, the Hemtex group includes the wholly owned subsidiaries Hemtex Oy (Finland) and Hemtex International AB. Hemtex conducts operations in Estonia through a branch. Hemtex AB is since June 2009 a subsidiary of ICA Gruppen AB (556048 – 2837).

Hemtexaktien and ownership

On 31 December 2014, Hemtex AB's share capital amounted to SEK 239.6 m, divided into 95 835 506 shares, each with a quota value of SEK 2.50. Each share entitles the holder to one vote at the AGM and all shares have equal rights to share in the company's assets and profits. There is a class of shares and there are no limitations as to how many votes each shareholder can give at the annual general meeting or general meeting. There is no provision in the Hemtex's statutes that limits the right to transfer shares. Hemtex AB has not entered into any agreement that may be affected by a possible takeover bid.

Hemtex AB is a Nordic Small Cap company listed on NASDAQ OMX Stockholm. The largest shareholder at the end of the financial year was ICA Gruppen AB with 68.5 percent of the shares and ABG Sundal Collier Norway ASA with 12.3 percent of the shares. No other shareholder holds, directly or indirectly, more than 10 percent of the shares in Hemtex AB.

The Board of directors and any deputy members are appointed at the AGM for the period until the next AGM. There are no provisions in Hemtex's Articles of association regarding the appointed and dismissal of board members.

Significant events

Financing and working capital

According to the current framework agreement, Swedbank Sjuhärad AB and Svenska Handelsbanken undertake to give Hemtex's credit and credit facilities for a total of SEK 255 m on the usual terms.

In the first quarter of 2014, Hemtex agreed with the banks to conclude new credit agreements. The banking agreement extends to 2016-06-30. As collateral for all of its pliktelser against the banks, Hemtex has left the company Mortgage of SEK 300 m and pledged shares in Hemtex Oy.

Market

The Swedish market for home textiles, according to the assessment company GfK Sweden, amounted to approximately SEK 6.1 billion 2014. According to GfK Sweden, Hemtex's market share increased in 2014 from 19.9 percent of the total market to 22.6 per cent.

Establishments and acquisitions

Eight stores were opened during the 2014 financial year, including four in Sweden, two in Finland and two in Estonia. In the Swedish market Hemtex opened three own stores in Stockholm – Kungens Kurva, Barkarby and the Turegatan. In Ulricehamn, a franchised store opened during the year. Two new stores were opened in the Finnish market, Hämeenlinna and Pori. In Estonia, two own stores were opened in Tartu and Ülemiste.

Rationalizations

During the financial year Hemtex continued its work to review the store stock in the countries where the company operates. Hemtex has closed a total of nine stores in 2014, of which five in Sweden and four in Finland.

Risk factors

Hemtex's activities are associated with risks of different nature. Risks related to the market situation include cyclical effects, changes in fashion and trends, weather and seasonal variations, and competitors.

Risks related to the operational activities include increased production and distribution costs, supplier risks, inventory risk, termination of significant contracts, risks related to acquisitions and The distribution centre and informationSystem.

The financial risks include risks related to refinancing, unfavorable capital gains and other and credit market conditions, currency, interest rate and credit risks.

Market risks

Konjunkturpåverkan

The demand for Hemtex's products, like all retail trade, is affected by the general economic situation. Consumption patterns are affected by a number of general factors outside of Hemtex's control, including general business conditions, interest rates, exchange rates, inflation and deflation levels, taxes, credit availability, the stock market Development, unemployment levels, other local economic Factors, uncertainties about future economic prospects and more. A more favourable economic activity will have a positive Impact on household finances, which usually affects their consumption patterns positively. A deterioration in economic activity generally has the opposite effect. Hemtex operates in Sweden, Finland and Estonia. Declining GDP and declining private consumption in Hemtex's markets can have a significant negative impact on the company's operations, earnings and financial position.

Moderisker

The demand for home furnishing and home textiles is increasingly being influenced by fashion trends like the clothing industry. Hemtex therefore depends on consumer preferences regarding design, quality and prices of the goods in Hemtex's stores. A misjudgement of customers ' preferences may lead to a fall in the demand for Hemtex's products, which in turn can have a significant negative impact on the company's sales.

Weather and seasonal variations

The weather affects the sale of home textiles. A mild autumn and winter normally affects sales negatively and a cold and rainy summer usually contributes to higher Sales figures. Extreme weather can have major consequences For the company's sales. The sale of home textiles also varies with the seasons. Generally speaking, sales are highest in autumn and winter, where December has traditionally been the best month.

Competitors

The market for HeMtex Products and services are Competitive and there are several different competitors in the local markets. Hemtex's strategy includes improving the already strong position in the market and in 2014, according to the research company GFK Sverige, the Swedish market share increased from 19.9% to 22.6 per cent of the total market.

Operational risks

Production and distribution costs

A large proportion of the products sold by Hemtex are manufactured in countries with lower cost and wage levels than in Sweden. This means that Hemtex can sell its products at a lower price than would be possible if the production took place in Sweden. Developmentment in the countries thatHowever, in many cases is fast and there are no guarantees as to how long the FörhåRelativeThe low cost situation will remain in the countries in question.

Hemtex works with sourcing and with continuous Review the cost mode to enable the lowest possible price out to the customer. Hemtex is actively seeking new ones, and is constantly evaluating existing suppliers and purchasing markets with regard to price, quality, compliance with the Code of conduct and delivery times. By buying more goods directly from manufacturers, purchase prices can be reduced and thereby strengthen the company's margins. Hemtex is also more able to control and influence factories than when purchases are made via intermediaries. The aim of the purchasing work is to increase the proportion of goods purchased directly from the producer. In 2014, approximately 95 percent of Leveransvärdet were purchased without intermediaries.

Supplier risks and more

Hemtex does not have its own production, but uses a number of suppliers that produce the company's goods.

The delivery of the goods on time is very important for Hemtex. The loss of one or more suppliers as well as late or non-delivery could adversely affect the company's operations. Some of the company's products are manufactured in developing countries. The working environment and the conditions That apply to production differs from the conditions Countries where Hemtex's products are sold. Hemtex has established a code of conduct that clarifies the responsibilities of suppliers and regulates the relationship between Hemtex and the supplier.

Since spring 2012, Hemtex cooperates with ICA Global sourcing. The cooperation means that Hemtex has access to a larger number of purchasing and quality offices around Asia and thus acquires a broader supplier base. Together, systematic checks are carried out on the working conditions and the environmental work of suppliers.

Lagerrisk

Hemtex has a group-wide distribution centre (central warehouse) and warehouses in the individual stores. Inventory risk involves a risk that obsolescence arises if inventories are not sold at a value exceeding the acquisition value.

Termination of contract

Hemtex has entered into lease agreements, purchasing agreements and franchise agreements that are important for Hemtex's operations. However, the board of Directors and the Hemtex management judge that no individual agreement or similar relationship to the business is of crucial importance for the group's performance or financial position. The contracts may be terminated with a certain period of notice.

Acquisitions and divestments

Hemtex has over the years made a number of acquisitions of companies and movements. Growth through acquisitions poses a risk due to difficulties in integrating businesses, employees and products. During the 2014 financial year, Hemtex has not made any acquisitions.

Distributionscentral

Most of the goods sold in Hemtex's stores pass through the company's distribution centre located in Jönköping. Insurance exists for property and production interruptions, but there is no guarantee that such amounts are sufficient or can be recovered altogether.

Information

Hemtex is dependent on information systems to control flow from purchasing to sales in stores and to compile operational and statistical information. Any longer interruption or lack of functionality in information systems can result in the loss of important information or delays in the operation, especially if problems occur during the high season, for example during the Christmas trade.

Financial risks

The Board of directors has set different frameworks and the risks that can be taken in the finance policy for Hemtex group. Risk management aims to identify, quantify and reduce, alternatively eliminate, risks. The group's finance policy provides a framework for managing different types of financial risks and defines the risk exposure with which the business is to be conducted. The main thrust is to pursue a low risk profile. The finance policy identifies the risks related to currency management, capital supply and liquidity management.

For further information on financial risks and riskpolicies, see note 26.

Comments to the Income statement

Net sales

Net sales in the group comprise sales to consumers through own stores and wholesale sales to franchise in Hemtexkedjan. During the financial year, net sales amounted to 1041.4 (981.3) million.

Of the group's net sales, operations in Sweden accounted for 925.0 (875.1) million, Finland for 100.1 (92.8) million and operations in Estonia for 16.3 (13.4) million of net sales.

Other operating income amounted to 4.7 (2.4) million and consists mainly of franchise fees and commissions.

Result

The group's gross profit (net sales minus cost of goods sold) amounted to 627.7 (580.8) million during the calendar year. The gross profit margin amounted to 60.3 (59.2) percent.

To reduce the currency risk, Hemtex secures a significant Share of the group's contracted flows in foreign currency. In accordance with the group's finance policy, at least 65 percent of contracted flows will be hedged. The change in the value of outstanding forward contracts, when applying IAS 39, affected the gross profit positively during the financial year by SEK 3.6 (0.9) million.

Operating expenses, excluding merchandise and depreciation and amortization of tangible and intangible fixed assets, amounted to 590.2 (570.3) million. The cost share of sales amounted to 56.7 (58.1) percent.

Depreciation of tangible and intangible fixed assets is allocated to rental units with 4.3 (4.9) million and other amortization of SEK 17.7 (16.9) million.

Operating profit for the financial year amounted to 20.3 (-8.9) million, which means that the operating margin was 1.9 (-0.9) percent. The Swedish and Estonian markets reported positive operating profit, while the Finnish market reported negative operating profit during the financial year. Profit before tax for the group amounted to 13.2 (-16.1) million, giving a profit margin of 1.3 (-1.6) percent. Profit after tax amounted to 13.2 (-16.1) million.

In the financial year, the return on equity was 4.8 (-5.8) percent. Return on operating capital amounted to 5.6 (-2.6) percent.

Comments on the balance sheet

Goodwill

During December 2014, all goodwill values in the group have been tested and no impairment is required. The trial has been based on value and is based on forecast future cash flows.

Hemtex Group's total goodwill is reported in the consolidated balance sheet on 31 December 2014 to SEK 249.5 (249.5).

Inventories

On 31 December 2014, inventories amounted to SEK 193.0 (176.8) million. Of the total stock of inventories, the wholesaleInventory 92.5 (79.0).

Inventories per store within the group Amounted at the end of December 2014 to an average of 0.7 (0.7) million. Stock turnover amounted to 2.2 (2.2) as of last December 2014.

Financial position

Liquid funds amounted to 27.9 (40.0) million as of December 31, 2014. Net debt, i.e. interest-bearing liabilities less liquid funds, increased by SEK 14.0 m over the past twelve months and amounted to SEK 93.3 (79.3) on December 31, 2014. The net debt/equity ratio amounted to 33.3 (29.6) percent as of December 31, 2014.

The equity ratio at year-end amounted to 47.9 percent, compared to 47.4 percent at the same time last year.

Hemtex Group's total credit lines, including letter of credit and Valutaterminslimit, amounted to SEK 255.9 m on December 31, 2014, compared with SEK 255.9 m on December 31, 2013. Of the total unutilised, SEK 131.0 m had been used at the end of the financial year, compared with SEK 126.6 m on December 31, 2013.

The total value of purchase orders for which the currency terminkontrakt was subscribed amounted to 6.3 (4.7) mln on December 31, 2014. The value of these outstanding currency forward contracts amounted to 4.0 (0.4) million at the balance sheet date.

Comments on the cash flow statement

Cash flow and investments

Cash flow from operating activities during the calendar year amounted to 12.1 (12.2) million. Cash flow after investments amounted to SEK-14.8 (-18.9) million.

The group's net cash investments during the calendar year amounted to SEK-26.9 (-31.1) million. The investments amount to SEK 0.0 (1.0) million for the acquisition of stores and SEK 21.8 (17.5) million for investments in start-up and renovations and 5.0 (12.6) million to Other investments.

Personal

During the financial year, the number of employees in the group amounted to 558 (553). The distribution of employees is 8 (8) per cent men and 92 (92) per cent women. Approximately 86 (87) percent work in the retail organization and 14 (13) percent on key functions such as purchasing, logistics, marketing and administration.

Hemtex pursues a continuous gender equality work that permeates the company's activities. As part of this work, the company's equality plan is reworked continuously. For example, the policy assumes that gender pay differentials cannot occur, that working conditions should be adapted for both women and men and that educational and development opportunities should be equivalent.

Hemtex also conducts systematic work to maintain and develop the company's work on the working environment. It is based on that all employees within the group are offered healthy, safe and comfortable workplaces and that all managers are trained in the field. Training in work environment and safety is therefore continuously carried out to capture new employees in the organisation. In Hemtex, it is a requirement that all store managers receive this training. Safety and health tours and subsequent action plans are carried out annually to continuously improve the environment and well-being in Hemtex's activities.

To ensure effective crisis management, there is a comprehensive crisis management plan. The plan highlights potential Events that would occur and how these To be handled. A central crisis management group and crisis support representatives in Butiksledet have been appointed and trained. The Crisis Group meets regularly to develop the crisis management work and to ensure that the organisation is prepared for an unforeseen event, such as the risk of Injury to individual employees or the company as a whole would occur.

Hemtex AB has a collective agreement with the Servants Union and the Commercial Employees ' Association.

The work of the Board during the financial year 2014

The board is responsible for Hemtex's organization and the management of the company's affairs, which includes the adoption of the company's strategy. The Board of Directors is also responsible for appointing the managing director. The work follows an annual plan, with the aim of ensuring the Board's need for information. In addition, the Board of Directors and the Executive Director follow the special rules of procedure which the Board has established concerning the working partBetween the board and the managing Director. The supervisory questions on the board are handled by the Board in its entirety. Evaluation of the Board's work has taken place both within the Board as a whole and in individual discussions. Hemtex's nomination committee has, in the relevant parts for its work, been given the compilation of the evaluation.

For more detailed information regarding the board's Completed meetings, the work of the nominationCommittee and Audit Committee refer to the Corporate governance report.

Bolagsstyrningsrapport

Separate corporate governance report has been submitted and is incorporated On 70-75 In this document. The corporate governance report can also be found on the company's website.

Revisionsutskott

The audit committee is appointed by the Board of Directors and is responsible for determining the principles and quality assurance of the company's financial reporting and internal control.

Ersättningsutskott

The Board of directors appoints a remuneration committee Recommendations on the remuneration of the President and CEO and the management, other Terms of employment and incentive programs. ReplacementThe Committee reports to the Board.

Guidelines for remuneration to senior executives

The AGM resolved on 11 April 2014 on guidelines for remuneration and other terms of employment for the company management.

Description of the principles used during the financial year, see Note 4.

The guidelines shall apply to employment contracts entered into after the annual general Meeting 2014 and also to changes in the current employment contracts that are made thereafter. Board Proposals to the annual general meeting on 16 April 2015 regarding guidelines for remuneration and other terms of employment for senior executives are presented below.

Basic Principles

Remuneration to senior executives within Hemtex is based on principles of performance, competitiveness and equity. Different remuneration components are in varying degrees suitable to reflect these principles. Therefore, a mixture of several components is used to reflect the substitution principles in a balanced way.

Senior executives ' Total remuneration consists of fixed salary, annual variable remuneration and pension and other benefits. Together, these components constitute an integrated replacement package.

For each financial year, the details of the total remuneration of senior executives are described in the annual report for the current financial year.

The ratio between fixed and variable salary and the correlation between performance and remuneration

The fixed salary is set on the basis that it will be competitive. The absolute level depends on the size and complexity of the current position and the annual performance of the senior holders.

The performance is especially reflected in the moving component. The variable remuneration of the senior holders is related to the achievement of the budget and targets for the results level of Hemtex. The annual variable remuneration of the senior holders shall normally not exceed (i) five monthly salaries for the Managing director, where 80 percent in equal shares relate to targets linked to sales growth and profitability in accordance with the budget And the remaining 20% to predefined individual targets, (ii) Four monthly salaries for CFO, and (iii) three to one month's salary for other members of Hemtex's management.

The relationship between fixed and variable salary shall reflect the Board's assessment of a reasonable balance between fixed and variable replacement parts and current market practices for senior managers.

The fixed salary during the period of notice and severance pay shall not exceed the amount corresponding to the fixed salary for one year. However, fixed salary and/or severance pay shall not be payable if the former employee in the period in which such compensation is to be paid, recovers or assumes new employment. If such compensation were still payable, the former employee would be repayable.

Main terms and conditions for long-term incentive programs

Hemtex's incentive program shall comprise senior executives in the company that have an impact on the company's earnings and position. An incentive program will contribute to a long-term growth in Hemtex and that employees and shareholders will have a common interest in a positive value development of the share. The Board will assess annually whether a long-term incentive plan is to be proposed.

Pension

Pension benefits must be competitive in the respective home countries of their employees. Hemtex's senior executives have in their employment agreements pension benefits corresponding to the current ITP plan. Variable remuneration shall not be pensionable. The retirement age is normally 65 years but may vary in individual cases.

Other benefits

The basic rule for Hemtex's employees is that other benefits, such as preferential cars and medical plans, should be competitive in the local market.

Deviations from the guidelines

The Board of directors shall be entitled to deviate from the guidelines if, in an individual case, there are special reasons for doing so. During 2014, the board of Directors has not deviated from adopted guidelines.

Majoritetskrav

The annual general Meeting's decision on guidelines for remuneration to senior executives is valid only if it is assisted by shareholders with at least half of the votes cast or, in the event of a tie, the sentence which the President assists.

Significant events after the end of the financial year

No significant events have taken place after the end of the period.

The group's future development

2014 was the best year of performance since 2008. The focus in 2015 is therefore continued profitability. The work to develop the range and to broaden the price ladder continues – both in terms of the soft and hard range. Hemtex will also continue its Work to develop interior collections in collaboration with With interesting designers/design companies.

Proposal for the treatment of loss

At the disposal of the annual general meeting, the following funds, SEK:

<u>Överkursfond</u>	<u>185 380 575</u>	
<u>Retained Earnings</u>	<u>-277 688 412</u>	
<u>Profit for the year</u>		<u>-3 162 228</u>
<u>Summa</u>	<u>-95 470 065</u>	

The Board of Directors and the managing director propose that:

<u>The new account</u>	<u>-95 470 065</u>	
<u>Summa</u>	<u>-95 470 065</u>	

Total comprehensive income, group

1 January – 31 December		Group	
Tkr	Not	2014	2013
Net sales	2	1 041 376	981 317
Other Operating income	3	4 691	2 377
Total operating Revenue		1 046 067	983 694
Operating expenses			
Commodities	7,18	-413 701	-400 536

Other external costs	5,22	-313 366	-307 557
Personalkostnader	4	-276 808	-262 730
Depreciation, amortization and impairment of tangible and intangible fixed assets	6	-21 932	-21 798
Operating income		20 260	-8 927
Income from financial items			
Financial income		24	35
Financial expenses		-7 081	-7 177
NET Financial Items	8	-7 057	-7 142
Income after financial items		13 203	-16 069
Tax on profit for the year	9	-	-
Profit for the year		13 203	-16 069
Other comprehensive income			
Items that may be reclassified to profit or loss			
Omräkningsdifferenser		-1 128	-671
Total comprehensive income for the year		12 075	-16 740
Net profit for the year attributable to:			
Parent company shareholders		13 203	-16 069
Non-controlling influence			
Comprehensive income attributable to:			
Parent company shareholders		12 075	-16 740
Non-controlling influence			
Earnings per share before dilution, SEK	10	0,14	-0,17
Earnings per share after dilution, SEK		0,14	-0,17
Number of outstanding shares on the balance sheet date		95 835 506	95 835 506
Average number of shares outstanding		95 835 506	95 835 506
Average number of shares outstanding after dilution		95 835 506	95 835 506

Balance sheets, Group

		Group	
Tkr	Not	2014	2013
		31 dec	31 dec
Assets			
Fixed assets			
Intangible assets	11		
Capitalised expenditure on computer programs		18 786	21 710
Tenancy		5 756	10 014
Goodwill		249 492	249 492
Summa		274 034	281 216

Tangible fixed Assets	12		
Equipment and installations		28 292	21 255
Improvement expenditure on leasehold		10 724	6 676
Advances on tangible assets		800	-
Summa		39 816	27 931
Financial Fixed Assets	13, 26		
Other long-term securities holdings		1	1
Other long-term receivables		3 063	2 351
Summa		3 064	2 352
Total non-current assets		316 914	311 499
Current assets			
Inventories			
Commodities		192 951	176 825
Current receivables			
Kundfordringar	26	6 557	3 853
Current Skattefordran		2 445	2 465
Derivattillgångar	18	4 012	378
Other receivables		438	899
Prepaid expenses and accrued income	14	33 175	29 154
Summa		46 627	36 749
Cash and Bank		27 914	40 028
Total Current Assets		267 492	253 602
Total assets		584 406	565 101

Balance sheets, Group

		Group	
Tkr	Not	2014	2013
		31 dec	31 dec
Equity and liabilities			
Equity	15		
Share capital		239 589	239 589
Other contributed capital		455 232	455 232
Book		3 454	4 582
Retained earnings including profit for the year		-418 385	-431 588
Total shareholders ' equity		279 890	267 815
Long-term liabilities	26		

Provisions for pensions and similar obligations		3 759	2 862
Interest-bearing liabilities to credit institutions	16	70 000	-
Total non-current liabilities		73 759	2 862
Current liabilities	26		
Interest-bearing liabilities to credit institutions	16	-	70 000
Checkräkningskredit	17	51 189	49 361
Accounts payable		73 459	78 497
Derivatskulder	18	-	-
Other liabilities		47 703	43 698
Accrued expenses and deferred income	19	58 406	52 868
Total Current Liabilities		230 757	294 424
Total shareholders ' equity and liabilities		584 406	565 101
Pledged assets and contingent liabilities			
Pledged assets	20	306 978	305 955
Eventualförpliktelser	21	3 700	3 700

Change in shareholders ' equity, group

	Equity attributable to shareholders of the parent company				
Tkr	Share capital	Other Tillskjutet Capital	Book	Retained Earnings incl. Profit for the year	Total Own Capital
Opening equity 2013-01-01	239 589	455 232	5 253	-415 519	284 555
Profit for the year	-	-	-	-16 069	-16 069
Other comprehensive income	-	-	-671	-	-671
Summa	239 589	455 232	4 582	-431 588	267 815
Closing shareholders ' equity 2013-12-31	239 589	455 232	4 582	-431 588	267 815
Opening equity 2014-01-01	239 589	455 232	4 582	-431 588	267 815
Profit for the year	-	-	-	13 203	13 203
Other comprehensive income	-	-	-1 128	-	-1 128

Summa	239 589	455 232	3 454	-418 385	279 890
Closing shareholders ' equity 2014-12-31	239 589	455 232	3 454	-418 385	279 890

Cash flow statements, group

1 January – 31 December		Group	
Tkr	Not	2014	2013
OPERATING ACTIVITIES			
Income after financial items		13 203	-16 069
Adjustments for items not included in cash flow	23	20 376	20 606
		33 579	4 537
Tax paid		-	-
Cash flow from operating activities before changes in working capital		33 579	4 537
Changes in working capital			
Inventories		-15 122	-6 449
Rörelsefordringar		-9 991	3 910
Non-interest-bearing liabilities		3 609	10 239

Cash flow from operating activities		12 075	12 237
Investeringsverksamheten			
Acquisition of operations	25	-	-970
Acquisition of intangible fixed assets		-4 433	-12 710
Acquisition of tangible fixed assets		-21 846	-17 461
Acquisition of financial fixed assets		-591	-
Cash flow from investing activities		-26 870	-31 141
Cash flow after investing activities		-14 795	-18 904
Finansieringsverksamheten			
Borrowings		1 828	20 595
Amorterade Loans		-	-10 000
Cash flow from financing activities		1 828	10 595
Cash flow for the year		-12 967	-8 309
Liquid funds at beginning of year		40 028	47 880
Exchange rate differences in liquid assets		853	457
Liquid funds at year-end		27 914	40 028
Unutilized credits			
Agreed, unutilized credits		124 904	129 293
Change in net debt			
Net debt at beginning of year		79 333	60 886
Change in interest-bearing liabilities		1 828	10 595
Change in liquid funds		12 114	7 852
Net debt at the end of the year		93 275	79 333

Income statements, parent company

1 January – 31 December		Parent company	
Tkr	Not	2014	2013
Net sales	2	985 087	931 968
Other Operating income	3	7 092	4 599
Total operating Revenue		992 179	936 567
Operating expenses			
Commodities	7,18	-417 810	-402 710
Other external costs	5,22	-288 072	-284 476
Personalkostnader	4	-246 593	-236 388
Depreciation, amortization and impairment of tangible and intangible fixed assets	6	-33 476	-33 313
Operating income		6 228	-20 320
Income from financial items			

Income from participations in group companies		-3 400	-730
Financial income		1 086	850
Financial expenses		-7 076	-7 176
NET Financial Items	8	-9 390	-7 056
Income after financial items		-3 162	-27 376
Bokslutsdispositioner		-	-
Profit before tax		-3 162	-27 376
Tax on profit for the year	9	-	-
Profit for the year		-3 162	-27 376

Statement of comprehensive income, parent company

		Parent company	
Tkr	Not	2014	2013
Profit for the year		-3 162	-27 376
Other comprehensive income			
Items that may be reclassified to profit or loss			
Omräkningsdifferenser		-454	-251
Other comprehensive income		-454	-251
Total comprehensive income for the year		-3 616	-27 627

Balance sheets, parent company

		Parent company	
Tkr	Not	2014	2013
		31 dec	31 dec
Assets			
Fixed assets			
Intangible assets	11		
Capitalised expenditure on computer programs		18 786	21 710
Tenancy		5 756	10 014
Goodwill		132 716	145 384
Summa		157 258	177 108
Tangible fixed Assets	12		
Equipment and installations		24 976	19 720

Improvement expenditure on leasehold		9 054	5 448
Advances on tangible assets		800	-
Summa		34 830	25 168
Financial Fixed Assets	13,2 6		
Shares in Group companies		51	51
Other long-term securities holdings		1	1
Other long-term receivables		3 063	2 351
Summa		3 115	2 403
Total non-current assets		195 203	204 679
Current assets			
Inventories			
Commodities		179 730	163 787
Current receivables			
Kundfordringar	26	6 481	3 845
Current Skattefordran		2 384	2 384
Receivables from Group Companies		276	337
Other receivables		437	878
Prepaid expenses and accrued income	14	33 147	29 083
Summa		42 725	36 527
Cash and Bank		16 505	26 580
Total Current Assets		238 960	226 894
Total assets		434 163	431 573

		Parent company	
Tkr	Not	2014	2013
		31 dec	31 dec
Equity and liabilities			
Equity	15		
Share capital		239 589	239 589

Överkursfond		185 380	185 380
Retained earnings including profit for the year		-281 304	-277 688
Total shareholders ' equity		143 665	147 281
of which restricted equity in the parent company		239 589	239 589
of which non-restricted equity in the parent company		-95 924	-92 308
Provisions			
Provisions for pensions and similar obligations		3 759	2 862
Total provisions		3 759	2 862
Long-term liabilities	26		
Interest-bearing liabilities to credit institutions	16	70 000	-
Total non-current liabilities		70 000	-
Current liabilities	26		
Interest-bearing liabilities to credit institutions	16	-	70 000
Checkräkningskredit	17	51 189	49 361
Accounts payable		71 785	77 083
Liabilities to group Companies		1 238	264
Other liabilities		41 157	37 804
Accrued expenses and deferred income	19	51 370	46 918
Total Current Liabilities		216 739	281 430
Total shareholders ' equity and liabilities		434 163	431 573
Pledged assets and contingent liabilities			
Pledged assets	20	303 076	302 354
Ansvarsförbindelser	21	3 700	3 700

Cash flow statements, parent company

1 January – 31 December		Parent company	
Tkr	Not	2014	2013
OPERATING ACTIVITIES			
Income after financial items		-3 162	-27 377
Adjustments for items not included in cash flow	23	33 590	32 942
		30 428	5 565
Tax paid		-	-
Cash flow from operating activities before changes in working capital		30 428	5 565
Changes in working capital			
Inventories		-15 746	-7 254
Rörelsefordringar		-6 318	5 221
Non-interest-bearing liabilities		3 424	4 826
Cash flow from operating activities		11 788	8 358

Investeringsverksamheten			
Acquisition of operations	25	-	-970
Acquisition of intangible fixed assets		-4 433	-12 710
Acquisition of tangible fixed assets		-18 757	-15 456
Divestment of tangible fixed assets		-	1
Acquisition of financial fixed assets		-591	-
Cash flow from investing activities		-23 781	-29 135
Cash flow after investing activities		-11 993	-20 777
Finansieringsverksamheten			
Borrowings		1 828	20 595
Amorterade Loans		-	-10 000
Cash flow from financing activities		1 828	10 595
Cash flow for the year		-10 165	-10 182
Liquid funds at beginning of year		26 580	36 687
Exchange rate differences in liquid assets		90	75
Liquid funds at year-end		16 505	26 580
Unutilized credits			
Agreed, unutilized credits		123 952	128 399
Change in net debt			
Net debt at beginning of year		92 781	72 079
Change in interest-bearing liabilities		1 828	10 595
Change in liquid funds		10 075	10 107
Net debt at the end of the year		104 684	92 781

Change in equity, parent company

Equity Tkr	Bound own Capital		Free own Capital Total		
	Share capital	Reserve Fund	Retained Earnings incl. Profit for the year	Överkursfond	
Opening equity 2013-01-01	239 589	-	-250 061	185 380	174 908
Profit for the year			-27 376		-27 376
Change in translation reserve for the year			-251		-251
Closing shareholders ' equity 2013-12-31	239 589	-	-277 688	185 380	147 281
Opening equity 2014-01-01	239 589	-	-277 688	185 380	147 281
Profit for the year			-3 162		-3 162
Change in translation reserve for the year			-454		-454
Closing shareholders ' equity 2014-12-31	239 589	-	-281 304	185 380	143 665

Notes to the financial statements

All amounts are reported, unless otherwise stated, in SEK thousands (TKR)

1. Redovisningsprinciper

General Accounting Principles

Compliance with standards and law

The consolidated accounts have been prepared in accordance Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as approved by the European Commission for application in the EU. In addition, the recommendation of the Swedish Financial Reporting Board (RFR 1) "Supplementary accounting rules for groups" has been applied.

The parent company applies the same accounting principles as the group except in the cases listed below under the section "parent company Accounting Principles". The differences between the parent company's and the group's principles arise, among other things, from limitations in the possibility of applying IFRS in the parent company as a result of the annual Accounts Act (ÅRL) and the Safeguarding Act and in certain cases for tax reasons. The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act and RFR 2 "accounting for legal persons" from the Swedish Financial Reporting Board.

The annual accounts and the consolidated accounts have been approved for issue by the Board on 5 March 2015. The consolidated statement of comprehensive income and balance sheet and the parent company's income statement and balance sheet will be the subject of a resolution regarding adoption at the annual general meeting on 16 April 2015.

New and changed accounting principles

International Financial Reporting Standards

The news that came into force 2014 is:

- IFRS 10 Consolidated financial statements describe when control exists and thus when an entity is to be included in the consolidated financial statements. The standard provides guidance to assess for when control exists. The EU has approved it with effect from 1 January 2014. The standard does not affect Hemtex's current consolidated accounts.
- IFRS 11 Joint arrangements identify two types of joint arrangements; Joint operation, in which the shareholders have rights and commitments to assets and liabilities, as well as the joint venture, in which the shareholders have rights to the net assets. In joint operations, the shareholders shall recognise their respective assets, liabilities, income and expenses. In the case of a joint venture, the equity method is applied. The EU has approved it with effect from 1 January 2014. Hemtex currently has no holdings covered by the new standard.

- IFRS 12 disclosures of interests in other companies contain disclosure requirements for subsidiaries, joint Ventures, associates and "structured entities" that are not consolidated. The EU has approved it with effect from 1 January 2014. It has no material impact on the financial statements of Hemtex.
- IAS 27 separate financial statements. Accounting and disclosures in the legal entity of subsidiaries, "joint arrangements", associated companies and "unconsolidated structured entities". The EU has approved it with effect from 1 January 2014. Does not affect Hemtex's financial statements.
- IAS 28 Investments in associates and joint ventures describe the application of the equity method to both accounting for associated companies and joint ventures. The EU has approved it with effect from 1 January 2014. Does not affect Hemtex's financial statements.
- Amendments to IAS 32 Financial instruments: classification Inserts a clarification in the section "Guidance on application" regarding the offsetting of financial assets and financial liabilities. The changes take Kraft January 1, 2014. ChangesNot affect Hemtex's financial statements.
- The change in IAS 36 "Recover Amount disclosures for Non-Financial assets" briefly implies that further Information shall be provided on fair value when the recoveryThe value of a depreciated asset is based on fair value minus selling costs. The changes do not affect Hemtex's financial statements.
- The amendment to IAS 39 "Novation of derivatives and Continuation of Hedge Accounting "introA relief at the hedgingAccounting by permitting hedge accounting to continue even where a derivative, designated as a hedging instrument, is transferred to a CCP if certain conditions are met, including that it is required by law or regulation; For example, EMIR. The changeTransactions when derivatives are voluntarily transferred to Central Counterparty. The changes do not affect Hemtex's financial statements.

The following changes and updates have been decided by the IASB and shall be effective as of 1 January 2015 or thereafter unless the application date Adopted by the EU. None of theThe changes in 2015 are expected to have a material impact on the group's financial statements.

- IFRS 9 Financial instruments. The new standard has been revised in different parts, some of which relate to the recognition and measurement of financial assets and financial liabilities. The standard is divided into three parts; Classification and valuation, hedge accounting and write-down. The EU has not yet approved the standard and there is at present no information on when an authorisation can be expected.
- IFRS 14 Regulatory Deferral accounts (not yet approved by the EU and no approval schedule) will enter into force for financial years beginning on or after 1 January 2016. The standard specifies the requirements for the accounting of "rate-regulated activities" that arise when a company provides goods or services to a customer at a price or Interest which is subject to "interest rate regulation". This standard is a temporary solution which can therefore only be applied by time adopter elects of IFRS where previous GAAP had rules.
- IFRS 15 revenue from contracts with costumers (expected to be approved by the EU in Q2 2015) will enter into force for financial years beginning on or after 1 January 2017.

In accordance with the change, the accounting of the proceeds shall start in a contract for the sale of a product or service, between two parties. A customer contract is identified, which the seller generates an asset (rights, a promise of obtaining compensation) and A liability (commitment, a promise of transfer of goods/services). The main features of IFRS 15 are based on the following simplified Femstegsmodell:

Step 1. Identify an agreement between at least two parties where there is a right and a commitment.

Step 2. Identify the various commitments. A contract contains promises to transfer goods or services to the customer (performance bonds). All commitments which can be distinguished by their nature shall be disclosed separately.

Step 3. Determine the transaction price. The transaction price is the amount of compensation that the company is expected to receive in exchange for the promising goods or services. The transaction price shall be adjusted for moving parts, such as any discounts.

Step 4. Allocate the transaction price of the various performance commitments. Typically, the company can allocate the transaction price of each individual product or service based on a stand-alone sales price.

Step 5. Fulfilment of commitments and recognition of revenue. The entity shall recognise revenue when fulfilling its performance commitments. The amount recognised as revenue is the amount that the company has previously allocated to the current performance commitment.

The standard shall be applied retroactively in accordance with one of two models presented.

- IFRIC 21 Charges (approved by EU 13 June 2014) entered into force on 1 January 2014, but the EU opted to postpone the first application to financial years beginning on 17 June 2014 or later. The interpretation clarifies when a liability for fees (covered by IAS 37) is to be reported. Fees are fees/taxes that State or equivalent body imposes companies in accordance with laws/regulations except for income taxes, fines or other penalties.
- IFRS 10 KoncernredovisninG and IAS 28 investments in interestCompanies and joint ventures – amendment (expected to be approved by the EU Q3 2015) enters into force in the financial years beginning on or after 1 January 2016 and clarifies how a parent company should account for a transaction in which control of a subsidiary is Lost (whose Business does not constitute a business as defined in IFRS 3 business combinations) by selling all or part of its shareholding in the subsidiary to an associate or to a joint venture accounted for using the equity method. The changes clarify when and how the parent company's possible gain or loss as a result of this transaction is to be recognised in the income statement.

- IFRS 11 Joint Arrangements – Amendment (expected to be approved by the EU in Q1 2015) enters into force for financial years beginning on or after 1 January 2016. The standard requires that a joint operation, which recognises the acquisition of a shareholding in a joint operation, the business of which is a business, shall recognise the acquisition in accordance with the relevant principles of IFRS 3 business combinations for Acquisition accounting. Furthermore, the amendments make clear that a prior participation interest in a joint operation should not be revalued if additional interests are acquired as long as joint control consists.
- IAS 16 property, plant and equipment and IAS 38 intangible assets – Amendment enters into force on financial years beginning on or after 1 January 2016. The standard prohibits revenue-using depreciation of tangible fixed assets. A earnings method can only be used for intangible assets.
- IAS 19 Employee Benefits – Amendment (expected to be approved by the EU Q4 2014) shall apply to financial years beginning Den 1 July 2014 or later. The changes clarify the period in which contributions from workers or third parties will reduce the pension. The market for Defi Ned Benefi Pension plans.
- IAS 27 Separate Financial statements – Amendment (expected to be approved by the EU Q3 2015) will enter into force for the financial years beginning on or after 1 January 2016. and introduces an opportunity for a legal Person to account for investment. Investments in subsidiaries, joint ventures and associates in the application of the equity method. With the legislation in Sweden, this change is hardly appropriate in Swedish legal personality.

Conditions for drawing up the group's and the parent company's financial statements

The parent company's functional currency is Swedish kronor, which also forms the reporting currency of the parent company and the group. This means that the financial statements are presented in Swedish kronor. All amounts, unless otherwise stated, are rounded to the nearest thousand. Assets and liabilities are reported at acquisition values, except for certain financial assets and liabilities that are valued at fair value.

The preparation of financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and assumptions are based on historical experience and a number of other factors that seem reasonable in the current circumstances. The actual outcome may deviate from the estimates and assessments made.

Estimates and assumptions are reviewed regularly. Changes to estimates are reported in the period in which the change is made if the change only affected this period, or in the period the change is made and future periods if the change affects both the current period and future periods.

Events after the balance sheet date refer to both favorable and unfavorable events occurring between the balance sheet date and the date of the beginning of the following year when the financial statements are signed by the members of the board. Information is provided in the annual report of significant events after the balance sheet date which are not taken into account when determining the balance sheet and profit and loss accounts. Only events that confirm conditions at the balance sheet date are respected on behalf of the company.

The following accounting principles for the group have been applied consistently to all periods presented in the group's financial statements, unless otherwise stated below.

Important estimates and assessments

According to management, critical assessments of accounting principles applied, as well as sources of uncertainty in estimates, are mainly related to valuation of goodwill and inventories. See note 11 for goodwill.

Inventories have been valued at the lower of cost and net realisable value. The size of net realisable value includes calculations based, inter alia, on the assessment of future selling prices, where the estimated price reductions have been taken into account. The actual outcome of future sales prices may deviate from the assessments made.

Segments and reporting

ALL internal accounting and follow-up takes place based on the geographical breakdown, which is the company's classification basis for segment reporting.

The segments' results, assets and liabilities have included directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner.

Classification

Fixed assets and non-current liabilities consist essentially of amounts that are expected to be recovered or paid later than twelve months after the balance sheet date. Current assets and current liabilities consist essentially of amounts that are expected to be recovered or paid earlier than twelve months after the balance sheet date.

Consolidation principles

The consolidated financial statements include the parent company Hemtex AB and all the companies in which Hemtex AB has a controlling influence. Controlling influence has the parent company when it is exposed to or has the right to variable returns from its involvement in a company and can influence the return by means of influence over the company. Thus, the franchisee's income statement and balance sheet are not included in the consolidated financial statements.

The group companies have been consolidated in accordance with the acquisition method. The net assets of the acquired subsidiaries are valued at their respective fair values at the date of acquisition ("Acquisition Analysis"). Where fair value measurement gives values other than the book value of the acquired company, these values constitute the group's acquisition values. exceeds the acquisition value of the subsidiary shares the fair value of the identifiable net assets at the time of acquisition, the difference is reported as goodwill. is less than the acquisition value of the net identifiable assets are recognized the surplus immediately in the income statement.

Goodwill is valued at acquisition value less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not depreciated but tested at least annually for impairment, see write-downs.

The consolidated income statement includes the acquired companies during the financial year from the date of acquisition. During the year, divested companies are included until the date when the controlling influence ceases.

Financial statements of foreign operations

Assets and liabilities in foreign operations, including goodwill and other group surplus and sub-values, are translated from entity functional currency to the group's reporting currency, Swedish kronor, at the exchange rate prevailing on Balance sheet date. Income and expenses in a foreign operation are translated to Swedish

kronor at an average rate that is an approximation of the prices at the time of each transaction. Translation differences arising from currency translation of foreign operations are reported under other comprehensive income.

Transactions in foreign currency

Purchases and sales in foreign currencies are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and Liabilities in foreign currency are converted into the functional currency at the exchange rate prevailing at the balance sheet date. Exchange-rate differences arising from the translation are reported in the income statement. Ickemonetära assets and liabilities that are reported at historical acquisition value are translated at the exchange rate At the balance sheet date. For hedging of future contracted currency flows resultatredovisas exchange rate differences on the hedging transaction at the closing date. Kursdifferensen is included in its entirety in the operating profit.

Revenue

Hemtex Group's net sales consist of goods to consumers through their own stores and wholesale sales to franchise within Hemtexkedjan. Income at goods is recognised as income in the income statement upon delivery. Sales are reported excluding VAT and after discounts. Outstanding bonuses to Customer club members are continuously taken into account in revenue recognition.

Other operating income consists mainly of franchise fees, connection fees for new franchise and commissions. Franchise fees are accrued in the income statement as they are earned. Connection fees for new franchise are reported in the period that the shop opens and some obligations linked to the franchise agreement do not exist. Invoicing of marketing Services has reduced other external costs.

Financial income and expenses

Financial income and expenses consist of interest income on bank deposits and interest-bearing securities, interest expenses on loans, dividend income and exchange-rate differences.

Dividend income is recognised when the right to receive payment is determined.

Financial instruments

Financial instruments recognised in the balance sheet include, on the asset side, liquid assets, trade receivables and derivatives. Liabilities and equity include Accounts payable, issued debt instruments, loan liabilities and derivatives.

Financial instruments are initially measured at cost corresponding to the fair value of the instrument plus transaction costs for all financial instruments other than those belonging to the category financial asset that are recognised at Fair value above profit or loss, which is reported at fair value. Accounting is then depending on how they have been classified as below.

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party under the contractual terms of the instrument. Accounts receivable are recognised in the balance sheet when the invoice has been sent. Debt is raised when the counterparty has performed and contractual obligation exists to pay, even if the invoice has not yet been received. Accounts payable are entered when the invoice is received.

A financial asset is removed from the balance sheet when the rights in the agreement are realised, expired or the company loses control of them. The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. The same applies to part of a financial liability.

Acquisitions and disposals of financial assets are recognised on the trade date, which constitutes the date on which the company commits to acquire or divest the asset. In cases where the company acquires or disposes of listed securities, it applies liquid daily accounting.

A financial asset and a financial liability are offset and accounted for with a net amount in the balance sheet only where there is a legal right to offset the amounts and that there is an intention to settle the items by a net amount or to To realise the asset and settle the debt.

Financial instruments are classified in categories. The classification depends on the intention of the acquisition of the financial instrument. The management determines the classification at the original acquisition date. Hemtex has the following categories:

- Financial assets valued at fair value over the year's profit or loss

In this category, derivatives are in the form of forward exchange contracts when they have a positive market value. Assets in this category are measured at fair value with changes in value reported in profit or loss for the year.

- Loans Receivable and Accounts receivable

Loan receivables and trade receivables are financial assets that are not derivatives with fixed payments or payments that can be determined and are not listed on an active market. The claims arise when companies provide money, goods and services directly to the creditor without the intention of trading in the debtors. The category also includes purchased receivables. Assets in this category are valued at amortised cost. Accrued acquisition valueThey are determined on the basis of the effectiveInterest calculated at the time of acquisition.

- Financial liabilities valued at fair value over profit or loss

In this category, derivatives are available in the form of forward exchange contracts when they have a negative market value. Liabilities in The category is continuously valued at fairValueChanges reported in profit/loss for the year.

- Other financial liabilities

Financial liabilities that are not held for trading are valued at amortised cost. Accrued acquisition value is determined on the basis of the effective interest rate that was calculated when the liability was raised. This means that the above and below values as well as direct issue costs are accrued over the period of the debt.

Long-term receivables and other receivables

receivables and other short-term receivables are receivables that arise when the company provides money without the intention of trading in the claim.

Long-term

If the expected holding period is longer than one year, they are long-term receivables and shorter other receivables. These receivables belong to the Category loan receivables and Accounts receivable.

Financial Investments

Financial investments are either financial fixed assets or short-term investments depending on the purpose of the holding. If the term or the expected holding period is longer than one year, they are financial fixed assets and if they are less than one year's short-term investments.

Kundfordringar

Trade receivables are classified in Tegorin Loan receivables and customer Claims. Accounts receivable are reported at the amount Deductions for doubtful receivables that have been assessed individually. The expected maturity of the customer receivable is short, which is why the value is recorded at par- Ntering. Customer Write-downs Receivables are reported in operating expenses.

Liquid Funds

Liquid funds include cash, immediately available bank deposits and "money on the Move".

Debt

Liabilities are classified as other financial liabilities, which means that they are initially reported at the amount received after deduction for Transaction costs. After the acquisition date, the loans are valued at amortised cost according to effective-Räntemetoden. Accrued acquisition value is determined on the basis of the effective interest rate that was calculated when the loans were raised. This means that the above and below values as well as direct issue costs are accrued over the duration of the loans. Long-term liabilities have an expected maturity of more than one year, while short-term has a maturity of less than one year.

Accounts payable

Accounts payable are classified in the category other financial liabilities. Accounts payable have a short expected maturity and are valued without discounting at the nominal amount.

Derivative instruments

Hemtex's derivative instruments consist of forward exchange contracts that are used to reduce the risk of exchange rate fluctuations. Company Mainly use currency forwards to hedge purchases in USD. Hemtex does not apply hedge accounting but recognises the capital gains and decreases in the derivative as income and expenses within the operating profit.

Intangible assets

Goodwill

Goodwill represents the difference between the group's acquisition value of the business combination and the fair value of the acquired identified assets, liabilities assumed and contingent liabilities at the time of acquisition.

Goodwill is valued at acquisition value less any accumulated impairment losses R. Goodwill is distributed to cash Generating units and are not depreciated in the group, but tested at least annually for impairment. See further in the section impairment.

Capitalised expenditure on computer programs

The acquisition cost of licenses and the development of larger IT systems for internal use will be capitalised where they are Be of value to the company for several years. Direct and indirect external and internal expenditure on development of software for Personal use is activated. Expenditure on pre-study, training and ongoing Maintenance is expensed continuously.

Tenancy

Rental rights acquired by the group are reported at acquisition value less accumulated amortisation and any impairment losses.

Additional expenditure

Additional expenditure on an intangible asset is added to the acquisition value only if it increases the future economic benefits that exceed the initial assessment and the expenditure can be calculated reliably. All other expenses are expensed when they arise.

Tangible assets

Tangible fixed Assets Reported as an asset in the balance The bill if it is probable that future economic benefits will come to the company and the cost of the asset can be measured reliably.

Tangible fixed assets are reported in the group at cost less accumulated amortisation and any impairment losses. The acquisition value includes the purchase price and costs directly attributable to the asset to bring it into place and in condition to be used in accordance with the purpose of the acquisition. Examples of directly attributable costs included in the acquisition value are the costs of delivery and handling, Consultancy services and Legal counsel Services.

Additional expenditure is added to the acquisition value to the extent that the asset's performance is improved in relation to the level prevailing at the time it was originally acquired. Other additional expenditure is recognised as an expense in the period in which it arises.

Leased assets

As a lessee, the company and the group have entered into operational leasing agreements. The leasing cost are recognized evenly over the contract period and includes variable fees, where applicable, that are marginal in relation to the total costs. The group has financial leasing agreements for cars. The total value of these agreements is marginal in size, which is why they are reported as operational leasing agreements. The group's operational leasing agreements mainly refer to premises for offices and shops and shop fittings.

Depreciation

Depreciation of tangible and intangible fixed assets is based on original acquisition values less With calculated residual value and depreciated on a linear basis over the estimated The useful life and RRecognized as cost in profitBill. Each part of a tangible fixed asset with a Acquisition value that is significant in relation to the asset's total cost is depreciated separately. The following useful life periods apply:

Intangible assets

BalancesExpenditure on computer programs	5 years
BertSrätter	10 year

Tangible assets

InVentarier and installations	3-5 years
FörbättrinGsutgift on Leasehold	5 years

Inventories

Inventories are listed at the lower of acquisition value and NET realisable value. NetToförsäljningsvärdet, it is upEstimated sales price in the ordinary course of business, after deduction of estimated costs for completion and for a sale. The acquisition value is calculated according to weighted average prices.

Nedskrivningar

At each closing date, it is assessed whether there is any indication that the group's assets have decreased in value. If this is the case, the recoverable amount of an asset is calculated. In the case of goodwill, a review is carried out at least once a year regardless of whether an indication of impairment exists or not. Goodwill be tested for each cash-generating unit. The recoverable amount is the highest of an asset's net realisable value and value in use. As regards the recoverable amount of goodwill, these are based on Value. In determining the value of use now-ValueEstimated future net payments that the asset is expected to generate during the period of use. The present value calculation uses a pre-tax calculation rate that reflects the current market interest rate and the risk attributable to the asset.

If the recoverable value is less than the carrying amount, the An impairment loss on the asset to recoverable value. Reversals Impairment losses are effected if there has been a change in the Assumptions that formed the basis For the calculation of the recoveryValue. Goodwill impairment losses are not reversed. A write-down of assets other than goodwill is reversed only to the extent that the carrying amount of the asset after the reversal does not exceed the Carrying Amount AvailableWould have had if someone nedHad not been made, taking into account the depreciation Would have been made. DownExercises and reversals of NedAmortization are reported in the income statement.

At each reporting date assesses, the company evaluates whether Objective evidence that a financial asset or group of assets is in need of impairment. Objective evidence consists partly of observable conditions that have occurred and which have a negative impact on the possibility of recovering the cost of acquisition and, secondly, of a significant or prolonged reduction in the fair value of an investment in a financial Investment classified as a available-for-sale financial asset.

Dividends

Dividends are recognised as a liability after the annual general meeting approves the dividend.

Result per share

The calculation of earnings per share is based on profit for the year in the group attributable to the parent company's shareholders and on the weighted average number of shares outstanding during the year. When calculating earnings per share after dilution, the earnings and the average number of shares are adjusted to take into account the effects of dilutive potential ordinary shares which, during the reported periods, arise from warrants By senior executives and key employees within the group.

Pensioner

Commitments for pensions are classified as either fee-specific plans or defined benefit plans. Plans Mainly covers ageSpension, disability pension and post-Living pension. Obligations With respect to fees for feeSpecific plans are reported as an expense in the income statement when they arise. The value of a defined benefit pension plan is the present value of the defined benefit obligation minus the fair value of any plan assets with which the obligation is to be settled. If this net value consists of a liability, it is recognised as a provision in the balance sheet. If the net value consists of an asset, this is reported if certain Criteria are met, as a LångfriStig Financial claim. HemtexThe group's commitment to employees in Sweden is secured through insurance with ALECTA. According to a statement by the Swedish Financial Reporting Emergency group (UFR 3), this is a multi-employer defined benefit plan. At present, Alecta cannot provide the information that makes it possible to report this plan as defined-benefit. The pension plan under ITP, which is secured through an alecta insurance, is therefore reported as Defined contribution plan. At the end of December 2014, alecta surplus in the form of the collective consolidation level amounted to 143 per cent. The collective consolidation level is the market value of ALECTA assets as a percentage of the insurance commitments calculated according to Alecta actuarial calculation assumptions, which Not conform to IAS 19. Pensions in Finland are defined-contribution pension plans. Pension costs for the year are shown in Note 4.

Termination benefits

A provision is reported in connection with redundancies of staff only if the company is demonstrably obligated to terminate an employment before the normal time or when compensation is provided as an offer to encourage voluntary resignation. Where the company terminates staff, a detailed plan shall be drawn up which includes at least the workplace, positions and approximate number of persons concerned, as well as the remuneration for each category of staff or position and the time of implementation of the plan.

Provisions

A provision is recognised in the balance sheet when the group has an existing legal or constructive obligation as a result of an event occurring, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Where the effect of when payment is made is material, provisions are calculated by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, if applicable, The risks associated with the debt.

Taxes

Total tax is the current tax and deferred tax. Taxes are reported in the profit or loss for the year, other comprehensive income or directly in equity based on where the underlying transaction is reported.

Current tax is tax that is to be paid or received for the current year. This includes adjustment of current tax attributable to previous periods.

Deferred tax is calculated according to the balance sheet method on the basis of temporary differences between the carrying amounts and the tax values of assets and liabilities. The amounts are calculated based on how the temporary differences are expected to be capped and applying the tax rates and tax rules that are decided or announced as of the balance sheet date. Temporary differences are not taken into account in group goodwill, nor in differences attributable to shares in subsidiaries and associates that are not expected to be taxed in the foreseeable future.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognised only to the extent that it is probable that they will result in lower tax payments in the future.

Borrowing costs

Borrowing costs are charged to the result in the period to which they relate. Hemtex holds no so-called qualifying assets for which these expenses are to be capitalised.

Eventualförpliktelser (Ansvarsförbindelser)

A contingent liability is recognised when there is a possible commitment arising from past events and whose existence is confirmed only by one or more uncertain future events or when there is a commitment that is not recognised as a liability or Provision because it is unlikely that an outflow of resources will be required.

Kassaflödesanalys

The cash flow statement is prepared in accordance with the indirect method, which means that the profit after financial items is adjusted for transactions that did not involve cash receipts or payments during the period and for any revenues and expenses attributable to Cash flows of investment activities.

Parent company Accounting Policies

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the recommendation of the Swedish Financial Reporting Board RFR 2 "Accounting for legal entity". RFR 2 means that the parent company in the annual report of the legal entity shall apply all of the EU-approved IFRSs and statements as far as possible within the framework of the annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation specifies the exceptions and additions to be made from IFRSs.

Differences between the group's and the parent company's accounting policies

The accounting principles for the parent company described below have been applied consistently to all periods presented in the parent company's financial statements.

Classification and presentation forms

The parent company's income statement and balance sheet are set out in accordance with the annual Accounts Act schedules.

Subsidiary

Shares in subsidiaries are reported in the parent company according to the acquisition value method. All dividends received are recognised as revenue. The item shares in subsidiaries Nedskrivningstestas if there are indications or reasons to believe that the recoverable amount is less than the carrying value.

Intangible assets

In the parent company, Goodwill is recognised in the balance sheet that arose in connection with the merger of subsidiaries and in asset acquisitions.

In the parent company, Goodwill Amortization is 20 years. Reason For the estimated lifespan, the acquisitions have been important for the construction of Hemtex and geographic coverage of the market. Furthermore, these entities enable the strategic use of the group's penetration and purchasing organisation.

Taxes

Untaxed reserves, including deferred tax liabilities, are reported in the parent company. In the consolidated financial statements, however, untaxed reserves are divided into deferred tax liabilities and equity.

Financial instruments

Hemtex applies the exemption rule in RFR 2 and reports financial instruments according to a method based on acquisition value.

All amounts are reported, unless otherwise stated, in SEK thousands (TKR)

2. Segment reporting

Accounting by Operating segment 2014					
	Group				
	Sweden	Finland	Estonia	Adjustments	Total

Revenue					
External net sales	925 034	100 079	16 263	-	1 041 376
Internal net sales	43 790	-	-	-43 790	-
Summa	968 824	100 079	16 263	-43 790	1 041 376
Operating income	29 889	- 9 803	174	-	20 260
Ofördelade ränteutgifter	-	-	-	-	24
Unallocated interest expenses	-	-	-	-	-7 081
Profit/Loss after net financial items	-	-	-	-	13 203
Other information					
Inventories	175 957	13 178	3 816	-	192 951
Other assets	385 293	16 499	3 292	-13 629	391 455
Unallocated assets	-	-	-	-	-
Total assets	561 250	29 677	7 108	-13 629	584 406
Debt	286 769	40 851	1 123	-27 986	300 757
Unallocated liabilities	-	-	-	-	-
Total liabilities	286 769	40 851	1 123	-27 986	300 757
Investment	22 362	3 390	1 118	-	26 870
Depreciation, tangible assets	8 828	1 124	365	-	10 317
Amortization, intangible assets	24 283	-	-	-12 668	11 615

Accounting by Operating segment 2013						
	Group					
	Sweden	Finland	Estonia	Denmark	Adjustments	Total
Revenue						
External net sales	875 144	92 750	13 423	-	-	981 317
Internal net sales	43 401	-	-	-	-43 401	-
Summa	918 545	92 750	13 423	-	-43 401	981 317
Operating income	268	- 9 371	- 130	306	-	-8 927
Ofördelade ränteutgifter	-	-	-	-	-	35
Unallocated interest expenses	-	-	-	-	-	-7 177
Profit/Loss after net financial items	-	-	-	-	-	-16 069
Other information						
Inventories	161 721	13 038	2 066	-	-	176 825
Other assets	380 689	16 121	3 210	-	-11 744	388 276
Unallocated assets	-	-	-	-	-	-
Total assets	542 410	29 159	5 276	-	-11 744	565 101
Debt	281 319	39 652	572	-	-27 119	294 424
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	281 319	39 652	572	-	-27 119	294 424
Investment	28 110	2 030	31	-	-	30 171
Depreciation, tangible assets	8 671	1 145	477	-	-	10 293
Amortization, intangible assets	24 165	-	-	-	-12 660	11 505

The segment's operating profit includes the results of the retail business in each market. The results of the Swedish wholesale business from sales to the respective markets are included in the Sweden business segment.

The adjustments column refers to internal balances and the allocation of goodwill to the Swedish segment, which is the only cash-generating unit in which goodwill is recognised.

Net sales per geographic market for the parent company		
	2014	2013
Sweden	941 297	888 567
Finland	43 790	43 401
Summa	985 087	931 968

Net sales	Group		Parent company	
	2014	2013	2014	2013
Sales to Franchise	32 764	25 414	32 764	25 414
Sales to stores in subsidiaries	-	-	43 790	43 401
Sales to consumers in own stores	1 008 612	955 903	908 533	863 153
Summa	1 041 376	981 317	985 087	931 968

In addition to the goods of Hemtex's own range, sales to franchise include genomfakturering of products from contract suppliers which are not marginalized and further invoicing of store equipment and computer equipment.

3. Other Operating income

	Group		Parent company	
	2014	2013	2014	2013
Franchiseavgifter	1 555	1 606	1 555	1 606
Provision	168	437	168	437
Management Fee	-	-	2 520	2 309
Other	2 968	334	2 849	247
Summa	4 691	2 377	7 092	4 599

4. Employees and personnel costs

Average number of employees

The average number of employees within the group and salaries and remuneration is shown in the following summary. The average number of employees has been calculated by setting the number of hours of attendance in relation to normal working time in each country. The data on the number of employees

Salaries and remuneration refer to the period 1 January to 31 December for each year.

	2014		2013	
	Average number of employees	Including Men	Average number of employees	Including Men

Parent company

Hemtex AB	481	41	479	43
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Subsidiary

Hemtex Ltd, Finland	76	2	73	2
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Hemtex International AB	1	-	1	-
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Group Total	558	43	553	45
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Presentation of gender distribution in management

	2014		2013	
	Number		Number	
	Number of men	Women	Number of men	Women
Parent company				
Board	3	4	3	3
Other senior executives	6	2	5	2
Group Total				
Board	9	4	9	3
Other senior executives	6	2	5	3

Salaries, other remuneration and social security costs

	2014		2013	
	Salaries and other remuneration	Social costs (of which pensions-Costs	Salaries and other remuneration	Social costs (of which pensions-Costs
Parent company	180 922	64 033	173 574	61 074
		-9 758		-11 121
Subsidiary	24 196	5 770	22 620	5 559

		-4 582		-3 820
Group	205 118	69 803	196 194	66 633
		-14 340		-14 941

The group's pension costs for the company's management and a former retiring executive (9 persons) amount to SEK 2 744 (2 495) for the Board of Directors (7 persons) amounts to SEK pension (SEK 0 thousand).

Hemtex Group has today both defined benefit plans and defined contribution plans. All employees in Sweden are linked to the ITP plan via Alecta, which is a defined benefit plan but are reported as a defined contribution plan according to a statement by the Swedish Financial Reporting Board (UFR 3). At present, Alecta cannot provide such information that makes it possible to report this ITP plan as defined benefit. Pensions in Finland are defined-contribution pension plans. Obligations relating to contributions to defined contribution plans are recognised as an expense in the income statement when they arise.

Salaries and other remuneration distributed by country

	2014		2013	
	GovernanceLSE and leading Senior- Executives (12 people)	Other Employees	Board of Directors and senior executives- Executives (12 people)	Other Employees
Parent company				
Hemtex AB	11 369	169 553	10 459	164 816
Subsidiary				
Hemtex Ltd, Finland	-	21 955	-	19 671
Hemtex International AB, Sverige	2 241	-	1 248	-
Group	13 610	191 508	11 707	184 487

Sickness absence in the parent company

Reporting of sickness absence during the period 1 January to 31 December for each year.

%	2014	2013
Total sickness absence	4,89	4,71
Långtidssjukfrånvaro	2,78	2,64
Sickness absence for men	1,74	0,84
Sick leave for women	5,3	5,3
Employees, age until 29 years	4,48	3,31
Employees, age 30 – 49 years	4,88	4,77
Employees, age from January 50 years	5,12	5,29

Salary and remuneration policy for senior executives 2014

The annual general meeting on 11 April 2014 decided on the following principles. This policy deals with salaries and other remuneration for group management including the President and CEO, hereinafter referred to as "senior executives".

Ersättningsutskott

The board members appoint a remuneration committee for each year of operation. The committee has the task of taking forward proposals for salary and other remuneration for the President and CEO and to consider proposals for salaries and other remuneration for other senior executives.

Basic Principles

Remuneration to senior executives within Hemtex is based on principles of performance, competitiveness and equity. Different remuneration components are in varying degrees suitable to reflect these principles. Therefore, a mixture of several components is used to replace principles in a balanced way.

Senior executives' total remuneration consists of fixed salary, annual variable remuneration and pension and other benefits. Together, these components constitute an integrated replacement package.

For each financial year, the details of the total remuneration of senior executives are described in the annual report for the current financial year.

The ratio between fixed and variable salary and the correlation between performance and remuneration

The fixed salary is determined on the basis that it will be competitive. The absolute level depends on the size and complexity of the current position and the annual performance of the senior holders.

The relationship between fixed and variable salary shall reflect the Board's assessment of a reasonable balance between fixed and variable replacement parts and current market practices for senior managers.

Variable remuneration in main features

The variable remuneration of the senior holders is related to the achievement of the budget and targets for the results level of Hemtex. The annual variable remuneration of the senior holders shall normally not exceed (i) five monthly salaries for the Managing director, where 80 percent in equal shares relate to targets linked to sales growth and profitability in accordance with the budget and the remaining 20% to predefined individual targets, (ii) four monthly salaries for CFO, and (iii) one to three monthly salaries for other members of Hemtex's management.

The relationship between fixed and variable salary shall reflect the Board's assessment of a reasonable balance between fixed and variable replacement parts and current market practices for senior managers.

The fixed salary during the period of notice and severance pay shall not exceed the amount corresponding to the fixed salary for one year. However, fixed salary and/or severance pay shall not be payable if the former employee in the period in which such compensation is to be paid, recovers or assumes new employment. If such compensation were still payable, the former employee would be repayable.

Pension

Pension benefits must be competitive in each country. For the senior executives who have agreed on pension benefits in addition to ITP in their employment contracts, a supplementary pension premium is payable. This premium amounts to a certain percentage based on the fixed monthly salary including the bonus for the President and CEO and a certain percentage based on the fixed monthly salary of other senior executives, who have this benefit in its agreement. Variable remuneration shall not be pensionable.

The retirement age is normally 65 years but may vary in individual cases.

Other benefits

The basic rule is that other benefits, such as benefit cars and medical plans, should be competitive in the local market.

Benefits to the Board of directors and senior executives

Board

Fees are paid to the Chairman and members elected by the AGM at the AGM's decision.

The Chairman's fee for the financial year 2014 amounts to SEK 0 (0). Other external members' fees for the financial year total SEK 850 (850). Remuneration to the remuneration committee amounts to 75 (75), according to the AGM's decision. Fees to the Audit committee amount to SEK 75 (75), according to the AGM's decision. No fee is paid to the Chairman of the board, Stein Petter Ski and board member Liv Forhaug. In accordance with the rules in force, it has been possible for board members who meet certain conditions to invoice the amount of the board and committee fees. The board member may then impose an amount relating to social security contributions on his invoice. The social security contributions that are then included in the invoiced amount are not higher than the employer fees the company would otherwise have paid. The entire fee, i.e. the cash portion of the fees and the committee fee, including social security contributions, is then invoiced on board fees.

Remuneration and other benefits to the members of the Board Under 2014

	Board fees	Remuneration committee	Fee Audit Committee
Stein Petter Ski (ORDF)	-	-	-
Ingemar Charleson	170	25	-

Mats Holgerson	170	-	50
Christel Kinning	170	50	-
Paul Adlercreutz	170	-	25
Rocky AF Ekenstam Brennicke	170	-	-
Liv Forhaug	-	-	-
Summa	850	75	75

Remuneration and other benefits to the members of the Board Under 2013

	Board fees	Remuneration committee	Fee Audit Committee
Stein Petter Ski (ORDF)	-	-	-
Ingemar Charleson	170	25	-
Mats Holgerson	170	-	50
Christel Kinning	170	50	-
Paul Adlercreutz	170	-	25
Rocky by Eken Stam Brennicke	170	-	-
Summa	850	75	75

Managing Director

Peder Larsson's fixed monthly salary is 250 Ksek and he has in addition to this right to compensation of SEK 2.3 m paid at Termination of employment. No variable remuneration for the financial year has been discontinued. The CEO also has a health insurance.

The pension for the financial year amounted to 571 (586). The President and CEO is subject to pension benefits under ITP 2, with 65 years as the normal retirement age.

Peder Larsson is entitled to pay for a six-month notice of termination on the part of Hemtex. Upon termination by the CEO, six months ' notice period applies. In so far as the Executive director takes office outside Hemtex during the period of notice, the remuneration received by the Executive Director shall be deducted from the salary paid by Hemtex. Peder Larsson is entitled to pay for a notice period of 6 months upon termination by Hemtex. Upon termination by the CEO, six months ' notice period applies. In so far as the Executive director takes office outside Hemtex during the period of notice, the remuneration received by the Executive Director shall be deducted from the salary paid by Hemtex.

For six months after the termination of employment, the Executive Director is bound by a prohibition of competition. To compensate for this, Hemtex shall, during the period of validity of the prohibition of competition, pay compensation equal to the difference between his fixed cash monthly salary from Hemtex at the end of his employment and the (lower) income he subsequently earns in new Acquisition activities. However, the contribution from Hemtex shall not exceed 60% of the fixed cash salary from Hemtex.

Other executives

The basic salary for the other 8 (8) Persons in management has been 8 356 (7 567). Bonus has been paid with 0 (72) Ksek. The pension for the financial year amounted to 2 173 (1 909). Pension benefits are based on a general pension plan. Pensionable salary consists of basic salary and a Average of the last three years ' variable remuneration. All of the company management has a company car. Retirement age amounts to 65 years. In the event of termination by the employer, an unchanged salary is payable for 12 months. In case of termination by employees, six months are valid.

Remuneration and other benefits to other senior executives under 2014 (amounts relate to payments paid)

2014	Basic Salary	Variable remuneration	Other benefits	Pensions-Cost	Other remuneration	Summa
CEO, Peder Larsson	3 000	-	-	571	-	3 571
Other senior executives ¹	8 356	-	649	2 173	-	11 178
Summa	11 356	-	649	2 744	-	14 749

1) Management 2014 (excluding CEO): Niklas Odequist, Ann Bernlert, ULF Seger, Lena Nyberg-Collin, Ted Bergström, Anette Jansz, Ramzi el Amri, Andreas Berntsson.

Remuneration and other benefits to other senior executives under 2013 (amounts relate to payments paid)

2013	Basic Salary	Variable remuneration	Other benefits	Pensions-Cost	Other remuneration	Summa
Acting CEO, Peder Larsson ¹	-	-	-	-	889	889
CEO, Peder Larsson ²	2 110	-	-	586	-	2 696
Other senior executives ³	7 567	72	607	1 909	-	10 155
Summa	9 677	72	607	2 495	889	13 740

1) Remuneration to the TF CEO is billed monthly.

2) Peder Larsson takes over as CEO on April 15, 2013.

3) Management 2013 (excluding CEO): Niklas Odequist, Ann Bernlert, ULF Seger, Lena Nyberg-Collin, Ted Bergström, Anette Jansz, Ramzi el Amri, Stefan Högvist.

5. Auditors ' fees

Remuneration to the company's audit firm has been paid out with the following amounts. Audit assignments refer to the audit of the annual accounts and accounting records as well as the administration of the Board of Directors and the managing Director, as well as advice or other assistance resulting from observations made during such review or execution of such other Data.

Audit activities In addition to the audit assignment refer to different types of quality assurance services, which shall result in a report, certificate or similar. This includes, for example, review of the interim report. Tax advice refers to advice related to taxes, VAT and staff taxation. Everything else is other services.

	Group		Parent company	
	2014	2013	2014	2013
Ernst & Young				
Revisionsuppdraget	1 186	1 137	1 024	955
Auditing in addition to the audit engagement	42	111	42	111
Skatterådgivning	-	-	-	-
Other services	-	-	-	-
Summa	1 228	1 248	1 066	1 066

6. Depreciation, amortization and impairment of tangible and intangible fixed assets

	Group		Parent company	
	2014	2013	2014	2013
Capitalised expenditure on computer programs	-7 357	-6 624	-7 357	-6 624
Tenancy	-4 258	-4 881	-4 258	-4 881
Goodwill	-	-	-12 668	-12 660
Equipment and installations	-8 300	-9 411	-7 604	-8 648
Improvement expenditure on leasehold	-2 017	-882	-1 589	-500
Summa	-21 932	-21 798	-33 476	-33 313

The group does not write off goodwill and in the parent company Goodwill is depreciated in 20 years. Goodwill in the parent company arises in connection with the merger of subsidiaries and in connection with asset acquisitions. The reason for the estimated lifespan is that the acquisitions have been important for Hemtex's and geographic coverage of the market. Furthermore, these entities enable strategic use of the group's penetration and purchasing organisation. For information on impairment testing for goodwill, see note 11.

7. Exchange differences affecting earnings

	Group		Parent company	
	2014	2013	2014	2013
Exchange differences affecting operating profit	22 717	24 294	19 083	24 320
Summa	22 717	24 294	19 083	24 320

Transaktionsexponering

The group's purchases are made primarily in foreign currencies, mainly in USD and EUR, while sales are in the currency of each subsidiary. This means that the group's sales and earnings are affected by currency fluctuations. The group mainly uses currency futures to limit the effect of short-term exchange rate fluctuations.

8. NET Financial Items

	Group		Parent company	
	2014	2013	2014	2013

Ränteintäkter, koncernföretag	-	-	1 073	820
Interest income, other	24	35	13	30
Total financial income	24	35	1 086	850
Income from shares in subsidiaries	-	-	-3 400	-730
Interest expenses, other	-7 081	-7 177	-7 076	-7 176
Total financial expenses	-7 081	-7 177	-10 476	-7 906
NET Financial Items	-7 057	-7 142	-9 390	-7 056

9. Tax

Reconciliation of current tax rate and effective tax rate

	Group		Parent company	
	2014	2013	2014	2013
Reported profit before tax	13 203	-16 069	-3 162	-27 376
Tax according to the applicable tax rate for the parent company	-2 905	3 535	695	6 023
Tax effect of:				
Effect of foreign tax rates	-	-	-	-
Non-deductible expenses	-3 564	-3 348	-3 564	-3 348
Non-taxable income	67	136	67	136
Reconsidered and unaccounted loss carryforwards and other items	6 402	-323	2 802	-2 811
Adjustment of current tax attributable to previous years	-	-	-	-
Redovisad Effective tax	-	-	-	-

Tax rates

	2014	2013
Sweden	22,0%	22,0%
Finland	24,5%	24,5%

On 1 January 2014, the deferred Nettoskattefordran amounted to SEK 0 thousand. No further deferred tax assets have been included in the 2014.

In total, loss carryforwards after deduction of temporary differences in tax and book value of fixed assets amounted to approximately SEK 505 m. of this amount, approximately SEK 10 m pertains to operations in Finland and approximately 495 million in Hemtex AB. The deficit carryforwards have no Time limit in Sweden, while in Finland they are limited to 10 years from the Year in which they arise.

On January 1, 2013, the reported deferred tax Nettoskattefordran to SEK 0 thousand. No further deferred tax assets have been included in 2013.

In total, loss carryforwards after deduction of temporary differences in tax and book value of fixed assets amounted to approximately SEK 517 m. of this amount, approximately SEK 9 million pertains to operations in Finland and about SEK 508 million in Hemtex AB. The deficit carryforwards have no Time limit in Sweden, while in Finland they are limited to 10 years from the Year in which they arise.

The losses in Denmark are no longer included when the Danish company was liquidated in 2013.

10. Result per Share

	Group	
	2014	2013
Profit for the year	13 203	-16 069
Basis for calculating earnings per share before dilution	13 203	-16 069
Average number of shares before dilution	95 835 506	95 835 506
Earnings per share before dilution	0,14	-0,17
Basis for calculating earnings per share after dilution	13 203	-16 069
Average number of shares after dilution	95 835 506	95 835 506
Diluted earnings per share	0,14	-0,17

Calculation of average number of shares

	Group	
	2014	2013
Opening number of shares on January 1	95 835 506	95 835 506
New Share issue	-	-

Closing number of shares on December 31	95 835 506	95 835 506
Average number of shares during the period	95 835 506	95 835 506
Additional shares due to dilution effect	-	-
Average number of shares during the period after dilution	95 835 506	95 835 506

During the year, no Treasury shares have been acquired or transferred. As of 31 December 2014, neither Hemtex AB nor any company in the group had a shareholding in Hemtex AB. Hemtex AB has only one class of shares in which all equities have equal voting value. There are no instruments that can cause dilution.

11. Intangible assets

Capitalised expenditure on computer programs	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	59 778	47 068	59 778	47 068
Capitalised expenditure for the year	4 433	12 710	4 433	12 710
Divestments and disposals	-	-	-	-
Closing accumulated acquisition values	64 211	59 778	64 211	59 778
Opening depreciation according to plan	-38 068	-31 444	-38 068	-31 444
Divestments and disposals	-	-	-	-
Depreciation for the year	-7 357	-6 624	-7 357	-6 624
Closing accumulated depreciation according to plan	-45 425	-38 068	-45 425	-38 068
Carrying Amount	18 786	21 710	18 786	21 710

Group	Parent company
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Tenancy

	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	57 841	57 841	57 841	57 841
Acquisitions for the Year	-	-	-	-
Divestments and disposals	-	-	-	-
Closing accumulated acquisition values	57 841	57 841	57 841	57 841
Opening depreciation according to plan	-47 827	-42 946	-47 827	-42 946
Divestments and disposals	-	-	-	-
Depreciation for the year	-4 258	-4 881	-4 258	-4 881
Closing accumulated depreciation according to plan	-52 085	-47 827	-52 085	-47 827
Carrying Amount	5 756	10 014	5 756	10 014

Goodwill

	Group	Parent company		
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	291 641	290 991	253 359	252 709
Acquisitions for the Year	-	650	-	650
Divestments and disposals	-	-	-	-
Closing accumulated acquisition values	291 641	291 641	253 359	253 359
Opening depreciation according to plan	-	-	-88 641	-75 981
Divestments and disposals	-	-	-	-
Depreciation for the year	-	-	-12 668	-12 660
Closing accumulated depreciation according to plan	-	-	-101 309	-88 641
Opening write-downs	-42 149	-42 149	-19 334	-19 334
Impairment losses for the year	-	-	-	-
Closing accumulated write-downs	-42 149	-42 149	-19 334	-19 334
Carrying Amount	249 492	249 492	132 716	145 384

A review of the goodwill has been made in connection with the annual accounts on the last December 2014. No impairment was found in the trial.

Goodwill was tested for the cash-generating unit, the Swedish retailer, on the basis of value when goodwill is only reported for the Swedish retail business. The value is based on the present value of the future cash flows that the entity is expected to generate. When calculating future cash flows, the company's budget and forecasts have been used. The management has determined the budget and forecasts based on the past two years' outcomes and expectations of sales and cost developments according to the company's business plan. Key assumptions underlying the calculation of future cash flows consist of sales development, product mix, gross margin and cost development and investment level. The Budget and forecasts refer to year 2015-2019 and cash flows for the period thereafter are extrapolated from a growth rate of 2.0 (2.5) percent. The eternal growth factor used is based on the company's expectations of market and inflation developments.

Nyttjandevärdena was calculated with a discount rate amounting to 10.6 (11.5) percent before tax. The decrease compared to last year is primarily attributable to a lower risk-free interest rate. The discount rate stated before tax reflects the specific risks that apply to the Swedish retail business.

An overall analysis has been made of the sensitivity of the variables used. A reasonably possible change in an important assumption or discount rate is not expected to lead to any impairment. For example, the assumption of a deterioration in the annual growth rate from 2.0% to 1.0% or an assumption of an increase in the discount rate from 10.6% to 12% before tax would not entail any impairment. A decrease in EBITDA margin of One percentage point Or an increased level of investment by one percentage point throughout the forecast period would not entail any impairment.

In the assessment of other intangible assets, management has not had any indication that an impairment requirement was present within the group.

12. Tangible fixed Assets

Equipment and installations

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	171 811	158 473	139 020	128 091
Acquisitions for the Year	15 322	12 099	12 826	10 819
Divestments and disposals	-4 897	-	-4 733	-
Translation differences for the year	2 233	1 239	195	110
Closing accumulated acquisition values	184 469	171 811	147 308	139 020
Opening depreciation according to plan	-150 556	-139 978	-119 300	-110 597
Divestments and disposals	4 808	-	4 708	-
Depreciation for the year	-8 300	-9 411	-7 604	-8 648
Translation differences for the year	-2 129	-1 167	-136	-55
Closing accumulated depreciation according to plan	-156 177	-150 556	-122 332	-119 300
Carrying Amount	28 292	21 255	24 976	19 720

Improvement expenditure on leasehold

	Group		Parent company	
	2014	2013	2014	2013

	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	28 616	22 732	22 277	17 341
Acquisitions for the Year	6 101	5 692	5 207	4 936
Divestments and disposals	-511	-	-38	-
Translation differences for the year	393	192	-	-
Closing accumulated acquisition values	34 599	28 616	27 446	22 277
Opening depreciation according to plan	-21 940	-20 866	-16 829	-16 329
Depreciation for the year	-2 017	-882	-1 589	-500
Divestments and disposals	387	-	26	-
Translation differences for the year	-305	-192	-	-
Closing accumulated depreciation according to plan	-23 875	-21 940	-18 392	-16 829
Carrying Amount	10 724	6 676	9 054	5 448

13. Financial Fixed Assets

Shares in Group companies

	Parent company	
	2014	2013
Opening acquisition value	69 925	66 625
Acquisitions for the Year	3 400	3 300
Sales	-	-
Closing accumulated acquisition values	73 325	69 925
Opening write-downs	-69 874	-66 573
Impairment losses for the year	-3 400	-3 301
Closing accumulated write-downs	-73 274	-69 874
Closing residual value according to plan	51	51

Parent company's Direct holdings in subsidiaries

	Capital Share, %	Rösträtts- Share, %	Number Shares	Posted Value
Hemtex Ltd, Finland	100	100	3 000	1
Hemtex International AB	100	100	500	50
Summa				51

Koncernföretag

	Corporate	Seat
Hemtex Ltd, Finland	1650251-5	Helsinki
Hemtex International AB	556905-3845	Borås

Other long-term securities holdings

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	1	1	1	1
Acquisitions for the Year	-	-	-	-
Sales	-	-	-	-
Closing accumulated acquisition values	1	1	1	1

Other long-term receivables

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	2 351	2 320	2 351	2 320
Additional receivables	722	42	722	42
Regulated receivables	-10	-11	-10	-11
Closing accumulated acquisition values	3 063	2 351	3 063	2 351

Other long-term receivables consist mainly of endowment insurance.

14. Prepaid expenses and accrued income

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Prepaid rents	28 671	26 024	28 671	26 024
Prepayments	3 844	2 516	3 816	2 445
Accrued income	660	614	660	614

Summa	33 175	29 154	33 147	29 083
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15. Equity

Shareholders ' equity in the group

Share capital

The parent company's share capital.

Other contributed capital

Refers to shareholders ' equity that is contributed by the owners. This includes the share premium accounts transferred to the Reserve Fund as at 31 December 2005. Provisions to the share premium Reserve from 1 January 2006 onwards are also reported as contributed capital.

Book

Hemtex's reserves consist only of the translation reserve. The translation reserve includes all exchange rate differences arising from the conversion of financial statements from foreign operations that have prepared their financial statements in a currency other than the currency in which the group's financial statements Presented in the parent company and the Group presents its financial statements in Swedish kronor.

Retained earnings including profit for the year

Retained earnings including profit or loss for the year include earnings in the parent company and its subsidiaries less dividends paid.

Equity in the parent company

Share capital

The registered share capital amounts to 239 589 (239 589) and consists of 95 835 406 (95 835 406) shares. Hemtex AB has only one share class where all shares have equal voting value.

Restricted funds

Restricted funds must not be reduced by distribution of profits.

Free Equity

Premium Account: When the share is issued in excess of the shares, that is, for the shares to be paid more than the quota value of the equities, an amount equal to the amount received above the quotient value of the shares shall be transferred to share Premium reserve.

Retained earnings including profit/loss for the year: corresponds to the accumulated gains and losses that were generated in total less dividends paid.

Kapitalhantering

According to the Board's policy, the group's financial objective is to future a good capital structure and to achieve financial stability in order to create confidence in investors, creditors and the market and to provide a basis for further development of Business. Capital is defined as total shareholders ' equity.

In managing the capital, the group follows up several Measurement values including Other equity ratio, indebtednessRate, cash flow after investments and net debt in relation to EBITDA. Results of these and comparative figures are shown in the Flerårsöversikten on page 69.

16. Liabilities to credit institutions

The banks have extended the current credit agreement to the 30 June 2016.

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Total liabilities to credit institutions	70 000	70 000	70 000	70 000
of which are reported as current liabilities	-	-70 000	-	-70 000
Long-term liability to credit institutions	70 000	-	70 000	-
Expires between one and five years	70 000	-	70 000	-

Expires later than five years

Loan of SEK 70 m with interest 2.97% due 2016-06-30 in full.

17. Checkräkningskredit

See information on the banks ' credit agreements under note 16.

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Approved Credit limit	92 514	92 196	91 562	91 302
Unused portion	-41 325	-42 835	-40 373	-41 941
Utilised Credit Amount	51 189	49 361	51 189	49 361

Interest rate on granted overdraft facility as per 2014-12-31 is 2.14%-2.59%.

18. Derivattillgångar/derivatskulder

Derivative assets/Derivative liabilities consist of currency forward contracts for USD. As of the balance sheet date, the value of outstanding forward contracts amounted to 4 012 (378). The value of outstanding forward contracts during 2014 affected operating profit positively by SEK 3 634 (918), due to a rising USD rate. The effect of the change in value of outstanding forward contracts is recorded in the item merchandise because the hedging measure relates to the purchase of goods.

The fair value of forward exchange contracts is determined using quoted rates for currency forwards on the balance sheet date. The valuation corresponds to level 2 according to IFRS 13.

Due to the correlation between accounting and taxation, the rules on financial instruments in IAS 39 are not applied to the parent company as a legal entity; Without these rules will continue to apply only to the consolidated financial statements.

The value of outstanding forward contracts as at 31 December is reported under the heading "Other receivables".

19. Accrued expenses and deferred income

Group	Parent company

	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Holiday and salary debt	35 064	33 406	30 454	28 852
Accrued Social security contributions	17 955	16 828	16 631	15 462
Other Items	5 387	2 634	4 285	2 604
Summa	58 406	52 868	51 370	46 918

20. Pledged assets

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
For own liabilities and provisions				
Företagsinteckningar	303 806	303 577	300 000	300 000
Shares in Group companies	147	75	51	51
Endowment	3 025	2 303	3 025	2 303
Total for own liabilities and provisions	306 978	305 955	303 076	302 354

21. Eventualförpliktelser/Ansvarsförbindelser

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Other contingent liabilities	3 700	3 700	3 700	3 700
Summa	3 700	3 700	3 700	3 700

Other contingent liabilities pertains to the customs guarantee 2 000 Ksek, 1 500 tsek guarantee against the carrier and 200 Tsek other.

22. Leasing charges for operational leasing

The group and the parent company have entered into leasing agreements for their own stores and offices with the following leasing commitments. Hemtex AB Vidareuthyr A small number of leasing assets to a few franchisees. These do not amount to any material amount, which is why no information is provided on these. The following information does not include leasing agreements where Hemtex AB only vidarefakturerar paid rent. For the leasing agreements that are commercial, only the agreed Bashyra is specified. In addition, the parent company and the group have leasing agreements for computer systems, equipment and company cars.

	Group		Parent company	
	2014	2013	2014	2013
	31 dec	31 dec	31 dec	31 dec
Financial year's expensed leasing fees (incl. variable fees)	162 746	157 488	135 483	133 296

	Group		Parent company	
	Furniture	Local	Furniture	Local
Agreed future minimum lease payments				
2015	9 446	122 061	9 446	106 704
2016	2 806	78 666	2 806	67 876
2017	676	43 091	676	36 319
2018	-	19 940	-	16 127
2019 and later	-	10 698	-	6 564

Variable fees in the form of sales rent are not in agreed future Minileasingavgifter as above. Based on history, the variable fees are marginal in relation to the total cost. For 2014, the variable fees were 0.1 per cent of the expensed leasing charges for the financial year. The contracts are dismissable with a notice period of between 6 and 12 months before the end of the agreement.

The possibility of renegotiation is normally not available during the duration of the contracts.

No option to acquire the items does not exist.

23. Adjustment for items not included in cash flow

	Group		Parent company	
	2014	2013	2014	2013
Depreciation, amortization and impairment of assets	21 932	21 798	33 476	33 313
Valutakursdifferenser	-2 453	-1 245	-783	-424
Allocated to pensions	897	53	897	53
Summa	20 376	20 606	33 590	32 942

24. Interest paid

	Group		Parent company	
	2014	2013	2014	2013
Interest received	24	35	12	30
Interest paid	7 081	7 098	7 076	7 083

25. Acquisition of subsidiaries/businesses

During 2014, no acquisitions of subsidiaries/businesses have taken place.

2013	Carrying Amount Before acquisition	Fair value Adjustments	Fair value Carrying amount of the group
Intangible assets	-	-	-
Tangible fixed Assets	-	-	-
Inventories	483	-	483
Total identified net assets	483	-	483
Goodwill	-	-	650
Rörelseskulder	163		163
Total identified net assets incl. Goodwill	-	-	970
Purchase price paid	-	-	970
Effect on the group's liquid funds	-	-	970

During April 2013, a franchised store was acquired in Katrineholm with an annual turnover of approximately SEK 3.5 million. The purchase price for The Franchisebutiken amounted to a total of SEK 1.0 million and was paid in cash. Giblets in the store amounted to SEK 0.3 m, which resulted in a goodwill of SEK 0.7 million. The store contributed SEK 2.7 m in sales and SEK 0.4 m in operating profit during the financial year.

No intangible fixed assets other than goodwill have been identified in connection with the acquisition of Franchisebutiken during the financial year 2013.

Since Hemtex AB delivered most of the goods that acquired franchise sold, the group's turnover will not be affected by the whole of the above Turnover at the consumer level. The estimated turnover in the group amounts to approximately half of the acquired sales.

26. Financial risks and Riskpolicies

Financial assets and liabilities

The financial assets available and used in the group are liquid funds, trade receivables, loan receivables, derivatives and financial assets valued at fair value through profit or loss for the year.

The financial liabilities that exist and are used in the group are accounts payable, overdrafts, interest-bearing liabilities to credit institutions and derivatives.

Volvo Group 2014	Financial derivatives	Customer and loan receivables	Other Financial liabilities	Total Carrying Amount *	Non-financial assets and liabilities	Summa
Other long-term securities holdings	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	3 063	3 063
Kundfordringar	-	6 557	-	6 557	-	6 557
Other current receivables/derivatives	4 012	-	-	4 012	2 883	6 895
Cash and Bank	-	27 914	-	27 914	-	27 914
Summa	4 012	34 471	-	38 483	5 947	44 430
Long-term liabilities to credit institutions	-	-	70 000	70 000	-	70 000
Current liabilities to credit institutions	-	-	51 189	51 189	-	51 189
Accounts payable	-	-	73 459	73 459	-	73 459
Derived	-	-	-	-	-	-
Summa	-	-	194 648	194 648	-	194 648

Volvo Group 2013	Financial derivatives	Customer and loan receivables	Other Financial liabilities	Total carrying Amount	Non-financial assets and liabilities	Summa
Other long-term securities holdings	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	2 351	2 351
Kundfordringar	-	3 853	-	3 853	-	3 853

Other current receivables/derivatives	378	-	-	378	3 364	3 742
Cash and Bank	-	40 028	-	40 028	-	40 028
Summa	378	43 881	-	44 259	5 716	49 975
Long-term liabilities to credit institutions	-	-	-	-	-	-
Current liabilities to credit institutions	-	-	119 361	119 361	-	119 361
Accounts payable	-	-	78 497	78 497	-	78 497
Derived	-	-	-	-	-	-
Summa	-	-	197 858	197 858	-	197 858

* The difference between financial assets and liabilities booked and fair values is not considered to be material.

	Items valued at fair value Through profit for the year	Customer and loan receivables	Other Financial liabilities	Total carrying Amount	Non-financial assets and liabilities	Summa
Parent company 2014						
Other long-term securities holdings	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	3 063	3 063
Kundfordringar	-	6 481	-	6 481	-	6 481
Cash and Bank	-	16 505	-	16 505	-	16 505
Summa	-	22 986	-	22 986	3 064	26 050
Long-term liabilities to credit institutions	-	-	70 000	70 000	-	70 000
Current liabilities to credit institutions	-	-	51 189	51 189	-	51 189
Accounts payable	-	-	71 785	71 785	-	71 785
Summa	-	-	192 974	192 974	-	192 794

	Items valued at fair value Through profit for the year	Customer and loan receivables	Other Financial liabilities	Total carrying Amount	Non-financial assets and liabilities	Summa
Parent company 2013						
Other long-term securities holdings	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	2 351	2 351
Kundfordringar	-	3 845	-	3 845	-	3 845
Cash and Bank	-	26 580	-	26 580	-	26 580
Summa	-	30 425	-	30 425	2 352	32 777
Current liabilities to credit institutions	-	-	119 361	119 361	-	119 361
Accounts payable	-	-	77 083	77 083	-	77 083

Summa	-	-	196 444	196 444	-	196 444
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Kundfordringar	Group	
	2014	2013
Kundfordringar Gross	6 593	3 853
Provision for doubtful accounts receivable	-36	-
Kundfordringar Net	6 557	3 853
Credit loss Disposal Account – reconciliation		
Provision at beginning of year	-	-31
Provision for anticipated losses	-36	-
Losses found	-	31
Provision at year-end	-36	-
Age analysis of accounts receivable		
Accounts receivable not due	6 523	3 474
Accounts receivable overdue 0 – 30 days	4	97
Accounts receivable overdue 30 – 90 days >	10	273
Accounts receivable Overdue > 90 – 180 days	3	-
Accounts receivable Overdue > 180 – 360 days	17	5
Accounts receivable overdue > 360 days	-	4
Summa	6 557	3 853

Valutaterminer

The total value of purchase orders for which currency forward contracts were signed amounted to 6.3 (4.7) mln at the balance sheet date. The value of these outstanding currency forward contracts amounted to 4.0 (0.4) million at the balance sheet date. The fair value of forward exchange contracts is determined using market prices for currency futures on the balance sheet date. Hedge accounting is not applied. The valuation corresponds to level 2 according to IFRS 13.

Financial risks

The Board of directors has set different frameworks and the risks that can be taken in the finance policy for Hemtex group. Risk management aims to identify, quantify and reduce or eliminate risks.

The group's finance policy provides a framework for managing different types of financial risks and defines the risk exposure with which the business is to be conducted. The main thrust is to pursue a low risk profile. The finance policy identifies the risks related to currency management, capital supply and liquidity management.

Valutahantering

The policy covers the entire group's currency management. The companies in the group shall, if possible, only operate in local currency. All transactions between Hemtex AB and other companies in the group take place in each company's local currency. Currency risk arises from the following three categories of exposures;

- Transaction exposure – defined as the net of all contracted commercial financial inputs and outflows in foreign currency.
- Translation exposure – defined as adjusted equity Capital in foreign subsidiaries.
- Financial exposure – defined as the offsets in the competitive image that occur when currency relationships are changed. Currency risk refers to the resultant effect of a change in exchange rates.

The single largest transaction exposure consists of changes in USD against the Swedish krona as the majority of Hemtex's purchases of goods take place in USD. Hemtex secures the risks identified in relation to the currency management according to one of the board's fixed RisknorM and in policy-approved Instruments/transactions. To reduce the currency risk, Hemtex secures a significant share of the group's contracted flows in foreign currency. In accordance with the group's finance policy, at least 65 percent of the contracted flows in USD will be hedged.

In the event of a possible increase in USD against SEK of 0.50, this would mean increased purchasing Approximately SEK 25 m before currency Fuse.

The total exchange differences affecting earnings during the financial year have been positive and total SEK 22.7 (24.3) million. Change in value of UTEstående semestersContracts, for the purposes of IAS 39, had a positive impact on gross profit during the financial year of SEK 3.6 (0.9) million.

Kreditrisk i kundfordringar

As the group mostly sells cash to the customer, the credit risks in accounts receivable are minimal.

Kapitalförsörjning

This covers liquidity risk/refinancing, interest rate risk, collateral provision and guidelines for subsidiaries.

- Liquidity risk and refinancing – liquidity risk and refinancing refer to the risk that, due to a shortage of liquid assets, the company is unable to meet its commitments and does not reach business-critical volumes. The group's goal is to maintain a balance between continuity and flexibility in financing through bank loans and overdrafts. Credit to customers and credits from suppliers greatly influences the need for liquid funds. In the event of a strong negative financial performance, banks may terminate existing loans and credit commitments as a result of breaches of applicable loan agreements, including covenants. The main factors influencing the liquidity risk are the sales development and hence the trend in earnings, the size of the inventory and the payment terms from suppliers. According to the group's current routines, liquidity management is centred on Hemtex AB's finance department in order to optimise the use of liquid funds and minimise the need for financing. To minimise liquidity risk, liquidity monitoring is carried out on all the group's liquid accounts. Weekly liquidity forecasts are drawn up for the next three months.
- Interest rate risk – is defined as the risk that the group's earnings will change as a result of a change in marketInterest rate. The interest rate risk is managed by regulating the Average fixation period and/or Through the use Of interest rate derivatives.
- According to the current framework agreement, Swedbank Sjuhärad AB and Svenska Handelsbanken undertake to give Hemtex's credit and credit facilities for a total of SEK 255 m on the usual terms. In the first quarter of 2014, Hemtex has renewed its credit agreement, which extends to June 30, 2016. As collateral for all of its obligations to the banks, Hemtex has left companyMortgages of SEK 300 m and pledged shares in Hemtex Oy.

Likviditetsförvaltning

The group's external investments in surplus cash are handled by Hemtex AB. The risks identified in the financial policy, the Board has developed guidelines for procedures, permitted instruments and instructions for subsidiaries.

27. Related party transactions

Purchases and sales between group companies

Hemtex AB's sales to subsidiaries amounted to 43.8 (43.4) million. No purchases from the subsidiaries have been made.

For purchases and sales between group companies, the same principles of pricing as for transactions with external parties are applied.

The parent company's holdings of shares and Participations in subsidiaries are shown in note 13.

Hemtex has agreements with ICA Global sourcing regarding the purchase of services such as compliance with environmental and quality requirements and supplier evaluations.

Transactions with key personnel in managerial positions

Regarding salaries and remuneration to the Board of directors and senior executives, see note 4. The group has no receivables from key employees. Liabilities to key persons consist of customary related liabilities.

28. Significant events after the end of the financial year

No significant events have taken place after the end of the period.

29. Proposed dividend to shareholders

No dividend is proposed for the financial year 1 January 2014 – 31 December 2014.

30. Information about the parent company

Hemtex AB is active in the association form of Aktiebolag and has its registered office in Borås, Västra Götaland. Head office Address is Hemtex AB, Box 495, 501 13 BORÅS.

The Board of Directors and the managing director certify that the annual report has been prepared in accordance with generally accepted accounting principles, gives a true and fair view of the parent company's position and results and that the directors ' report gives a true and fair view of The development of the parent company's operations, position and performance, and also describes the material risks and uncertainties facing the parent company. The Board of directors and the CEO also certify that the consolidated financial statements have been prepared in accordance with international Financial Reporting Standards (IFRS) as adopted by the EU, give a true and fair view of the group's position and results The directors ' report gives a fair overview of the development of the group's operations, position and results and also describes the material risks and uncertainties facing the group.

Borås on 5 March 2015

Stein Petter Ski
Chairman

Director

Margareta Adlercreutz
Director

Rocky af Ekenstam Brennicke

Ingemar Charleson
Director

Director

Mats Holgerson
Director

Christel Kinning

Liv Forhaug
Director

Peder Larsson
Managing Director

Our audit report has been delivered on 5 March 2015.

Ernst & Young AB

Erik Åström
Authorized Public Accountant

Revisionsberättelse

To the annual general meeting of Hemtex AB (publ)

Org.nr 556132-7056

Report on the annual accounts and consolidated accounts

We have carried out an audit of the annual accounts and consolidated accounts of Hemtex AB (publ) for the financial year 2014, which is included on pages 21-66.

Responsibility of the Board of Directors and the managing director of the annual accounts and consolidated accounts

The Board of Directors and the managing Director are responsible for the preparation of an annual report that gives a fair view in accordance with the annual Accounts Act and consolidated financial statements that give a fair view in accordance with International Financial reporting Standards, As adopted by the EU, and the Annual Accounts Act, and for the internal control that the Board of Directors and the Managing Director deem necessary for the preparation of annual accounts and consolidated accounts that do not contain material misstatement, whether These are due to irregularities or errors.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts and consolidated financial statements on the basis of our audit. We conducted the audit in accordance with International standards on auditing and generally accepted auditing standards in Sweden. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual accounts and consolidated accounts do not contain material misstatement.

An audit involves obtaining audit evidence on the amounts and other information in the annual accounts and consolidated accounts by means of various measures. The auditor chooses the measures to be carried out, in particular by assessing the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error. In making these risk assessments, the auditor considers the elements of internal control relevant to the way in which the company prepares the annual accounts and consolidated accounts in order to give a fair view in order to design audit procedures that are appropriate for Account of the circumstances, but not with a view to making a statement on the effectiveness of the company's internal control. An audit also includes an evaluation of the effectiveness of the accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the managing Director, as well as an evaluation of the overall Presentation in the annual report and the consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

Statements

In our opinion, the annual accounts have been prepared in accordance with the annual Accounts act and present fairly, in all material respects, the financial position of the parent company as at 31 December 2014 and of its financial performance and cash flows Year according to the annual Accounts Act. The consolidated accounts have been prepared in accordance with the annual Accounts act and present fairly, in all material respects, the group's financial position as at 31 December 2014 and of its financial performance and cash flows for the year International Financial Reporting Standards, as adopted by the EU, and the annual Accounts Act. The directors ' report is consistent with the other parts of the annual accounts and the consolidated accounts.

We therefore recommend that the annual general meeting adopt the Income statement and balance sheet of the parent company as well as the comprehensive income statement and balance sheet for the group.

Report on other legislative and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the president of Hemtex AB (publ) for 2014.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposed appropriations of the company's profit or loss, and the board of Directors and the managing director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration on the basis of our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the board's proposed appropriation of the company's profit or loss, we examined whether the proposal is in accordance with the Companies Act.

As a basis for our opinion on discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we have reviewed significant decisions, actions and circumstances of the company in order to assess whether any board member or the managing The Director is liable to the company. We have also examined whether any board member or the managing Director has in any other way acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

Statements

We recommend that the annual general meeting treat the loss according to the proposal in the directors ' report and grant discharge to the members of the Board of Directors and the managing director for the financial year.

[illegible]

¹ Refers to the calendar year.

² Compared with the corresponding period last year.

³ Refers to the abbreviated financial year May 1 – December 31, 2009.

Annual report

2013



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Timeline

Agm	11 April 2014	
First-quarter report	6 May 2014	Second quarter report
4 November 2014		19 August 2014 Third quarter Report
Bokslutskommuniké	February 2015	

Do you want to read more about Hemtex's activities?

Go to www.hemtex.se under the Investor relations section. There you will find the annual report and other important financial information about Hemtex.

2013 In brief

- Best full-year result since 2008.
- Positive operating profit in the Swedish operations.
- Hemtex Group's net sales amounted to 981.3 (941.1) million.
- Operating profit amounted to SEK-8.9 (– 46.2) million.
- Profit after tax amounted to SEK-16.1 (– 52.3) Million and earnings per share before dilution amounted -0.17 (SEK – 0.55).
- Cash flow after investments amounted to SEK-18.9 (– 61.2) million.
- The gross profit margin increased to 59.2 (57.3) percent.
- In 2013, eight new Hemtexbutiker were opened, including six in Sweden and two in Finland.
- Four stores were closed during the year, all in Sweden.
- No dividend is proposed for the financial year 2013.

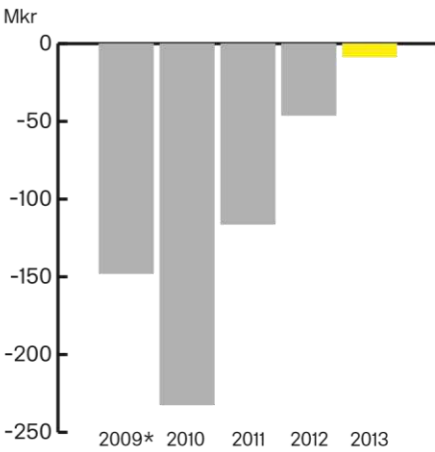
Nyckeltal

	2013	2012
Nettoomsättning, Mkr	981,3	941,1
Nettoomsättningstillväxt, %	4,3	1,3
Bruttovinstmarginal, %	59,2	57,3
Rörelseresultat, Mkr	-8,9	-46,2
Rörelsemarginal, %	-0,9	-4,9
Årets resultat, Mkr	-16,1	-52,3
Avkastning på sysselsatt kapital, %	-2,3	-12,2
Avkastning på eget kapital, %	-5,8	-16,8
Soliditet, %	47,4	50,8
Kapitalomsättningshastighet	2,8	3,1
Resultat per aktie före utspädning, kr	-0,17	-0,55
Resultat per aktie efter utspädning, kr	-0,17	-0,55
Kassaflöde efter investeringar per aktie, kr	-0,20	-0,64
Eget kapital per aktie, kr	2,79	2,97
Utdelning per aktie, kr	-	-
Totalt antal butiker	158	154
Varav ägda av koncernen	144	138
Antal årsanställda	553	547

Försäljningsutveckling i koncernens jämförbara butiker, januari–december, %

	2013	2012
Totalt i koncernen	5	7
Sverige	5	6
Finland	1	11
Estland	20	20

Koncernens rörelseresultat 2009-2013



*2009 avser det förkortade räkenskapsåret 1 maj-31 december 2009



Hemtex in one minute

Hemtex was founded in 1973 and is today a leading home textiles retail chain with a total of 158 stores on December 31, 2013, of which 134 in Sweden, 21 in Finland and three in Estonia. Of the stores are 144 owned by Hemtex Group and 14 by franchises. Under a common brand, the stores sell home furnishing products with an emphasis on home textiles. Hemtex Group's net sales 2013 totaled SEK 981 M. Hemtex is since 6 October 2005 listed on NASDAQ OMX Stockholm, the Small Cap list. The principal owner is ICA Gruppen AB with 68.5 percent of the share capital.

CEO's comments

CEO's comments

The best year of performance since 2008

To sum up 2013 is in many ways a pleasurable task. We are pleased to announce the best full-year result since 2008 and a fourth quarter, which also became the strongest in terms of earnings for as long. It is a receipt that the hard work carried out in recent years has given

Desired result.

- When I read the annual report, there are some key figures that I particularly want to highlight:
- Eleven quarters in a row with positive Sales
 - In comparable stores
 - Loss decreased during the year by SEK 37.3 m
 - Net sales increased simultaneously by SEK 40.2 m
 - The gross profit margin strengthened from 57.3 to 59.2 per cent.

It is clear to me that with this financial statement we have left the last tough years behind us. We have struggled to create control over costs and at the same time have stores that offer high quality home textiles at an attractive price. We have developed the range in three easy-to-understand price ladders, worked how we show it in the stores and we have trained our staff in everything from knowledge about home textiles to customer service. According to the Industry magazine Markets Annual survey, Hemtex has climbed rapidly in rankings and belongs to the top tier in customer service in stores. Another proof that we are on the right track is the fact that during 2013 we increased our market shares further, from 18.6 to 19.9 percent, according to the market research company GFK Sverige.

In the Swedish market, we have in recent years engaged in intensive work to reach black numbers again. We have focused on dismantling or repositioning unprofitable stores. Our customer club, Studio Hemtex, has been developed to more effectively reach both new and our loyal customers. We have sharpened our marketing efforts further so that we have become even better at reaching out with our message. These are some of the factors that have made us report a positive full-year result for the Swedish market.

However, the most important success factor remains, namely our range. We have in recent years become increasingly better at producing the products that customers demand. The range has been adapted to prevailing trends and season. During the year, we also continued to work together With external designers. We notice the response that

These collections are a great way to increase interest in Swedish textile design and give customers something unique and extra in the offer. During the past year, we have collaborated with designer Lisa Bengtsson, whose design praised by the Swedish fashion Journalism Corps. Hemtex has been working for several years to protect the Swedish textile heritage. As part of this work, we have produced several designs from the Swedish textile treasure. One example of this is Sven Fristedts Classic pattern Pärta and Pompe, which during the year gained new life in collaboration with Hemtex.

During 2013 we have also managed to launch the opportunity to shop our products directly on the mobile. We have in recent years noticed an increased demand to access Hemtex's products even without visiting a physical store. It has not least been noticed by the ever increasing number of visitors to our site. The new mobile platform is part of the work to constantly be available to our customers, and we now have a well-developed "dygnetrunt-shop."

We are now leaving the jubilee year with 40 years ' experience of home textile trading in the luggage. A year that we have of course noticed and celebrated diligently. Although we can rejoice in many successes during the year, much remains to be done. Reversing the negative result in Finland is such a challenge that we are kraftsamlar about and will be putting special resources into.

At the end of the year, it became clear that ICA Gruppen AB retains its main ownership in Hemtex. A novelty that is of course very gratifying. As well as providing stability in the ongoing development work, we can now continue to review possible areas of cooperation. In the past, we have close cooperation on purchasing and monitoring and monitoring of suppliers within the framework of ICA Global sourcing.

Borås in March 2014 Peder Larsson, President and CEO

"For Me Is It Clearly To We With This Financial statements Have Left The Latest Tough Years Behind Us. We Have Fought With To Create Control Over Costs And While Have Shops That Offers Home Textiles Av High Quality To A Attractive Price. "

Peder L



High quality and unique design at a good price

Hemtex's goal is to offer its customers inspiration, quality and service. The company's stores should both inspire and awaken desire. Therefore, ongoing work is underway to develop and innovate both assortment and store concepts.

Affärsidé

Hemtex designs and sells home textiles with inspiration, quality and service at a surprisingly good price.

Goal

Hemtex's overall goal is to maintain its position as the leading home furnishing chain in Sweden and to be one of the leading players in Finland, and to show good growth and profitability. The long-term financial targets are

- An operating margin of 15 percent
- A capital turnover rate of 3 times.

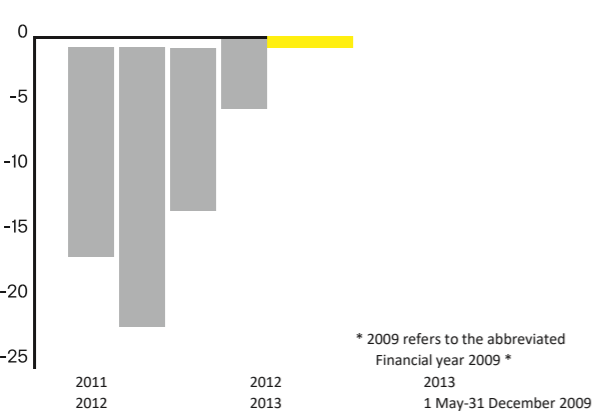
Strategy

Hemtex will take a range of leadership in the company's markets and provide the best service in the market.

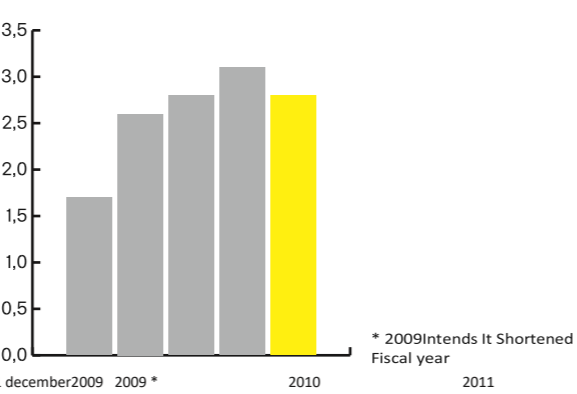
The offer to customers should be affordable quality products in home textiles with an unbeatable breadth and depth in core categories.

The intensive work undertaken to gain control of the company has included: ensured flow and control of the stock situation, increased store focus in operation, sales and organization, settlement of unprofitable markets, the introduction of new System and a total review of the range. Hemtex had 2013 stores in Sweden, Finland and Estonia. The focus remains on ytoptimering and repositioning of existing retail networks. Hemtex sees good prospects for continuing to grow in all three markets.

Operating margin 2009-2013



Kapitalomsättningshastighet 2009-2013



Range

Hemtex is committed to having an affordable and functional assortment of high quality. The company will offer its customers a mixture of basic goods and carefully selected accessories as well as external brands.

Implemented 2013:

- During the year Hemtex has clarified the range styles: Allows trading directly on the phone. Tradition, Scandinavian and Marine.
- Launched a partnership for new product ranges Studio Hemtex. Lighting and sewing machines.

Communication and market

Hemtex's marketing will create an interest both for the company's stores and its assortment. Both loyal customers and new audiences should feel tempted by the company's offers.

Implemented 2013:

- Hemtex has launched its own mobile site which by working with three distinct
- Increased interest in Hemtex's customer club,

Butiksorganisation

Hemtex must be characterised by having stores that arouse the interest of customers. The company's employees must have good knowledge of the range and help the customer to find the right product if necessary.

Implemented 2013:

- During the year, Hemtex implemented Internal training To further increase the skills of the store personnel.
- "Mystery shoppers" have been used to further enhance the quality of customer response.

HEMTEX's business model

Purchasing and Logistics

Hemtex will work in a structured way to concentrate and create large capacities and opening suppliers to improve the group's purchasing. Both purchase prices and quality should be in focus as well as Hemtex's environmental and social responsibility.

Implemented 2013

- Change of distribution partner which allows for more delivery days out to the store.
- Focus on developing cooperation with ICA Global sourcing.

Efficiency in focus

Hemtex's business model is based on efficiency and control over the entire value chain: from design and purchasing through distribution to sales in stores and e-commerce.

Hemtex is constantly striving to have the most efficient organisation possible. This focus permeates the entire value chain. An important part of the process of developing the right products that attract purchase is customer knowledge. Hemtex conducts market research every year to create a picture of which customers are and what products they demand. To meet the right with the range, time is also an important factor – therefore it is important that design and purchasing takes place as close to the sales season as possible. It must be made that production and deliveries require lead times in order to maintain a reasonable level of costs. Central functions at the headquarters in Borås ensure that the entire value chain, from idea to sales, is handled as efficiently as possible.

Own designs

Hemtex's range consists mainly of products of its own design. These products are worked out at the head office in Borås or purchased from independent designers. In this way, customers are offered unique products of high quality and at the right price. Hemtex's designers work closely with purchasers and collect signals from the outside world and customers to ensure that the stores have access to the right and current assortment.

Nordics Stores and franchise

Hemtexbutikerna has two modes of operation: Nordics stores and franchise. At the end of 2013, Hemtex 144 ran its own stores and was franchisor to 14 stores. Regardless of the mode of operation, the stores are driven according to Hemtex's concept and guidelines but with room for local business acumen. The target image, strategy and culture are common to all those working in Hemtex, regardless of the store's ownership or the country in which the employee works. The group shall operate stores, Nordics or via franchise, during Hemtex's trademark in well-chosen trading venues, mainly in metropolitan areas and in strategic cities. Stores

Within each geographical area shall be so many that an operational organisation can be built that ensures sales, performance and competence development.

Inköpsprocessen

Hemtex does not own any factories but buys its goods from around 125 suppliers in some 15 countries. The group is not dependent on individual suppliers, but the existing suppliers are largely interchangeable. Hemtex continuously evaluates existing suppliers and purchasing markets with respect to price, quality, compliance with the Code of conduct and delivery times. This work is carried out since 2012 in cooperation with the company, ICA Global sourcing, IGS. Through the cooperation, Hemtex has access to a large number of purchasing and quality offices around Asia and thus acquires a broader supplier base.

The agreements between Hemtex and its suppliers on deliveries are usually orderunika. A written agreement, purchase order and quality management through Hemtex's Purchasing instructions are established with each supplier. The agreement regulates everything from product characteristics to delivery and payment methods. It also contains a code of conduct that suppliers undertake to comply with.

In 2013, approximately 81 percent of Leveransvärdet were purchased without intermediaries. By buying products directly from manufacturers, purchase prices can be reduced and thereby strengthen Hemtex's margins. Hemtex is also more able to control and influence factories than when purchases are made through intermediaries.

Logistics and handling of goods as a competitive factor

An important part of the company's work is to have as efficient logistics and warehouse management as possible. This is to avoid unnecessarily large stocks and ultimately to minimise the risks of price reductions. Purchases of basic goods are made by means of a distribution system

Completely driven, based on the principle one be out, one be in. Stock replenishment involves optimizing inventory levels and reducing tied-up capital. The purchase of trend and seasonal goods is based on the management's assessment of future sales, the current sales rate and forecasted inventory levels.

During 2013, Hemtex has been working to streamline the supply of stores. By changing distribution partners it has become easier for Hemtex to do more adapted leverenser which reduces the risk of unnecessarily large stocks out in the shops.



Position improvement and increased profitability in focus

Hemtex is today the market leader in Swedish textile trade. Inspiring shops with knowledgeable staff are an important part of the success. According to the research company GfK Sverige, Hemtex continued to increase its market share on the Swedish market during 2013.

During the financial year, Hemtex's net sales increased by 4.3 percent to SEK 981 m (941). For comparable Shop Your sales increased By 5 percent (7). Sweden is The group's largest market, with approximately 89 percent increased	Development 2013 It The Swedish market for home textiles was Research company GfK Sweden's assessment, Approximately SEK 6.1 billion 2013. According to GfK, Sweden Hemtex's market share during the same period until 19.9 Percent (18.6). Hemtex Group's net sales in Sweden increased by 4 percent to 875.1 (837.7) million With 2012. For comparable stores, sales increased by By 5 percent. Operating profit was positive and the P gick to SEK 0.6 (– 38.2) million.
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and three in Estonia. Hemtex 158 stores ran 144 in its own

And the remaining 14 of franchisees.	Focus on profitability
In 2013, five new Hemtexbutiker were opened in	
Hemtex in Sweden	Sweden, including one franchised store. Franchisebutiken
Hemtex is the leading home textile chain in the Nordic region. This despite	Opened in Oskarshamn and the four Nordics stores
That home textile trade has increasingly become more	In Höllviken, Malmö, Sundbyberg and Gothenburg. Its
Some of the major department store operators ' products. Also	In addition, Hemtex acquired a former FRANCHISEÄGD store
The supermarket chains ' larger stores today have home textiles in	In Katrineholm during the year. A total of four Swedish stores
Their regular range. Despite the fact that the market	Were closed during the year, including three franchise.
The interest in home furnishing remains large	Hemtex will continue its work to ensure that the
In Sweden. Hemtex's broad range and conscious batch	The establishment of new stores in Sweden. Under 2014
That the position of Hemtex on the market continues to	Focus will be on improving the situation and increasing
is very strong. Hemtex's main competitors in the	The net sales and profitability of the existing retail network.
The Swedish market is today IKEA and Ähléns.	
Group Sales 2013 per geographic market,%	Number of stores 31 December 2013-distributed by different countries



Hemtex in Sweden on 31 December		
Etableringsår: 1973	2013	2012
Number Shops	134 ¹	132 ¹
Net sales January – December, SEK M	875,1	837,7
Change in store stock	22	–1
Operating income, SEK m *	0,6	–38,2
In focus 2014: Continued structural operations in existing retail network.		

¹ of which 120 (116) were driven by the group and 14 (16) of franchisees.
² The group established five own stores during the financial year 2013, of which a store was acquired from franchisees. Your own store was closed. A new franchised store was opened, three closed, one of which was taken over by Hemtex AB. * The result in Sweden consists of results from the Swedish retail business and the wholesale business's results from sales from the central warehouse to its own stores and Franchise in Sweden.

Hemtex in Estonia

During 2013, there have been no changes in the store stock in Estonia. Hemtex continues to see good opportunities to grow in Estonia in the future.

Hemtex in Finland

Finland has a strong design tradition and interest in home textiles is great. In Finland, Hemtex's main domestic competitors are Kesko, with Anttila and KodinYkkönen, SOK and Stockmann. These mainly sell home textiles of their own and external brands. In 2013, two new stores were opened in Finland, which means that Hemtex had a total of 21 stores in Finland in December 2013.

Development 2013

Net sales decreased by 1 percent to 92.8 (94.0) million. For comparable stores, sales increased by 1 percent in local currency. Operating profit amounted to SEK – 9.4 (– 8.4) million.

Hemtex in Finland on 31 December		
Etableringsår: 2001	2013	2012
Number Shops	21	19
Net sales January – December, SEK M	92,8	94,0
Change in store stock	2 ¹	–2
Operating income, SEK m	–9,4	–8,4

¹ In 2013, two own stores were opened.

Assortment that inspires and awakens desire

Hemtex's main goal is to develop and produce exciting home furnishing products of high quality. Both within the scope of its own range but also with the help of external partners. During 2013, Hemtex has launched lighting as its own product area and developed several new collaboration collections with well-known designers.

During the past year, Hemtex continued its ongoing efforts to develop and renew its own retail assortment. The company's goal is to offer customers products that awaken their home furnishing interest and attracts to purchase. Accessories should have a direct connection to the textile range and create additional sales. The majority of the product range consists of the company's own brands. These are complemented by a limited range of external brands – such as Designhouse Stockholm and Borås Cotton – that stand out and at the same time enhance Hemtex's existing range.

Wide range that attracts innovation

Hemtex's strategy for product offering is to follow the fashion trends but not to lead them. When the fashion trend is about to reach volumes on the market, Hemtex will focus on it. The majority of the sales of home textiles are driven by traditions. Many customers often buy the same kind of home textile products in connection with weekends and other traditional times of the year. The goal is for the company's customers to recognize the assortment at every visit and at the same time experience that there is something new in the product offering.

Hemtex works to ensure that the range meets different styles and offers a mix of inspiration and volume products. Hemtex's range is planned based on three different styles: tradition, Scandinavian and marine. Within these styles, the assortment is renewed seasonally in pattern groups and is coordinated with the rolling basic range of patterned and plain textiles and products. To streamline operations and offer customers the best possible service and inspiration, Hemtex has also divided its range in four rooms: sleep, swim, eat and socialize. Accessoriser is matched with the textile assortment, in order to give customers further inspiration and increased desire.

Clear product categories simplify for customers Hemtex divides its goods into base, seasonal base and fashion/news. The goal of the categorization is to simplify the customer's visit to the store. The base consists of a permanent assortment, with proven qualities and patterns, which creates clarity and security for customers. Examples of basic staples include sheets and terry cloth in neutral colours, along with a range of duvets and pillows. Seasonal base are products that are adapted for the different seasons but can also be complemented by the basic range in updated colors. The products in fashion/news consist of goods with new designs and new designs. They are not comparable with previous products and have a higher fashion. Basic and seasonal commodities must represent approximately 60 per cent of the range.

When selling in stores, the range is planned based on the categories good, better and best. Within these categories, the assortment is revamped seasonally in pattern groups, and is coordinated with the rolling basic range of patterned and plain textiles and products. Good are strong offers with low price without compromising the quality of the product. Better consists of products at somewhat higher prices in modern as well as classic designs. The quality is high and the space for change and playfulness great. Best to have the highest quality and be a category that also reflects trends that are in time. It can also be collaborations with external designers or brands.

Sewing machines and lamps complement and inspire In 2013, Hemtex launched the new lighting product area. With this, lamps have become part of the company's regular range. The lighting section has also been given its own place in Hemtex's stores. The goal is to make it easy for the company's customers to match lighting with home textiles. During the year Hemtex has also started a partnership with the sewing machine manufacturer

Singer. The collaboration is part of the process of making it easy for customers to design and manufacture their own textile products.

Successful design collaborations

Hemtex has for several years performed successful design collaborations with known as well as lesser-known designers. These partnerships have been praised by both customers and interior design press. In 2013, three new collections were launched. First out during the year, the young chef and culinary blogs Jennie, known from among

Other Swedish master chef. Together with Hemtex's own designers, she developed a kitchen textile collection. Another successful collaboration is the design rising Lisa Bengtsson. With daring patterns and colours, her collection attracts the younger clientele.

Hemtex has for several years been working on the preservation of the Swedish textile cultural heritage. As part of this work, the company has during the year developed a collection together with designer Sven Fristedt, known among other things for his designs Pompe and Pärta.



HEMTEX's communication and market

HEMTEX's Stores

Marketing that attracts meeting in Focus Inspiring stores with the customers of Hemtex Customer

Hemtex conducts active marketing efforts to attract both new and old customers to the stores. Website and customer Club are an important part of the work to reach out with information and inspire inspiration. With the help of new sales channels, it is also easier than ever to take advantage of Hemtex's offerings.

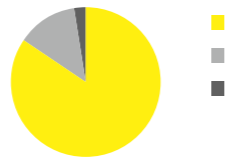
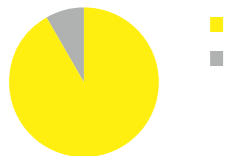
The goal of Hemtex's marketing efforts is to create an interest in both stores and assortment. The main target group is in Day

mainly women aged 25-59 Years. The shop is the most important sales channel where design,

Hemtex's stores will awaken customers ' interest in home furnishing and textiles. With the help of knowledgeable and professional staff, the goal is to ensure satisfied customers. During 2013, the company has invested in internal training to increase the skills of the store personnel further.

Placement and signage plays an important role in attracting customers to buy.

Hemtex as a workplace



Hemtex strives to be an employer that inspires and motivates. The goal is for the staff to experience that their workplace is characterized by both dedication and passion for home textiles. During 2013, Hemtex took the first place on the company's list of Sweden's most attractive employers.

Hemtex shall be a company characterised by		In-house training that develops and inspires Informality, collaboration, continuous improvement,		Hemtex is continuously working to increase openness and communication between the organisational		Competence
among the company's employees. This even different parts as individuals. Leadership in Hemtex		Work is carried out through training meetings, regional meetings must be characterised by business		Information via the company's intranet. During		
Active internal communication. The goal is that the company's leaders		2013, parts of the company's personnel participated in internal should be responsive, loyal and prestigeless.		Leadership training. New employees have been offered		
		To participate in the induction program that the company				
Increased interest in Hemtex as an employer		Implement. The Cardiac and lungräddnings				
In 2013, Hemtex ended up for the first time in		commenced during the 2012 ended during the year. The InneUniversums list where Sweden's most attractive work		That a large part of Hemtex's staff have a basic donor Ranked. To compile the list, the universe has		
Knowledge of how to act in crisis situations asked 20 000 Swedish students. Investigation		Where cardiopulmonary resuscitation is needed. The benefits of knowledge also show that the awareness of Hemtex as a company		Not only the employees but also the		
visitors to the shops. Is high among the country's students. Over 98% of the		All training sessions are gathered in the educational portal Hemtex surveyed knew the company.		Academy.		
Hemtex is constantly working to attract new people to						
Company. Partly through participation at Borås High		Working				
School labour market day. As in previous years		Hemtex conducts ongoing work to revise, Hemtex collaborates with a number of different courses with		The company's work environment. An obvious goal is to All textile Specializations and offers internships, both in stores and		
Employees should feel safe during their working hours. That						
Headquarters in Borås.		As part of this work, Hemtex carries out every year protection				
		Rounds in all stores to identify and shortcomings in safety and work environment. During 2013, the company				
		Conducted a comprehensive employee survey				
Gender distribution		Consistently showing good results. Survey				
Women, 92%		will provide a basis for the company's continued		Males, 8%		Work with the goal of further strengthening the organisation.

Age distribution		Allocation of average number of employees by country	
< 29 Year, 41% Sweden 467			
30-49 Year, 44% Finland 73			
> 50 years, 15% Estonia 13			

Focus on environment and good working conditions

Hemtex's sustainability report is available in its entirety at www.hemtex.se. It covers the group's sustainability work in 2013 and deals with aspects of environment, ethics, quality, social responsibility and employees.

Hemtex buys all textiles and other products from approximately 125 suppliers in some 15 countries. All suppliers have signed a framework agreement with delivery, quality, environmental and ethical requirements as well as requirements for copyright protection. The framework agreement contains purchase instructions, Hemtex Purchasing instructions, linked.

Important Code of Conduct

For Hemtex It is a matter of course that all the goods in the company's stores have been manufactured in good working conditions and in the right way in terms of laws and human rights. As Hemtex does not have direct control over production, the group has developed guidelines for suppliers in a code of conduct, known as the Code of conduct. The code of conduct is based, among other things, on the UN Convention on the Rights of the Child and the conventions of the ILO, which are set out in working conditions and in working life. The code of conduct addresses issues such as discrimination, child labour, working time, wages, working conditions, the right to form and join trade unions and environmental requirements. During 2013, Hemtex has carried out over 80 inspections to check that the

Hemtex has strict chemical requirements for all products and regularly sev with suppliers. For logistics services, suppliers who strive to become a leader in environmentally sustainable transport and logistics solutions are hired. The inshipments of Hemtex's goods take place predominantly by boat and to very small part by air.

Social audits of Hemtex's suppliers

Hemtex carries out systematic checks on the working conditions and the environmental work of the suppliers. In 2013, approximately 80 social audits were conducted. The controls are carried out by Hemtex's partner ICA Global sourcing, IGS. The company has many years of experience in controlling and monitoring the suppliers ' work. The first inspection of a supplier is always pre-notified, but then both pre-notified and unannounced visits are made. Read more about the grading of Hemtex's suppliers in the Sustainability Report 2013.

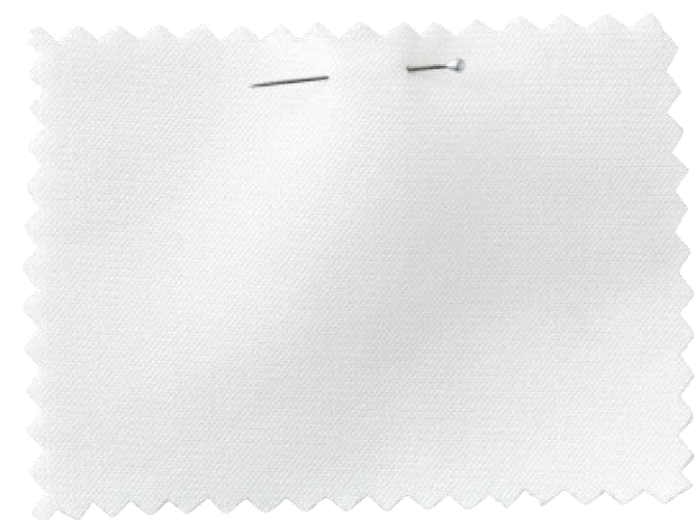


The code of conduct is followed.

Environmental requirements in manufacturing and transport

Hemtex's goal is for the company's activities to have an impact on the environment as little as possible. Today, the biggest environmental impact is in connection with manufacturing and transport. As this part is handled by subcontractors, a Kemikalierestriktionslista in Hemtex's framework agreement is included.

The aim is to reduce the use of hazardous chemicals in the production of Hemtex's products. The environmental requirements of the company's code of conduct include requirements for the purification of air and water emissions, certificates from authorities, list and safety data sheets for all chemicals, and requirements for chemical handling and waste.



HEMTEX Share

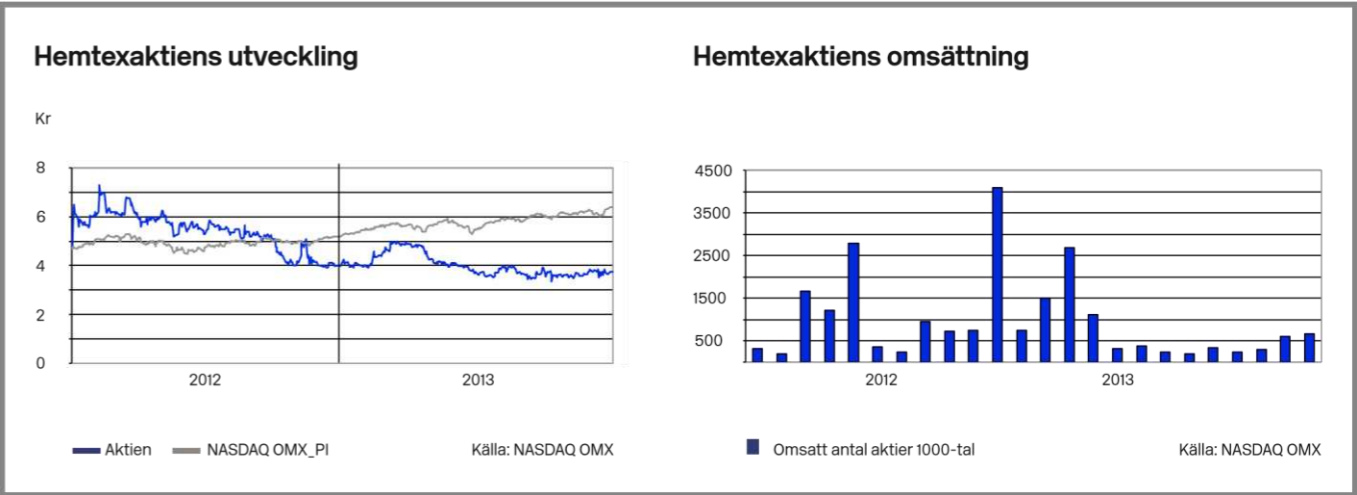
Share capital
As of December 31, 2013, the share capital was of Hemtex AB to SEK 239.6 m divided into 95 835 506 shares,

Profit after tax for the group. As Hemtex's result for the financial year 2013 was negative, the board of directors proposes that no dividend be paid.

With a quota value of SEK 2.50. Each share entitles the holder to one vote at the AGM and all shares have equal rights to share in the company's assets and profits.

Ownership
In 3 320, Hemtex had shareholders on 31 December 2013. Hemtex's ten largest shareholders controlled at year-end approximately 89 per cent of the capital and votes in the company. The principal owner ICA Gruppen AB had 68.5 per cent of the shares at year-end, which was unchanged compared with the same time one year earlier. Hemtex AB has since 30 June 2009 a subsidiary of ICA Gruppen AB (renamed from Hakon Invest AB).

Utdelningspolitik
The Board's objective is to propose dividends that, on average, correspond to approximately 30 – 50 percent



Förvaltningsberättelse

The Board of Directors and the managing director of Hemtex AB (publ), Corporate identity number 556132 – 7056, hereby submit the annual accounts and consolidated accounts for the financial year January 1 – December 31, 2013. Comparative figures refer to the financial year January 1 – December 31, 2012 unless otherwise stated.

General information about the business

Hemtex is a leading home textiles retail chain with a total of 158 stores as of December 31, 2013, of which 134 in Sweden, 21 in Finland and three in Estonia. Of the chain's stores is 144 owned by the group and 14 by franchisees.

Hemtex's stores sell home furnishing products with an emphasis on home textiles. The range is divided into four rooms: sleeping, swimming, eating and hanging out. These are complemented by non-textile accessories.

Hemtex's stores have two modes of operation: Nordics stores and franchises. Regardless of the mode of operation, the stores are driven according to Hemtex's concept and guidelines with space for local business acumen.

Hemtex AB is the parent company of the group. The parent company operates the group's stores in Sweden, responsible for concept development, marketing, business management and supply to all stores within the chain.

In addition to the parent company, Hemtex Group Hemtex AB also includes the wholly owned subsidiaries Hemtex Oy (Finland) and Hemtex International AB. Hemtex conducts operations in Estonia through a branch. Hemtex AB is since June 2009 a subsidiary of Hakon Invest AB (556048 – 2837), which during 2013 was renamed ICA Gruppen AB.

Hemtexaktien and ownership

On 31 December 2013, Hemtex AB's share capital amounted to SEK 239.6 m, divided into 95 835 506 shares, each with a quota value of SEK 2.50. Each share entitles the holder to one vote at the AGM and all shares have equal rights to share in the company's assets and profits. There is a class of shares and there are no limitations as to how many votes each shareholder can give at Annual general Meeting or General meeting. There is no provision In Hemtex Statutes that restrict the right to transfer shares. Hemtex AB has not entered into any agreement that may be affected by a possible takeover bid. Hemtex AB is a Nordic Small Cap company listed on

shares in Hemtex AB. The board and any deputy board members are appointed at the AGM for the period until the next AGM. There are no provisions in Hemtex's Articles of association regarding the appointed and dismissal of board members.

Significant events

Financing and working capital
According to the current framework agreement, Swedbank Sjuhärad AB and Svenska Handelsbanken undertake to grant Hemtex's credit and credit facilities for a total of SEK 255 m. In September 2013 agreed with the banks to enter into new credit agreements during the first quarter 2014. As collateral for all its obligations to the banks, Hemtex has provided corporate mortgage of SEK 300 million and pledged shares in Hemtex Oy.

Market

The Swedish market for home textiles, according to the research company GfK Sweden's new assessment, amounted to approximately SEK 6.1 billion 2013. According to GfK Sweden, Hemtex's market share increased in 2013 from 18.6 percent of the total market to 19.9 per cent.

Establishments and acquisitions

Eight stores were opened during the 2013 financial year, including six in Sweden and two in Finland. In the Swedish market Hemtex opened four own stores in Höllviken, Malmö, Sundbyberg and Gothenburg. In Oskarshamn opened a franchised store during the year. During 2013, Hemtex also acquired a former FRANCHISEÄGD store in Katrineholm.

Two new stores were opened in the Finnish market, Itis and Kannelmäki.

Rationalizations

During the financial year Hemtex continued its work to review the store stock in the countries where the company operates. Hemtex has closed a total of four stores during 2013, all in Sweden. Of the closed stores in Sweden was three franchise.

Risk factors

Hemtex's activities are associated with risks of different nature. Risks related to the market situation include cyclical effects, changes in fashion and trends, weather and seasonal variations, and competitors. Risks related to the operational activities include increased production and distribution costs, supplier risks, inventory risk, termination of significant contracts, risks related to acquisitions and divestments and Distribution centre and information systems.

The financial risks include risks related to refinancing, unfavourable capital and credit market conditions, currency, interest rate and credit risks.

Market risks

Konjunkturpåverkan
The demand for Hemtex's products, like all retail trade, is affected by the general economic situation. Consumption patterns are influenced by a number of general factors outside Hemtex's control, including general business conditions, interest rates, exchange rates, inflation and deflation levels, taxes, credit availability, the development of the stock market, The unemployment rate, other local economic factors, uncertainties about future economic prospects and more. A more favourable economic situation will have a positive impact on the household economy, which usually affects their consumption patterns positively. A deterioration in economic activity generally has the opposite effect. Hemtex operates in Sweden, Finland and Estonia. Declining GDP and declining private consumption in Hemtex's markets can have a significant negative impact on the company's operations, earnings and financial position.

Moderisker

The demand for home furnishing and home textiles is increasingly being influenced by fashion trends like the clothing industry. Hemtex therefore depends on consumer preferences regarding design, quality and prices of the goods in Hemtex's stores. A misjudgement of customers ' preferences may lead to a fall in the demand for Hemtex's products, which in turn can have a significant negative impact on the company's sales.

Weather and seasonal variations

The weather affects the sale of home textiles. A mild autumn and winter normally affects sales negatively and a cold and rainy summer usually contributes to higher sales figures. Extreme weather can have major consequences for the company's sales. The sale of home textiles also varies with the seasons. Generally speaking, sales are highest in autumn and winter, where December has traditionally been the best month.

Competitors

The market for Hemtex's products and services is competitive and there are several different competitors in the local markets. Hemtex's strategy includes improving the already strong position in the market and in 2013 Hemtex's market share increased from 18.6% to 19.9 percent of the total market, according to the research company GfK Sweden's new calculation.

Operational risks

Production and distribution costs

A large proportion of the products sold by Hemtex are manufactured in countries with lower cost and wage levels than in Sweden. This means that Hemtex can sell its products at a lower price than would be possible if the production took place in Sweden. However, the development of the countries to which production is located is in many cases fast and there is no guarantee as to how long the relatively low cost situation will remain in the countries concerned.

Hemtex works with sourcing and continuously revising the cost situation to enable the lowest possible price out to the customer. Hemtex is actively seeking new ones, and is constantly evaluating existing suppliers and purchasing markets with regard to price, quality, compliance with the Code of conduct and delivery times. By buying more goods directly from manufacturers, purchase prices can be reduced and thereby strengthen the company's margins. Hemtex is also more able to control and influence factories than when purchases are made via intermediaries. The aim of the purchasing work is to increase the proportion of goods purchased directly from the producer. In 2013, approximately 81 percent of Leveransvärdet were purchased without intermediaries.

around Asia and thus acquires a broader supplier base. Together, systematic Monitoring of working conditions and the environmental performance of suppliers.

Lagerrisk
Hemtex has a group-wide distribution centre (central warehouse) and warehouses in the individual stores. Inventory risk involves a risk that obsolescence arises if inventories are not sold at a value exceeding the acquisition value.

Termination of contract
Hemtex has entered into lease agreements, purchasing agreements and franchise agreements that are important for Hemtex's operations. However, the board of Directors and the Hemtex management judge that no individual agreement or similar relationship to the business is of decisive importance for the group's operations, earnings or financial position. The contracts may be terminated with a certain period of notice.

Acquisitions and divestments
Hemtex has over the years made a number of acquisitions of companies and movements. Growth through acquisitions poses a risk due to difficulties in integrating businesses, employees and products. During the 2013 financial year, Hemtex acquired a franchised store.

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Distributionscentral
Most of the goods sold in Hemtex's stores pass through the company's distribution centre located in Jönköping. Insurance exists for property and production interruptions, but there is no guarantee that such amounts are sufficient or can be recovered altogether.

Information
Hemtex is dependent on information systems to control flow from purchasing to sales in stores and to compile operational and statistical information. Any longer interruption or lack of functionality in information systems can result in the loss of important information or delays in the operation, especially if problems occur during the high season, for example during the Christmas trade.

Financial risks
The Board of directors has set different frameworks and the risks that can be taken in the finance policy for Hemtex group. Risk management aims to identify, quantify and reduce, alternatively eliminate, risks. The group's finance policy provides a framework for managing different types of financial risks and defines the risk exposure with which the business is to be conducted. The main thrust is to pursue a low risk profile. The finance policy identifies the risks relating to currency

management, Capital Supply and liquidity management. For further information on financial risks and riskpolicies, see note 26.

Comments to the Income statement
Net sales
Net sales in the group comprise sales to consumers through own stores and wholesale sales to franchise in Hemtexkedjan. During the financial year, net sales amounted to 981.3 (941.1) million. Of the group's net sales, operations accounted Sweden for 875.1 (837.7) million, Finland for 92.8 (94.0) and the operations in Estonia for 13.4 (9.4) million of sales. Other operating income amounted to 2.4 (7.2) million and consists mainly of franchise fees and commissions.

Result
The group's gross profit (net sales minus cost of goods sold) amounted to 580.8 (539.3) million during the calendar year. The gross profit margin was 59.2 (57.3) percent. To reduce the currency risk, Hemtex secures a significant share of the group's contracted flows in foreign currency. In accordance with the group's finance policy, at least 65 percent of contracted flows will be hedged. The change in the value of outstanding forward contracts, when applying IAS 39, affected the gross profit positively during the financial year by 0.9 (-1.1) million. Operating expenses, excluding merchandise and depreciation and amortization of tangible and intangible fixed assets, amounted to 570.3 (565.8) million. The cost share of sales was 58.1 (60.0) percent.

Depreciation of tangible and intangible fixed assets is allocated to rental units with 4.9 (5.0) million and other amortization of SEK 16.9 (22.5) million. Operating profit for the financial year amounted to SEK-8.9 (-46.2), which means that the operating margin was-0.9 (-4.9) percent. The Swedish market reported a positive operating profit, while other markets reported negative operating profit during the financial year. Profit before tax for the group amounted to SEK-16.1 (-52.3) million, giving a profit margin of-1.6 (-5.6) percent. Profit after tax amounted to SEK-16.1 (-52.3) million.

In the financial year, the return on equity was-5.8 (-16.8) percent. The return on operating capital amounted to-2.6 (-15.4) percent.

Comments on the balance sheet
Goodwill
In December 2013, all goodwill values in the group have been tested and no indications of impairment are available. The trial has been based on value and is based on forecast future cash flows. Hemtex Group's total goodwill is reported in the consolidated balance sheet on 31 December 2013 to SEK 249.5 (248.8).

Inventories
On 31 December 2013, inventories amounted to SEK 176.8 (169.4) million. Of total inventories, the wholesale stock was 79.0 (69.7). At the end of December 2013, the stock of inventories per store amounted to an average of 0.7 (0.7) million. Turnover amounted to 2.2 (2.3) As of December 31, 2013.

Financial position
Liquid funds amounted to 40.0 (47.9) million as of December 31, 2013. Net debt, i.e. interest-bearing liabilities less liquid funds, increased by SEK 18.4 m over the past twelve months and amounted to SEK 79.3 (60.9) on December 31, 2013, and the net debt/equity ratio was 29.6 (21.4) percent as of December 31, 2013. The equity ratio at year-end amounted to 47.4 percent, compared to 50.8 percent at the same time last year. Hemtex Group's total credit limits, Including Letter of creditAnd valutaterminslimiter, amounted to SEK 255.9 m on December 31, 2013 compared to SEK 255.9 m on December 31, 2012. Of the total unutilised, SEK 126.6 m had been used at the end of the financial year, compared with SEK 121.5 m on December 31, 2012. The total value of purchase orders for which currency forward contracts were signed amounted to 4.7 (6.0) mln on December 31, 2013. The value of these outstanding currency forward contracts amounted to 0.4 (-0.5) million at the balance sheet date.

Comments on the cash flow statement
Cash flow and investments
Cash flow from operating activities during the calendar year amounted to 12.2 (-41.6) million. Cash flow after investments amounted to SEK-18.9 (-61.2) million. The group's net cash investments during the calendar year amounted to SEK-31.1 (-19.6) million. The investments amount to SEK 1.0 (0.5) million for the acquisition of stores and SEK 17.5 (11.9) million for investments in start-up and renovations and 12.6 (7.2) million to Other investments.

Personal
During the financial year, the number of employees in the group amounted to 553 (547). During the financial year, the group's own stores increased from 138 to 144 units, corresponding to an increase of 4.3 percent. The distribution of employees is 8 (8) per cent men and 92 (92) per cent women. Approximately 87 (88) percent work in the retail organization and 13 (12) percent on key functions such as purchasing, logistics, marketing and administration. Hemtex pursues a continuous gender equality work that permeates the company's activities. As part of this work, the company's equality plan is reworked continuously. For example, the policy assumes that gender pay differentials cannot occur, that working conditions should be adapted for both women and men and that educational and development opportunities should be equivalent.

Hemtex also conducts systematic work to maintain and develop the company's work on the working environment. It is based on that all employees within the group are offered healthy, safe and comfortable workplaces and that all managers are trained in the field. Training in work environment and safety is therefore continuously carried out to capture new employees in the organisation. In Hemtex, it is a requirement that all store managers receive this training. Safety and health tours and subsequent action plans are carried out annually to continuously improve the environment and well-being in Hemtex's activities. To ensure effective crisis management, there is a comprehensive crisis management plan. The plan highlights potential events that could occur and how these should be handled. A central crisis management group and crisis support representatives in Butiksledet have been appointed

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Trained. The Crisis Group meets regularly to develop the crisis management work and to ensure that the organisation is prepared for an unforeseen event, such as the risk of injury to individual employees or the company as a whole, would occur. Hemtex AB has a collective agreement with the Servants Union and the Commercial Employees ' Association.

The work of the Board during the financial year 2013

The board is responsible for Hemtex's organization and the management of the company's affairs, which includes the adoption of the company's strategy. The Board of Directors is also responsible for appointing the managing director. The work follows an annual plan, with the aim of ensuring the Board's need for information. In addition, the Board of Directors and the Executive Director follow the special rules of procedure which the Board has established concerning the division of work between the Board and the managing Director. The supervisory questions on the board are handled by the Board in its entirety. Evaluation of the Board's work has taken place both within the Board as a whole and in individual discussions. Hemtex's nomination committee has, in the relevant parts for its work, been given the compilation of the evaluation.

For more detailed information regarding the board's meetings, the work of the nomination committee, the remuneration committee and the Audit Committee, please refer to the Corporate governance report.

Bolagsstyrningsrapport

Separate corporate governance report has been submitted and is incorporated on the pages 69-74 In this document. The corporate governance report can also be found on the company's website.

Revisionsutskott

The audit committee is appointed by the Board of Directors and is responsible for determining the principles and quality assurance of the company's financial reporting and internal control.

Ersättningsutskott

A remuneration committee is appointed within the board, which deals with, decides and makes recommendations on the remuneration, other terms of employment and incentive programs of the President and CEO and Management. The remuneration committee reports to the Board.

Guidelines for remuneration to senior executives

The AGM resolved on 15 April 2013 on guidelines for remuneration and other terms of employment for the company management. Description of the principles used during the financial year, see Note 4. The guidelines shall apply to employment contracts entered into after the annual general Meeting 2013 and also to changes in the current employment contracts that are made thereafter. The Board's proposal to the annual general meeting on 11 April 2014 regarding guidelines for remuneration and other terms of employment for senior executives is presented below.

Basic Principles

Remuneration to senior executives within Hemtex is based on principles of performance, competitiveness and equity. Different remuneration components are in varying degrees suitable to reflect these principles. Therefore, a mixture of several components is used to reflect the substitution principles in a balanced way.

Senior executives ' Total remuneration consists of fixed salary, annual variable remuneration and pension and other benefits.

Together, these components constitute an integrated replacement package. For each financial year, the details of the total remuneration of senior executives are described in the annual report for the current financial year.

The ratio between fixed and variable salary and the correlation between performance and remuneration The fixed salary is set on the basis that it will be competitive. The absolute level depends on the size and complexity of the current position and the annual performance of the senior holders.

The performance is especially reflected in the moving component. The variable remuneration of the senior holders is related to the achievement of the budget and targets for the results level of Hemtex. The annual variable remuneration of the senior holders shall normally not exceed (i) five monthly salaries for the Managing director, where 80 percent in equal shares relate to targets linked to sales growth and profitability in accordance with the budget And the remaining 20% to predefined individual targets, (ii) Four monthly salaries for CFO, and (iii) three to one month's salary for other members of Hemtex's management. The relationship between fixed and variable salary shall reflect the Board's assessment of a reasonable balance between fixed and variable replacement parts and current market practices for senior managers. The fixed salary during the period of notice and severance pay shall not exceed the amount corresponding to the fixed salary for one year. However, fixed salary and/or severance pay shall not be payable if the former employee in the period in which such compensation is to be paid, recovers or assumes new employment. If such compensation were still payable, the former employee would be repayable.

Main terms and conditions for long-term incentive programs Hemtex's incentive program shall comprise senior executives in the company that have an impact on the company's earnings and position. An incentive program will contribute to a long-term growth in Hemtex and that employees and shareholders will have a common interest in a positive value development of the share. The Board will assess annually whether a long-term incentive plan is to be proposed.

Pension

Pension benefits must be competitive in the respective home countries of their employees. Hemtex's senior executives have in their employment agreements pension benefits corresponding to the current ITP plan. Variable remuneration shall not be pensionable. The retirement age is normally 65 years but may vary in individual cases.

Other benefits

The basic rule for Hemtex's employees is that other benefits, such as preferential cars and medical plans, should be competitive in the local market.

Deviations from the guidelines

The Board of directors shall be entitled to deviate from the guidelines if, in an individual case, there are special reasons for doing so. During 2013, the board of Directors has not deviated from adopted guidelines.

Majoritetskrav
The annual general Meeting's decision on guidelines for remuneration to senior executives is valid only if it is assisted by shareholders with at least half of the votes cast or, in the event of a tie, the sentence which the President assists.

Significant events after the end of the financial year
No significant events have taken place after the end of the period.

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The group's future development
2013 was the best year of performance since 2008. The focus in 2014 is therefore continued profitability. The work to develop the range and to broaden the price ladder continues – both in terms of the soft and hard range. Hemtex will also continue its work to develop interior collections in collaboration with interesting designers/design companies.

Proposal for the treatment of loss

At the disposal of the annual general meeting, the following funds, SEK:

Överkursfond	185 380 575
Retained Earnings	-250 061 000
Profit for the year	–27 627 412
Summa	-92 307 837

The Board of Directors proposes	
To re-invoice Transferred	-92 307 837
Summa	-92 307 837

Totalresultaträkningar, koncernen

1 januari–31 december

Tkr	Not	2013	2012	Group
Nettoomsättning	2	981 317	941 074	
Övriga rörelseintäkter	3	2 377	7 157	
Summa rörelsens intäkter		983 694	948 231	
Rörelsens kostnader				
Handelsvaror	7,18	-400 536	-401 820	
Övriga externa kostnader	5,22	-307 557	-314 850	
Personalkostnader	4	-262 730	-250 191	
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar	6	-21 798	-27 524	
Rörelseresultat		-8 927	-46 154	
Resultat från finansiella poster				
Finansiella intäkter		35	341	
Finansiella kostnader		-7 177	-6 452	
Finansnetto	8	-7 142	-6 111	
Resultat efter finansiella poster		-16 069	-52 265	
Skatt på årets resultat	9	-	-	
Årets resultat		-16 069	-52 265	
Övrigt totalresultat				
Poster som kan komma att omklassificeras till resultatet				
Omräkningsdifferenser		-671	460	
Totalresultat för året		-16 740	-51 805	
Årets resultat hänförligt till:				
Moderbolagets aktieägare		-16 069	-52 265	
Icke bestämmande inflytande				
Totalresultat hänförligt till:				
Moderbolagets aktieägare		-16 740	-51 805	
Icke bestämmande inflytande				
Resultat per aktie före utspädning, kr	10	-0,17	-0,55	
Resultat per aktie efter utspädning, kr		-0,17	-0,55	
Antal utestående aktier på balansdagen		95 835 506	95 835 506	
Genomsnittligt antal utestående aktier		95 835 506	95 835 506	
Genomsnittligt antal utestående aktier efter utspädning		95 835 506	95 835 506	

Balance sheets, Group

Tkr	Not	2013	2012	Group
		31 dec	31 dec	
Assets				
Fixed assets				
Intangible assets	11			
Capitalised expenditure on computer programs		21 710	15 624	
Tenancy		10 014	14 895	
Goodwill		249 492	248 842	
Summa		281 216	279 361	
Tangible fixed Assets	12			
Equipment and installations		21 255	18 495	
Improvement expenditure on leasehold		6 676	1 866	
Advances on tangible assets		-	300	
Summa		27 931	20 661	
Financial Fixed Assets	13, 26			
Other long-term securities holdings	13	1	1	
Other long-term receivables	13	2 351	2 320	
Summa		2 352	2 321	
Total non-current assets		311 499	302 343	
Current assets				
Inventories				
Commodities		176 825	169 414	
Current receivables				
Kundfordringar	26	3 853	4 384	
Current Skattefordran		2 465	2 426	
Derivatstillgång	18	378	-	
Other receivables		899	2 481	
Prepaid expenses and accrued income	14	29 154	31 391	
Summa		36 749	40 682	
Cash and Bank		40 028	47 880	
Total Current Assets		253 602	257 976	
Total assets		565 101	560 319	

Balansräkningar, koncernen

Change in shareholders ' equity, group

Tkr	Not	2013	2012	Group
		31 dec	31 dec	
EGET KAPITAL OCH SKULDER				
Eget kapital	15			
Aktiekapital		239 589	239 589	
Övrigt tillskjutet kapital		455 232	455 232	
Reserver		4 582	5 253	
Balanserat resultat inklusive årets resultat		-431 588	-415 519	
Summa eget kapital		267 815	284 555	
Långfristiga skulder	26			
Avsättningar för pensioner och liknande förpliktelser		2 862	2 809	
Räntebärande skulder till kreditinstitut	16	-	70 000	
Summa långfristiga skulder		2 862	72 809	
Kortfristiga skulder	26			
Räntebärande skulder till kreditinstitut	16	70 000	10 000	
Checkräkningskredit	17	49 361	28 766	
Leverantörsskulder		78 497	76 074	
Derivatskuld	18	-	539	
Övriga skulder		43 698	37 852	
Upplupna kostnader och förutbetalda intäkter	19	52 868	49 724	
Summa kortfristiga skulder		294 424	202 955	
Summa eget kapital och skulder		565 101	560 319	
Ställda säkerheter och eventalförpliktelser				
Ställda säkerheter	20	305 955	307 986	
Eventalförpliktelser	21	3 700	3 700	

Equity attributable to shareholders of the parent company

		Other contributed capital		Retained Earnings incl. Profit for the year	Total shareholders ' equity
Tkr	Share capital		Book		
Opening equity 2012-01-01	239 589	455 232	4 793	-363 254	336 360
Profit for the year	-	-	-	-52 265	-52 265
Other comprehensive income	-	-	460	-	460
Summa	239 589	455 232	5 253	-415 519	284 555
Closing shareholders ' equity 2012-12-31	239 589	455 232	5 253	-415 519	284 555
Opening equity 2013-01-01	239 589	455 232	5 253	-415 519	284 555
Profit for the year	-	-	-	-16 069	-16 069
Other comprehensive income	-	-	-671	-	-671
Summa	239 589	455 232	4 582	-431 588	267 815
Closing shareholders ' equity 2013-12-31	239 589	455 232	4 582	-431 588	267 815

Kassaflödesanalyser, koncernen

Income statements, parent company

1 januari–31 december		Group	
Tkr	Not	2013	2012
DEN LÖPANDE VERKSAMHETEN			
Resultat efter finansiella poster		-16 069	-52 265
Justeringar för poster som inte ingår i kassaflödet	23	20 606	28 491
		4 537	-23 774
Betald skatt		-	-
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		4 537	-23 774
Förändringar av rörelsekapital			
Varulager		-6 449	-4 274
Rörelsefordringar		3 910	2 735
Icke räntebärande skulder		10 239	-16 285
Kassaflöde från den löpande verksamheten	24	12 237	-41 598
Investeringsverksamheten			
Förvärv av verksamhet	25	-970	-490
Förvärv av immateriella anläggningstillgångar		-12 640	-7 158
Avyttring av immateriella anläggningstillgångar			
Förvärv av materiella anläggningstillgångar		-17 531	-11 939
Avyttring av finansiella anläggningstillgångar		-	12
Kassaflöde från investeringsverksamheten		-31 141	-19 575
Kassaflöde efter investeringsverksamheten		-18 904	-61 173
Finansieringsverksamheten			
Nyemission			
Upptagna lån		20 595	38 766
Amorterade lån		-10 000	-35 000
Kassaflöde från finansieringsverksamheten		10 595	3 766
Årets kassaflöde		-8 309	-57 407
Likvida medel vid årets början		47 880	105 696
Valutakursdifferens i likvida medel		457	-409
Likvida medel vid årets slut		40 028	47 880
Ej utnyttjade krediter			
Avtalade, ej utnyttjade krediter		129 293	134 348
Nettolåneskuldens förändring			
Nettolåneskuld vid årets början		60 886	-696
Förändring av räntebärande skulder		10 595	3 766
Förändring av likvida medel		7 852	57 816
Nettolåneskuld vid årets slut		79 333	60 886

1 January – 31 December Parent company

Tkr	Not	2013	2012
Net sales	2	931 968	89 3 157
Other Operating income	3	4 599	9 167
Total operating Revenue		936 567	902 324
Operating expenses	7,	-402	
Commodities	18	710	-398 088
Other external costs	5	-284 476	-294 846
Personalkostnader	4	-236 388	-226 330
Depreciation, amortization and impairment of tangible and intangible fixed assets	6	-33 313	-37 990
Operating income		-20 320	-54 930
Income from financial items			
Income from participations in group companies		-730	-5 254
Financial income		850	2 759
Financial expenses		-7 176	-6 608
NET Financial Items	8	-7 056	-9 103
Income after financial items		-27 376	-64 033
Bokslutsdispositioner		-	-
Profit before tax		-27 376	-64 033
Tax on profit for the year	9	-	-
Profit for the year		-27 376	-64 033

Report on Comprehensive income, parent company

Tkr	Not	2013	Parent company 2012
Profit for the year		-27 376	-64 033
Other comprehensive income			
Items that may be reclassified to result translation differences		-251	215
Other comprehensive income		-251	215
Total comprehensive income for the year		-27 627	-63 818

Balansräkningar, moderbolaget

Parent company

Parent company

Tkr	Not	2013	2012
		31 dec	31 dec
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar	11		
Balanserade utgifter för datorprogram		21 710	15 624
Hysesrätter		10 014	14 894
Goodwill		145 384	157 394
Summa		177 108	187 912
Materiella anläggningstillgångar	12		
Inventarier och installationer		19 720	17 494
Förbättringsutgift på annans fastighet		5 448	1 024
Förskott avseende materiella tillgångar			300
Summa		25 168	18 818
Finansiella anläggningstillgångar	13,26		
Andelar i koncernföretag	13	51	52
Andra långfristiga värdepappersinnehav	13	1	1
Andra långfristiga fordringar	13	2 351	2 321
Summa		2 403	2 374
Summa anläggningstillgångar		204 679	209 104
Omsättningstillgångar			
Varulager			
Handelsvaror		163 787	155 975
Kortfristiga fordringar			
Kundfordringar	26	3 845	4 384
Aktuell skattefordran		2 384	2 426
Fordringar hos koncernföretag		337	1 724
Övriga fordringar		878	2 472
Förutbetalda kostnader och upplupna intäkter	14	29 083	30 771
Summa		36 527	41 777
Kassa och bank		26 580	36 687
Summa omsättningstillgångar		226 894	234 439
Summa tillgångar		431 573	443 543

Tkr	Not	2013	2012
		31 dec	31 dec
Equity and liabilities			
Equity	15		
Share capital		239 589	239 589
Överkursfond		185 380	185 380
Retained earnings including profit for the year		-277 688	-250 061
Total shareholders ' equity		147 281	174 908
of which restricted equity in the parent company		239 589	239 589
of which non-restricted equity in the parent company		-92 308	-64 681
Provisions			
Provisions for pensions and similar obligations		2 862	2 809
Total provisions		2 862	2 809
Long-term liabilities	26		
Interest-bearing liabilities to credit institutions	16	-	70 000
Total non-current liabilities		-	70 000
Current liabilities	26		
Interest-bearing liabilities to credit institutions	16	70 000	10 000
Checkräkningskredit	17	49 361	28 766
Accounts payable		77 083	75 239
Liabilities to group Companies		264	2 727
Other liabilities		37 804	32 816
Accrued expenses and deferred income	19	46 918	46 278
Total Current Liabilities		281 430	195 826
Total shareholders ' equity and liabilities		431 573	443 543
Pledged assets and contingent liabilities			
Pledged assets	20	302 354	302 313
Ansvarsförbindelser	21	3 700	3 700

Parent company

Restricted equity Unrestricted equity Total

Kassaflödesanalys, moderbolaget

1 januari–31 december			
Tkr	Not	2013	2012
DEN LÖPANDE VERKSAMHETEN			
Resultat efter finansiella poster		-27 377	-64 033
Justeringar för poster som inte ingår i kassaflödet	23	32 942	42 317
		5 565	-21 716
Betald skatt		-	-
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		5 565	-21 716
Förändringar av rörelsekapital			
Varulager		-7 254	-3 884
Rörelsefordringar		5 221	-3 368
Icke räntebärande skulder		4 826	-14 010
Kassaflöde från den löpande verksamheten	24	8 358	-42 978
Investeringsverksamheten			
Förvärv av verksamhet	25	-970	-490
Förvärv av immateriella anläggningstillgångar		-12 710	-7 143
Förvärv av materiella anläggningstillgångar		-15 456	-10 712
Avyttring av materiella anläggningstillgångar		1	-
Förvärv av finansiella anläggningstillgångar		-	-49
Kassaflöde från investeringsverksamheten		-29 135	-18 394
Kassaflöde efter investeringsverksamheten		-20 777	-61 372
Finansieringsverksamheten			
Upptagna lån		20 595	38 766
Amorterade lån		-10 000	-35 000
Kassaflöde från finansieringsverksamheten		10 595	3 766
Årets kassaflöde		-10 182	-57 606
Likvida medel vid årets början		36 687	94 329
Valutakursdifferens i likvida medel		75	-36
Likvida medel vid årets slut		26 580	36 687
Ej utnyttjade krediter			
Avtalade, ej utnyttjade krediter		128 399	133 486
Nettolåneskuldens förändring			
Nettolåneskuld vid årets början		72 079	10 671
Förändring av räntebärande skulder		10 595	3 766
Förändring av likvida medel		10 107	57 642
Nettolåneskuld vid årets slut		92 781	72 079

Förändring av eget kapital, moderbolaget

EGET KAPITAL					
Tkr					
Ingående eget kapital 2012-01-01	239 589	-186 243	185 380	238 726	
Årets resultat		-64 033		-64 033	
Årets förändring av omräkningsreserv		215		215	
Utgående eget kapital 2012-12-31	239 589	-	-250 061	185 380	174 908
Ingående eget kapital 2013-01-01	239 589	-	-250 061	185 380	174 908
Årets resultat		-27 376		-27 376	
Årets förändring av omräkningsreserv		-251		-251	
Utgående eget kapital 2013-12-31	239 589	-	-277 688	185 380	147 281

1. Redovisningsprinciper

General Accounting Principles

Compliance with standards and law

The consolidated accounts have been prepared in accordance with international Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as approved by the European Commission for application in the EU. In addition, the recommendation of the Swedish Financial Reporting Board (RFR 1) "Supplementary accounting rules for groups" has been applied. The parent company applies the same accounting principles as the group except in the cases listed below under the section "parent company Accounting Principles". The differences between the parent company's and the group's principles are subject to limitations in the possibility of applying IFRS in the parent company as a result of the annual Accounts Act (ÅRL) and the Security Act and in some cases for tax reasons. The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act and RFR 2 "accounting for legal persons" from the Swedish Financial Reporting Board.

The annual accounts and the consolidated accounts have been approved for issue by the board on March 6, 2014. The consolidated statement of comprehensive income and balance sheet and the parent company's income statement and balance sheet are subject to a decision on adoption at the annual general meeting on 11 April 2014.

New and changed accounting principles International Financial Reporting Standards

The news that came into force 2013 is:

- Amendments to IFRS 7 Financial instruments: disclosures. Introduces new disclosure requirements regarding the offsetting of financial assets and financial liabilities.
- IFRS 13 fair value measurement contains uniform rules for the calculation of fair values where other standards require accounting to or disclosure of fair values. The purpose of the standard is to ensure that fair value measurements are more consistent and less complex by providing a precise definition and a common source in IFRS to fair value values and associated information. The standard has not affected Hemtex's carrying amounts but has led to a certain increase in information.
- Amendments to IAS 1 presentation of financial statements. Presentation of other comprehensive income changes so that items to be reclassified to profit and loss are reported separately from items that will never be reclassified.
- Amendments to IAS 19 employee benefits. These changes mainly entail significant changes to the recognition of defined benefit pension plans. The corridor approach and the possibility of immediate resultatföra actuarial gains and losses have been removed. In addition, the interest rate for calculating the pension liability shall also be used for the estimated return on pension assets. In addition, revaluations shall be reported in other comprehensive income (no reclassification), i.e. Actuarial gains and losses and the difference between actual and estimated return on pension assets. The changes have not affected the financial statements of Hemtex.

Following Changes And Updates Have Decided Av Iasb And Applied From 1 January 2014 With Exception For Ifrs 9 Where Something Date For Application Yet Not Established

- Ifrs 9 Financial Instruments. Standard Given Out i If Aisles And Is A Part i A Full Recast Av It Current Standard Ias 39 Financial Instruments: Accounting And Score. Standard Will To Came Supplemented With Rules About Including Impairment losses. Decision Entry'into force Have Not Taken And Eu Have Yet Not Approved The released parts. Group

- Ifrs 10 Consolidated financial statements Describe For When Control Is And Thus When A Company To Included i Group Ledger. Standard Gives More Guidance For To Assist At Determination Av Control When This Is Difficult To Assess. Standard Affect Not Hemtex Current

- Ifrs 11 Cooperation arrangements, Identifies Two Types Av samarbetsarrangemang (joint arrangements); joint operation, Where Owners Have Rights And Commitments To Assets And Liabilities And Joint Venture Where Owners Have Rights To Net assets. At Joint Operation To Owners Account Their Respective Assets Debt Revenue And Costs. At Joint Venture To Equity Method Applied. Hemtex Have For Present No Holding That Covered Av It New Standard.

- Ifrs 12 Information About Shares i Other Company. Contains Disclosure requirements For Subsidiaries Samarbetsarrange Mang Associates And Not Consolidated "Structured Entities ". Standard Means A Certain Extension Av Up

Estimates and assessments.

- Changes i Ias 32 Financial Instruments: Classification. Insert A Clarification i Section "Guidance At Application Ning Respect Settlement Av Financial Assets And Financial Financial Debt. Changes Affect Not Hemtex Financial

Conditions At Establishment Av Group And Parent company Financial Reports

Parent company Functional Currency Is Swedish Sek That Also Is Parent company And Group Reporting currency. It Means To The Financial Reports Presented i Swedish Estimates and assumptions are Made At Amount About Not To Nearest Thousands. Assets And Debt Is Carrying To Acquisition values. Besides Some Financial Assets And Debt That Valued To Real Values. To Establish Financial Reports i Under With Ifrs Requires this period, or in the period the To Management Make Assessments Estimates And Make Assumptions That Affect The Carrying Amounts Av Assets Debt Revenue And Costs. Estimates And Assumptions Is Based On Historic Experience And A Number Other Factors That During Current Conditions Seems Be Reasonable. It Revenue Can Deviate From Made Up the balance sheet date refer to

both favorable and unfavourable events occurring between the balance sheet date and the date of the beginning of the following year when the financial statements are signed by the members of the board. Information is provided in the annual report of significant events after the balance sheet date which are not taken into account when determining the balance sheet and profit and loss accounts. Only events such as Confirms conditions at the balance sheet date taken into account in the determination of the bills.

The following accounting principles for the group have been applied consistently to all periods presented in the group's financial statements, unless otherwise stated below.

Important estimates and assessments

According to management, critical assessments of applied accounting principles, as well as sources of uncertainty in estimates, are mainly related to valuation of goodwill and inventories.

The reported goodwill is tested when an indication exists to ascertain possible impairment, but at least once a year. An impairment test includes that assumptions with regard to, for example, discount rate, cash flow and growth are made to calculate the fair value of the underlying asset. For more information on Nedskrivningstester, see notes 6 and 11. Write-downs are reported in the income statement and these cannot be reversed.

Inventories have been valued at the lower of cost and net realisable value. The amount of net realisable value includes calculations, inter alia, on the basis of assessments of future sales prices, taking into account the estimated price reductions. The actual outcome of future sales prices may deviate from the assessments made.

Segmentsredovisning

ALL internal accounting and follow-up takes place based on the geographical breakdown, which is the company's classification basis for segment reporting.

The segments ' results, assets and liabilities have included directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner.

Classification

Fixed assets and non-current liabilities consist essentially of amounts that are expected to be recovered or paid later than twelve months after the balance sheet date. Current assets and current liabilities consist essentially of amounts that are expected to be recovered or paid earlier than twelve months after the balance sheet date.

Konsolideringsprinciper

The consolidated financial statements include the parent company Hemtex AB and all companies in which Hemtex AB directly or indirectly holds more than 50 percent of the votes or otherwise has a controlling influence over operational and financial management. Controlling influence directly or indirectly entails the right to design a company's financial and operational strategies with a view to obtaining economic benefits. Thus, the franchisee's income statement and balance sheet are not included in the consolidated financial statements. The consolidated financial statements are based on accounting documents prepared for all group companies as at 31 December. The group companies have been consolidated in accordance with the acquisition method. The value of net assets in the acquired subsidiaries is determined Based on a measurement of the fair value of identifiable assets and liabilities at the time of acquisition ("Acquisition Analysis"). Where fair value measurement of assets and liabilities gives values other than the book value of the acquired company, these fair values constitute the group's acquisition values. exceeds the acquisition value of the subsidiary shares the fair value of the identifiable net assets at the time of acquisition, the difference is reported as group goodwill. is less than the acquisition value of the net identifiable assets are recognized the surplus immediately in the income statement.

Goodwill is valued at acquisition value less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not depreciated but tested at least annually for impairment, see write-downs. The consolidated income statement includes the acquired companies during the financial year from the date of acquisition. During the year, divested companies are included until the date when the controlling influence ceases.

Intercompany transactions

Intra-group receivables and liabilities, income or expenses and any unrealised gains or losses arising from the Transactions, are eliminated when the consolidated financial statements are prepared.

Financial statements of foreign operations Assets and liabilities in foreign operations, including goodwill and other group surplus and sub-values, are translated from entity functional currency to the group's reporting currency, Swedish kronor, at the exchange rate prevailing on Balance sheet date. Income and expenses in a foreign operation are

translated to Swedish kronor at an average rate that is an approximation of the prices at the time of each transaction. Translation differences arising from currency translation of foreign operations are reported under other comprehensive income.

Transactions in foreign currency

Purchases and sales in foreign currencies are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currency are converted into the functional currency at the exchange rate prevailing at the balance sheet date. Exchange-rate differences arising from the translation are reported in the income statement. Ickemonetära assets and liabilities that are reported at historical acquisition values are translated at the exchange rate at transaction. For hedging of future contracted currency flows resultatredovisas exchange differences on the hedging transaction in the same period as the underlying flow. Kursdifferensen is included in its entirety in the operating profit.

Revenue

Hemtex Group's net sales consist of goods to consumers through their own stores and wholesale sales to franchise within Hemtexkedjan. Income at goods is recognised as income in the income statement upon delivery. Sales are reported excluding VAT and after discounts. Outstanding bonuses to Customer club members are continuously taken into account in revenue recognition.

Other operating income consists mainly of franchise fees, connection fees for new franchise and commissions. Franchise fees are accrued in the income statement as they are earned. Connection fees for new franchise are reported in the period that the shop opens and some obligations linked to the franchise agreement do not exist. Invoicing of marketing Services has reduced other external costs.

Continuation note 1

Financial income and expenses

Financial income and expenses consist of interest income on bank deposits and interest-bearing securities, interest expenses on loans, dividend income and exchange-rate differences.

Dividend income is recognised when the right to receive payment is determined.

Financial instruments

Financial instruments recognised in the balance sheet include, on the asset side, liquid assets, trade receivables and derivatives. Liabilities and equity include Accounts payable, issued debt instruments, loan liabilities and derivatives.

Financial instruments are initially measured at cost corresponding to the fair value of the instrument plus transaction costs for all financial instruments other than those belonging to the category financial asset that are recognised at Fair value above profit or loss, which is reported at fair value. Accounting is then depending on how they have been classified as below.

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party under the contractual terms of the instrument. Accounts receivable are recognised in the balance sheet when the invoice has been sent. Debt is raised when the counterparty has performed and contractual obligation exists to pay, even if the invoice has not yet been received. Accounts payable are entered when the invoice is received.

A financial asset is removed from the balance sheet when the rights in the contract are realised, expired or the company loses The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. The same applies to part of a financial liability.

Continuation note

Acquisitions and disposals of financial assets are recognised on the trade date, which constitutes the date on which the company commits to acquire or divest the asset. In cases where the company acquires or disposes of listed securities, it applies liquid daily accounting. A financial asset and a financial liability are offset and accounted for with a net amount in the balance sheet only where there is a legal right to offset the amounts and that there is an intention to regulate the items at a net amount or to simultaneously To realise the asset and settle the debt. IAS 39 classifies financial instruments into categories. The classification depends on the intention of the acquisition of the financial instrument. The management determines the classification at the original acquisition date. Hemtex has the following categories: <div><div>Financial assets valued at fair value over the year's profit or loss</div><div>In this category, derivatives are in the form of forward exchange contracts when they have a positive market value. Assets in this category are measured at fair value with changes in value reported in profit or loss for the year.</div><div>Loans Receivable and Accounts receivable</div></div> <div>Loan receivables and trade receivables are financial assets that are not derivatives with fixed payments or payments that can be determined and are not listed on an active market. The claims arise when companies provide money, goods and services directly to the creditor without the intention of trading in the debtors. The category also includes purchased receivables. Assets in this category are valued at amortised cost. Accrued acquisition value is determined on the basis of the effective interest rate calculated at the time of acquisition.</div>	
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Financial liabilities valued at fair value over profit or loss	
In this category, derivatives are available in the form of forward exchange contracts when they have a negative market value. Liabilities in the category are measured at fair value with changes in value reported in profit or loss for the year.	Other financial liabilities
Financial liabilities that are not held for trading are valued at amortised cost. Accrued acquisition value is determined on the basis of the effective interest rate that was calculated when the liability was raised. This means that the above and below values as well as direct issue costs are accrued over the period of the debt.	
Long-term receivables and other receivables	Long-term receivables and other short-term receivables are receivables that arise when the company provides money without the intention of trading in the claim. If the expected holding period is longer than one year, they are long-term receivables and shorter other receivables. These receivables belong to the Category loan receivables and Accounts receivable.
Financial Investments	Financial investments are either financial fixed assets or short-term investments depending on the purpose of the holding. If the term or the expected holding period is longer than one year, they are financial fixed assets and if they are less than one year's short-term investments.

Continuation note 1

Reported periods are derived from warrants acquired by senior executives and key employees within the group.

Kundfordringar
Accounts receivable are classified in the Category loan receivables and Accounts receivable. Accounts receivable are reported at the amount expected to be received after deductions for doubtful receivables that have been assessed individually. The expected maturity of the customer receivable is short, so the value is reported at the nominal amount without discounting. Write-downs of accounts receivable are reported in operating expenses.
Liquid Funds
Liquid funds include cash, immediately available bank deposits and other money market instruments with an original maturity of less than three months.
Debt
Liabilities are classified as other financial liabilities, which means that they are initially reported at the amount received after deduction of transaction costs. After the acquisition date, the loans are valued at amortised cost according to the effective interest method. Accrued acquisition value is determined on the basis of the effective interest rate that was calculated when the loans were raised. This means that the above and below values as well as direct issue costs are accrued over the duration of the loans. Long-term liabilities have an expected maturity of more than one year, while short-term has a maturity of less than one year.
Accounts payable
Accounts payable are classified in the category other financial liabilities. Accounts payable have a short expected maturity and are valued without discounting at the nominal amount.
Derivative instruments
Hemtex's derivative instruments consist of forward exchange contracts that are used to cover risks of exchange rate fluctuations. The company mainly uses currency futures to secure purchases in USdollar.
Pensioner
Commitments for pensions are classified as either defined contribution plans or defined benefit plans. The plans mainly cover old-age pensions, disability pensions and survivors ' pensions. Obligations relating to contributions to defined contribution plans are Expense in the income statement when they arise. The value of a

Hemtex does not apply hedge accounting but recognises the capital gains and decreases in the derivative as income and expenses within the operating profit.
Intangible assets
Goodwill
Goodwill represents the difference between the group's acquisition value of the business combination and the fair value of the acquired identified assets, liabilities assumed and contingent liabilities at the time of acquisition. Goodwill is valued at acquisition value less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not depreciated but tested at least annually for impairment. See further in the section impairment.
Capitalised expenditure on computer programs
The acquisition cost of licenses and the development of larger IT systems for internal use are capitalised where they are deemed to be of value to the company for several years. Direct and indirect external and internal expenditure on development of software for own use is activated. Expenditure on education and ongoing maintenance is expensed continuously.
Tenancy
Rental rights acquired by the group are reported at acquisition value less accumulated amortisation and any impairment losses.
Additional expenditure
Additional expenditure on an intangible asset is added to the acquisition value only if it increases the future economic benefits that exceed the initial assessment and the expenditure can be calculated reliably. All other expenses are expensed when they arise.
Tangible assets
Tangible fixed assets are recognised as assets in the balance sheet if it is probable that future economic benefits will be provided to the company and the cost of the asset can be measured reliably. Tangible fixed assets are reported in the group at cost less accumulated amortisation and any impairment losses. The acquisition value includes the purchase price and costs directly attributable to the asset to bring it into place and in condition to be used in accordance with the purpose of the acquisition. Examples of directly attributable costs included in the acquisition value are the costs of delivery and handling, installation, consultancy and legal services. Additional expenditure is added to the acquisition value to the extent that the asset's performance is improved in relation to the level prevailing at the time it was originally acquired. Other additional expenditure is recognised as an expense in the period in which it arises.
Leased assets
As a lessee, the company and the group have entered into operational leasing agreements. The leasing cost are recognized evenly over the contract period and includes variable fees, where applicable, that are marginal in relation to the total costs. The group has financial leasing agreements for cars. The total value of these agreements is marginal in size, which is why they are reported as operational leasing agreements. The group's operational leasing agreements mainly refer to premises for offices and shops and shop fittings.
Depreciation
Depreciation on tangible and intangible fixed assets is based on the original acquisition value less calculated residual value and is depreciated on a linear basis over the estimated useful life and recognised as an expense in the income statement. Any part of an item of property, plant and equipment with an acquisition value that is
defined benefit pension plan is the present value of the defined benefit obligation minus the fair value of any plan assets with which the obligation is to be settled. If this net value consists of a liability, it is recognised as a provision in the balance sheet. If the net value consists of an asset, it is recognised, if certain criteria are met, as a long-term financial receivable. Hemtex Group's commitment for officials in Sweden is secured through insurance with ALECTA. According to a statement by the Swedish Financial Reporting Emergency group (UFR 3), this is a multi-employer defined benefit plan. At present, Alecta cannot provide such information Which makes it possible to recognise this plan as defined-benefit. The pension plan under ITP, which is secured through an ALECTA insurance policy, is therefore reported as a defined contribution plan. At the end of December 2013, alecta surplus in the form of the collective

significant in relation to the total cost of the asset is depreciated separately. The following useful life periods apply:

Intangible assets	
Capitalised expenditure on Software Apartments 10 years old	5 Years Rental
Tangible assets	
Equipment and installations Improvement expenditure on leasehold	5 years 5 years

Inventories

Inventories are listed at the lower of cost and net realisable value. NET realisable value is the estimated selling price in the ordinary course of business, after deduction of estimated costs for completion and for the purpose of obtaining a sale. The acquisition value is calculated according to weighted average prices.

Nedskrivningar

At each closing date, it is assessed whether there is any indication that the group's assets have decreased in value. If this is the case, the recoverable amount of an asset is calculated. In the case of goodwill, a review is carried out at least once a year regardless of whether an indication of impairment exists or not. The recoverable amount is the highest of an asset's net realisable value and value in use. In terms of recoverable values for goodwill, these are based on value. The estimated future net payments that the asset is expected to generate during the period of use are calculated for determining the present value of the value of the assets. The present value calculation uses a pre-tax calculation rate that reflects the current market interest rate and the risk attributable to the asset.

If the recoverable value is less than the carrying amount, an impairment loss is made of the asset. Reversals of impairment losses are effected if there has been a change in the assumptions underlying the calculation of the recoverable amount. Goodwill impairment losses are not reversed. A write-down of assets other than goodwill is reversed only to the extent that the carrying amount of the asset after the reversal does not exceed the carrying amount that the asset would have had if no impairment loss had been made, taking into account the Amortisation that would then have been made. Impairment losses and reversals of impairment losses are recognised in the income statement.

At each reporting date assesses, the company evaluates whether there is objective evidence that a financial asset or group of assets is in need of impairment. Objective evidence consists partly of observable conditions that have occurred and which have a negative impact on the possibility of recovering the cost of acquisition and, secondly, of a significant or prolonged reduction in the fair value of an investment in a financial Investment classified as a available-for-sale financial asset.

Dividends

Dividends are recognised as a liability after the annual general meeting approves the dividend.

Result per share

The calculation of earnings per share is based on profit for the year in the group attributable to the parent company's shareholders and on the weighted average number of shares outstanding during the year. When calculating earnings per share after dilution, the earnings and the average number of shares are adjusted to take into account the effects of dilutive potential ordinary shares, which

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gation minus the fair value of any plan assets with which the obligation is to be n the balance sheet. If the net value consists of an asset, it is recognised, if commitment for officials in Sweden is secured through insurance with ALECTA. oup (UFR 3), this is a multi-employer defined benefit plan. At present, Alecta plan as defined-benefit. The pension plan under ITP, which is secured through an n. At the end of December 2013, alecta surplus in the form of the collective

consolidation level amounted to 148 per cent. The collective consolidation level is the market value of ALECTA assets as a percentage of the insurance commitments calculated according to Alecta actuarial calculation assumptions, which do not comply with IAS 19. Pensions in Finland are defined-contribution pension plans. Pension costs for the year are shown in Note 4.

Termination benefits A provision is reported in connection with redundancies of staff only if the company is demonstrably obligated to terminate an employment before the normal time or when compensation is provided as an offer to encourage voluntary resignation. Where the company terminates staff, a detailed plan shall be drawn up which includes at least the workplace, positions and approximate number of persons concerned, as well as the remuneration for each category of staff or position and the time of implementation of the plan.

Provisions

A provision is recognised in the balance sheet when the group has an existing legal or constructive obligation as a result of an event occurring, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of when payment is made is material, provisions are calculated by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, if applicable, The risks associated with the debt.

Taxes

Total tax is the current tax and deferred tax. Taxes are reported in the profit or loss for the year, other comprehensive income or directly in equity based on where the underlying transaction is reported.

Current tax is tax that is to be paid or received for the current year. This includes adjustment of current tax attributable to previous periods.

Deferred tax is calculated according to the balance sheet method on the basis of temporary differences between the carrying amounts and the tax values of assets and liabilities. The amounts are calculated based on how the temporary

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The differences are expected to be capped and applying the tax rates and tax rules that are decided or announced as of the balance sheet date. Temporary differences are not taken into account in group goodwill, nor in differences attributable to shares in subsidiaries and associates that are not expected to be taxed in the foreseeable future. Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognised only to the extent that it is probable that they will result in lower tax payments in the future.

Borrowing costs

Borrowing costs are charged to the result in the period to which they relate. Hemtex holds no so-called qualifying assets for which these expenses are to be capitalised

Contingent liabilities A contingent liability is recognised when there is a possible commitment arising from past events and whose existence is confirmed only by one or more uncertain future events or when there is a commitment that is not recognised as a liability or Provision because it is unlikely that an outflow of resources will be required.

Kassaflödesanalys

The cash flow statement is prepared in accordance with the indirect method, which means that the profit after financial items is adjusted for transactions that did not involve cash receipts or payments during the period and for any revenues and expenses attributable to Cash flows of investment activities.

Parent company Accounting Policies The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the recommendation of the Swedish Financial Reporting Board RFR 2 "Accounting for legal entity". RFR 2 means that the parent company in the annual report of the legal entity shall apply all of the EU-approved IFRSs and statements as far as possible within the framework of the annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation specifies the exceptions and additions to be made from IFRSs.

Differences between the group's and the parent company's accounting policies The differences between the group's and the parent company's accounting principles are shown below. The accounting principles for the parent company described below have been applied consistently to all periods presented in the parent company's financial statements.

Classification and presentation forms

The parent company's income statement and balance sheet are set out in accordance with the annual Accounts Act schedules.

Subsidiary

Shares in subsidiaries are reported in the parent company according to the acquisition value method. All dividends received are recognised as revenue. The item shares in subsidiaries Nedskrivningstestas if there are indications or reasons to believe that the recoverable amount is less than the carrying value.

Intangible assets

In the parent company, Goodwill is reported in the balance sheet Arising in connection with the merger of subsidiaries and in asset acquisitions.

In the parent company, Goodwill Amortization is 20 years. The reason for the estimated life expectancy is that the acquisitions have been important for the construction of Hemtex and the geographic coverage of the market.

Furthermore, these entities enable the strategic use of the group's penetration and purchasing organisation.

Leased assets

In the parent company, all leasing agreements are reported according to operating lease rules. The parent company has financial leasing agreements for cars. The total value of these agreements is marginal in size, which is why they are reported as operational leasing agreements.

Taxes

Untaxed reserves, including deferred tax liabilities, are reported in the parent company. In the consolidated financial statements, however, untaxed reserves are divided into deferred tax liabilities and equity.

Financial instruments

Hemtex applies the exemption rule in RFR 2 and reports financial instruments according to a method based on acquisition value.

Continuation note 1

All amounts are reported, unless otherwise stated, in SEK thousands (TKR)

2. Segment reporting

Accounting by Operating segment 2013

		Group					
		Sweden	Finland	Estonia	Denmark	Adjustments	Total
Revenue	External nettoomsättning	92 750	875 144	13 423	—	—	981 317
	Internal net sales	—	43 401	—	—	-43 401	—
Summa		918 545	92 750	13 423	—	-43 401	981 317
Operating income		268	− 9 371	− 130	306	—	− 8 927
Ofördelade ränteintäkter		—	—	—	—	—	35
Unallocated interest expenses		—	—	—	—	—	− 7 177
Profit/Loss after net financial items		—	—	—	—	—	− 16 069
Other information Inventories							
		161 721	13 038	2 066	—	—	176 825
Other assets		380 689	16 121	3 210	—	− 11 744	388 276
Unallocated assets		—	—	—	—	—	—
Total assets		542 410	29 159	5 276	—	− 11 744	565 101
Debt		281 319	39 652	572	—	−27 119	294 424
Unallocated liabilities		—	—	—	—	—	—
Total liabilities		281 319	39 652	572	—	−27 119	294 424
Investment		28 110	2 030	31	—	—	30 171
Depreciation, tangible assets		8 671	1 145	477	—	—	10 293
Amortization, intangible assets		24 165	—	—	—	− 12 660	11 505

Continuation note

The segment's operating profit includes the retail business's

The adjustments column refers to internal balances and results in each market.

The Swedish Wholesale

Allocation of goodwill to the Swedish segment, which is the only business result from sales to the respective

Cash-generating unit where goodwill is recognised. Market is part of the Swedish operating segment.

	Group						
	Sweden	Finland	Estonia	Denmark	Norway	Adjustments	Total
Accounting by operating segment 2012							
Revenue							
External net sales	837 722						
	46 062	93 979	9 373	—	—	—	941 074
<u>Internal net sales</u>		—	—	—	—	-46 062	—
Summa	883 784	93 979	9 373	—	—	-46 062	941 074
Operating income	- 38 164	- 8 409	- 504	1 009	- 86	—	- 46 154
Ofördelade ränteintäkter	—	—	—	—	—	—	341
<u>Unallocated interest expenses</u>	—	—	—	—	—	—	- 6 452
Profit/Loss after net financial items	—	—	—	—	—	—	- 52 265
Other information Inventories							
	154 105	13 424	1 870	—	—	15	169 414
Other assets	388 354	11 811	3 180	2 738	—	- 15 178	390 905
<u>Unallocated assets</u>	—	—	—	—	—	—	—
Total assets	542 459	25 235	5 050	2 738	—	- 15 163	560 319
Debt	265 312	35 353	513	460	—	-28 683	272 955
<u>Unallocated liabilities</u>	—	—	—	—	—	—	—
Total liabilities	265 312	35 353	513	460		-28 683	272 955
<u>Investment</u>	<u>17 333</u>	<u>830</u>	<u>1 412</u>	—	—	—	<u>19 575</u>
Depreciation, tangible assets	13 815	1 781	513	—	—	—	16 109
Amortization, intangible assets	23 688	—	—	—	—	- 12 273	11 415

2			
Net sales per geographic market for the parent company			
	2013	2012	
Sweden	888 567	847 095	
<u>Finland</u>	<u>43 401</u>	<u>46 062</u>	
Summa	931 968	893 157	

Net sales	Group		Moderbolaget	
	2013	2012	2013	2012
Sales to Franchise	25 414	32 019	25 414	32 019
Sales to stores in subsidiaries	—	—	43 401	46 062
Sales to consumers in own stores	955 903	909 055	863 153	815 076
Summa	981 317	941 074	931 968	893 157

In addition to the goods of Hemtex's own range, sales to franchise include genomfakturering of products from contract suppliers which are not marginalized and further invoicing of store equipment and computer equipment.

3. Other Operating income

	Group		Parent company	
	2013	2012	2013	2012
Franchiseintäkter	1 606	1 823	1 606	1 823
Provision	437	2 899	437	2 899
Management Fee	—	—	2 309	2 335
Other	334	2 435	247	2 110
Summa	2 377	7 157	4 599	9 167

4. Employees and personnel costs

Average number of employees

The average number of employees within the group and salaries and remuneration is shown in the following summary. The average number of employees has been calculated by

Attendance hours have been made in relation to normal working time in each country. The data on the number of employees and salaries and remuneration relate to the period from 1 January to 31 December for each year.

2013	2012
------	------

Continuation note

	Average number of employees	of which men	Average number of employees	of which men
Parent company				
Hemtex AB	479	43	473	41
Subsidiary				
Hemtex Ltd, Finland	73	2	74	2
Hemtex International AB	1	-	-	-
Hemtex A/S, Denmark	-	-	-	-
Group Total	553	45	547	43

Presentation of gender distribution in management

	2013	2012	
	Number of men	Number of women	Number of women
Parent company			
Board	3	3	2
Other senior executives	5	2	2
Group Total			
Board	9	3	2
Other senior executives	5	3	3

Salaries, other remuneration and social security costs

	2013		2012	
	Salaries and other remuneration	So .ocial costs (Of which pensionskostnader)	Salaries and other remuneration	So .ocial costs (Of which pensionskostnader)
Parent company	173 574	61 074	168 707	60 289
		– 11 121		– 9 142
Subsidiary	22 620	5 559	20 544	4 526
		– 3 820		– 3 709
Group	196 194	66 633	189 251	64 815
		– 14 941		– 12 851

The group's pension costs for the company's management and a former retiring executive (9 persons) amount to SEK 2 495 (2 130). For the Board of Directors (6 persons), the pension is SEK 0 thousand (0 TKR).

Hemtex Group has today both defined benefit plans and At present, Alecta cannot provide information that makes defined contribution plans. All employees in Sweden are linked To report this ITP plan as defined benefit. The ITP plan via Alecta, which is a defined benefit plan but is Pensions in Finland are defined-contribution pension plans. Reported as a defined contribution plan according to a statement Obligations relating to contributions to defined contribution plans Financial Reporting Board (UFR 3). Recognized as an expense in the income statement when they arise.

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4

Salaries and other remuneration distributed by country

	2013		2012	
	Board of Directors and senior executives (12 persons)	Other employees	Board of Directors and senior executives (12 persons)	Other employees
Parent company				
Hemtex AB	10 459	164 816	10 917	157 790
Subsidiary				
Hemtex Ltd, Finland	-	19 671	-	20 544
Hemtex International AB, Sverige	1 248	-	-	-
Group	11 707	184 487	10 917	178 334

Sickness absence in the parent company

The relationship between fixed and variable salary and the correlation between performance and compensation December for each year. The fixed salary is determined on the basis that the

%	2013	2012	be competitive. The absolute level depends on the size and complexity of the current position and the annual performance of the senior holders. The relationship between fixed and variable salary shall reflect the Board's assessment of a reasonable balance between fixed and variable replacement parts and current market practices for senior managers.
Total sickness absence	4,71	3,48	
Långtidssjukfrånvaro	2,64	1,38	
Sickness absence for men	0,84	0,59	
Sick leave for women	5,3	3,42	
Employees, age until 29 years	3,31	2,44	
Employees, age 30 – 49 years	4,77	3,47	
Employees, age from January 50 years	5,29	4,31	

Continuation note 4

Other benefits

The basic rule is that other benefits, such as benefit cars and medical plans, should be competitive in the local market.

Benefits to the Board of directors and senior executives

Board

Fees are paid to the Chairman and members elected by the AGM at the AGM's decision.

The Chairman's fee for the financial year 2013 amounts to SEK 0 (0). Other external members ' fees for the financial year total SEK 850 (680). Remuneration to the remuneration committee amounts to 75 (75), according to the AGM's decision. Fees to the Audit committee amount to SEK 75 (75), according to the AGM's decision. No fee is paid to the Chairman of the board, Stein Petter Ski. In accordance with new rules, it has been possible for board members who meet certain conditions to invoice the amount of board and committee fees. The board member may then impose an amount relating to social security contributions on his invoice. The social security contributions that are then included in the invoiced amount are not higher than the employer fees the company would otherwise have paid. The entire fee, i.e. the cash portion of the fees and the committee fee, including social security contributions, is then invoiced on board fees.

Remuneration and other benefits to the board's Members in 2013

Fee

Fee

Stein Petter Ski (ORDF)	-	-	-
Ingemar Charleson	170	25	-
Mats Holgerson	170	-	50
Christel Kinning	170	50	-
Paul Adlercreutz	170		25
Rocky AF Ekenstam Brennicke			
	170	-	
Summa	850	75	75

Remuneration and other benefits to the board's Members under 2012

	Board	Fee	
	on	Remunerati Committee	Other
Stein Petter Ski (ORDF)	-	-	-
Ingemar Charleson	170	25	-
Mats Holgerson	170	-	50
Meta Persdotter	170	50	-
Paul Adlercreutz	-	-	25
Summa	680	75	75

Continuation note

percent in equal shares Relates to targets linked to **Executives 2013** Sales growth and profitability in accordance with budget and The annual general meeting on 15 April 2013 decided on the following principles. The remaining 20% to predefined individual targets, (ii) Four this policy deals with salaries and other remuneration for Monthly salaries for CFO, and (iii) two monthly salaries for other group management including the President and CEO and Members of Hemtex's management. The CEO, hereinafter referred to as "senior executives". The relationship between fixed and variable pay shall reflect The board's assessment of a fair balance between fixed and variable and current market practices for senior managers.

Remuneration committee

The members of the Board elect among the members a remuneration pay shall be the Committee for each financial year. The Committee has the task of Fixed salary during the period of notice and severance salary, to produce proposals for salary and other remuneration for the executive not exceed the amount corresponding to the fixed For two years. However, fixed salary and/or severance pay shall not be paid to the President and CEO and take a position on proposals for remuneration The former employee during the period in which such remuneration is to be paid and other remuneration for other senior executives. Return or take up new employment. Should such compensation still be payable, there is a repayment obligation for the previous

Basic Principles

Employee.

Remuneration to senior executives within Hemtex is based on principles of performance, competitiveness and Pension Fairness. Different remuneration components are, to varying degrees, Pension benefits shall be competitive in each appropriate to reflect these principles. therefore used A Homeland. For the senior executives who, in the Their mix of several components to reflect replacement Employment contract has agreed on pension benefits beyond ITP

Principles in a balanced way.

A supplementary pension premium is payable. This premium amounts

Senior executives ' total remuneration consists of To a certain percentage based on the fixed salary, annual variable salary and pension and other Including the bonus for the President and CEO benefits. Together, these components form an integrated and to a certain percentage based on the fixed monthly salary

Replacement package.

For other senior executives, who have this benefit in the

For each fiscal year, the details of the total its agreement. Variable remuneration shall not be pensionable. Remuneration to senior executives in the annual report The retirement age is normally 65 years but may vary in individual cases. For the current fiscal year.

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Managing Director

Peder Larsson remained as acting CEO until 14 April 2013. Remuneration to the acting CEO has been invoiced monthly and amounts to 889 Ksek. Peder Larsson admitted as managing director on 15 April 2013. Peder Larsson's fixed monthly salary is 250 thousand. No variable remuneration for the financial year has been discontinued. The CEO also has a health insurance. The pension for the financial year amounted to SEK 586 (0). The CEO is subject to pension benefits under ITP 2, with 65 years as the normal retirement age. Peder Larsson is entitled to pay for a notice period of 6 months upon termination by Hemtex. Upon termination by the CEO, six months ' notice period applies. In so far as the Executive director takes office outside Hemtex during the period of notice, the remuneration received by the Executive Director shall be deducted from the salary paid by Hemtex. For six months after the termination of employment, the Executive Director is bound by a prohibition of competition. To compensate for this, Hemtex shall, during the period of validity of the prohibition of competition, pay compensation equal to the difference between his fixed cash monthly salary from Hemtex at the end of his employment and the (lower) income he subsequently earns in new Acquisition activities. However, the contribution from Hemtex shall not exceed 60% of the fixed cash salary from Hemtex.

Other executives The basic salary for the other 8 (7) Persons in management has been paid 7 567 (7 005). Bonus has been discontinued with 72 (0) Ksek. Pension for the financial year amounted to 1 909 (1 885) Pension benefits are based on a general pension plan. Pensionable salary consists of basic salary and an average of the last three years ' variable remuneration. All of the company management has a company car. Retirement age amounts to 65 years. In the event of termination by the employer, an unchanged salary is payable for 12 months. In case of termination by employees, six months are valid.

4

Remuneration and other benefits to other senior executives under 2013 (amounts relate to payments paid)

	Mobile	Other Pension-Other	2013 Basic salary compensation	benefits cost
allowances Total				
Acting CEO, Peder Larsson ¹	-	-	-	889 889
CEO, Peder Larsson ²	2 110	-	586	- 2 696
Other senior executives ¹	7 567	72	607 1 909	- 10 155

Summa	9 677	72	607	2 495	889	13 740
1) Remuneration to the TF CEO is billed monthly.						
2 Peder Larsson takes over as CEO on April 15, 2013.						
3) Management 2013 (excluding CEO): Niklas Odequist, Ann Bernlert, ULF Seger, Lena Nyberg-Collin, Ted Bergström, Anette Jansz, Ramzi El Koteswararao, Stefan lundkvist.						

Continuation note

Remuneration and other benefits to other senior executives under 2012 (amounts relate to payments paid)

		Mobile				
Other Pension-Other 2012 Basic salary compensation benefits cost allowances Total						
Acting CEO, Peder Larsson ¹	-	-	-	-	2 058	2 058
VD, Erik Gumabon ²	2 940	-	92	930	-	3 962
Other senior executives ³	7 902	-	560	1 757	-	10 219
Summa	10 842	-	652	2 687	2 058	16 239

1)Remuneration to the acting CEO is invoiced on a monthly basis.
2)Erik Gumabon resigned as CEO on 2 May 2011. The severance pay was expensed in the financial statements 2011. The amount above refers to paid remuneration Jan – April 2012.

5. Auditors ' fees

Remuneration to the company's audit firm has been paid out with the following amounts. Audit assignments refer to the audit of the annual accounts and accounting records as well as the administration of the Board of Directors and the managing Director, as well as advice or other assistance resulting from observations made during such review or execution of such other Data.

Audit activities In addition to the audit assignment refer to different types of quality assurance services, which shall result in a report, certificate or similar. This includes, for example, review of the interim report. Tax advice refers to advice related to taxes, VAT and staff taxation. Everything else is other services.

7. Exchange differences affecting earnings

	Group		Parent company	
	2013	2012	2013	2012
Exchange differences affecting operating profit	24 294	18 893	24 320	19 969
Summa	24 294	18 893	24 320	19 969

Transaktionsexponering

The group's purchases are made primarily in foreign currencies, mainly in USD and EUR, while sales are in the currency of each subsidiary. This means that the group's sales and earnings are affected by currency fluctuations. The group mainly uses currency futures to limit the effect of short-term exchange rate fluctuations.

8. NET Financial Items

	2013	2012	2013	2012
Ernst & Young				
Revisionsuppdraget	1 137	1 271	955	1 099
Auditing in addition to the audit engagement	111	355	111	355
Skatterådgivning	-	63	-	63
Other services	-	-	-	-
Summa	1 248	1 689	1 066	1 517

6. Amortization and impairment of tangible and intangible assets

	Group		Parent company	
	2013	2012	2013	2012
Capitalised expenditure on computer programs	- 6 624	- 6 459	- 6 624	- 6 459
Tenancy	- 4 881	- 4 956	- 4 881	- 4 956
Goodwill	-	-	- 12 660	- 12 273
Equipment and installations	- 9 411	- 13 497	- 8 648	- 12 056
Improvement expenditure on leasehold	- 882	- 2 612	- 500	- 2 246
Summa	- 21 798	- 27 524	- 33 313	- 37 990

The group does not write off goodwill and in the parent company Goodwill is depreciated in 20 years. Goodwill in the parent company arises in connection with the merger of subsidiaries and in connection with asset acquisitions. The reason for the estimated lifespan is that the acquisitions have been important for Hemtex's

and geographic coverage of the market. Furthermore, these entities enable strategic use of the group's penetration and purchasing organisation. For information on impairment testing for goodwill, see Note 11.

	Group	Parent company		
	2013	2012	2013	2012
Ränteintäkter, koncernföretag	-	-	820	2 449
Interest income, other	35	341	30	310
Total financial income	35	341	850	2 759
Income from shares in subsidiaries	-	-	- 730	- 5 254
Interest expenses, other	- 7 177	- 6 452	- 7 176	- 6 608
Total financial expenses	- 7 177	- 6 452	- 7 906	- 11 862
NET Financial Items	- 7 142	- 6 111	- 7 056	- 9 103

9. Tax

Reconciliation of current tax rate and effective tax rate

	Group	Parent company		
	2013	2012	2013	2012
Reported profit before tax	- 16 069	- 52 265	- 27 379	- 64 033
Tax according to the applicable tax rate for the parent company	3 535	13 746	6 023	16 841
Tax effect of:				
Effect of foreign tax rates	-	-	-	-
Non-deductible expenses	- 3 348	- 1 208	- 3 348	- 5 393
Non-taxable income	136	79	136	79

Reconsidered and unaccounted loss carryforwards and other items	- 323	- 12 617	– 2 811	– 11 527
Adjustment of current tax attributable to previous years	-	-	-	-
Redovisad Effective tax	-	-	-	-

Tax rates	2013	2012
Sweden	22,0%	26,3%
Finland	24,5%	24,5%
Denmark	25,0%	25,0%
Norway	28,0%	28,0%

On January 1, 2013, the deferred Nettoskattefordran amounted to

No further deferred tax assets have been included in the

In total, loss carryforwards including temporary differences in

including temporary differences in tax and book value of fixed assets amounted to approximately 517

assets to approximately msek. Of this amount, approximately SEK 9 m pertains to operations in Finland and about

approximately SEK 6 m pertains to operations in Finland

508 million in Hemtex AB.

The deficits in Denmark are no longer included in the

included the Danish company was liquidated during 2013.

being wound up.

On January 1, 2012, the deferred Nettoskattefordran amounted to

No further deferred tax assets have been included in 2013. During 2012.

In total, loss carryforwards

In the tax and book value of fixed

500 m. of this amount,

and approximately SEK 494 million in Hemtex AB.

The deficits in Norway and Denmark are no longer

When the Norwegian company was liquidated in December 2012 and the Danish company is

10. Result per Share

	Group	
	2013	2012
Profit for the year	– 16 069	– 52 265
Basis for calculating earnings per share before dilution	– 16 069	– 52 265
Average number of shares before dilution	95 835 506	95 835 506
Earnings per share before dilution	– 0,17	– 0,55
Basis for calculating earnings per share after dilution	– 16 069	– 52 265
Average number of shares after dilution	95 835 506	95 835 506
Diluted earnings per share	– 0,17	– 0,55
Calculation of average number of shares	Group 1	
	2013	2012
Opening number of shares on January 1	95 835 506	95 835 506
New Share issue	-	-
Closing number of shares on December 31	95 835 506	95 835 506
Average number of shares during the period	95 835 506	95 835 506
Additional shares due to dilution effect	-	-
Average number of shares during the period after dilution	95 835 506	95 835 506

During the year, no Treasury shares have been acquired or transferred. As of 31 December 2013, neither Hemtex AB nor any company in the group had a shareholding in Hemtex AB. Hemtex AB has only one class of shares in which all equities have equal voting value.

11. Intangible assets

Capitalised expenditure on computer programs	Group		Parent company	
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	47 068	39 910	47 068	39 910
Capitalised expenditure for the year	12 710	7 158	12 710	7 158
Divestments and disposals	-	-	-	-
Closing accumulated acquisition values	59 778	47 068	59 778	47 068
Opening depreciation according to plan	– 31 444	– 24 985	– 31 444	– 24 985
Divestments and disposals	-	-	-	-
Depreciation for the year	– 6 624	– 6 459	– 6 624	– 6 459
Closing accumulated depreciation according to plan	– 38 068	– 31 444	– 38 068	– 31 444
Carrying Amount	21 710	15 624	21 710	15 624

Continuation note 11

Tenancy	Group	Parent company
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Tangible fixed Assets

Equipment and installations	Group	Parent company
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	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	57 841	57 841	57 841	57 841
Acquisitions for the Year	-	-	-	-
Divestments and disposals	-	-	-	-
Translation differences for the year	-	-	-	-
Closing accumulated acquisition values	57 841	57 841	57 841	57 841
Opening depreciation according to plan	- 42 946	- 37 990	- 42 946	- 37 990
Divestments and disposals	-	-	-	-
Depreciation for the year	- 4 881	- 4 956	- 4 881	- 4 956
Translation differences for the year		81	-	-
Closing accumulated depreciation according to plan	- 47 827	- 42 956	- 47 827	- 42 956
Carrying Amount	10 014	14 895	10 014	14 895
Goodwill		Group	Parent company	
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	290 991	290 991	252 709	256 110
Acquisitions for the Year	650	-	650	-
Divestments and disposals	-	-	-	- 3 488
Translation differences for the year	-	-	-	-
Closing accumulated acquisition values	291 641	290 991	253 359	252 709
Opening depreciation according to plan	-	-	- 75 981	- 67 110
Divestments and disposals	-	-	-	- 3 488
Depreciation for the year	-	-	- 12 660	- 12 200
Translation differences for the year	-	-	-	-
Closing accumulated depreciation according to plan	-	-	- 88 641	- 75 981
Opening write-downs	- 42 149	- 42 149	- 19 334	- 19 334
Impairment losses for the year	-	-	-	-
Closing accumulated write-downs	- 42 149	- 42 149	- 19 334	- 19 334
Carrying Amount	249 492	248 842	145 384	157 384

A review of the goodwill has been made in connection with the annual accounts on the last December 2013. No impairment was found in the trial.

Goodwill was tested for the cash-generating unit, the Swedish retailer, on the basis of value when goodwill is only reported for the Swedish retail business. The value is based on the present value of the future cash flows that the entity is expected to generate. When calculating future cash flows, the company's budget and forecasts have been used. The management has determined the budget and forecasts based on the past two years' outcomes and expectations of sales and cost developments according to the company's business plan. Key assumptions underlying the calculation of future cash flows consist of sales development, product mix, gross margin and cost development and investment level. Budget and forecasts refer to Year 2014-2017 And cash flows for the period thereafter are extrapolated from a growth rate of 2.5 (2.5) percent. The eternal growth factor used is based on the company's expectations of market and inflation developments.

Nyttjandevärdena was calculated with a discount rate amounting to 13.3 (13.6) percent before tax. The decrease compared to last year is mainly explained by reduced beta value. The discount rate stated before tax reflects the specific risks that apply to the Swedish retail business. An overall analysis has been made of the sensitivity of the variables used. A reasonably possible change in an important assumption or discount rate is not expected to lead to any impairment. For example, the assumption of a deterioration in the annual growth rate from 2.5% to 1.5% or an assumption of an increase in the discount rate from 13.3% to 14.3 percent before tax would not entail any impairment. A decrease in EBITDA margin by one percentage point or an increased level of investment by one percentage point throughout the forecast period would also not entail any impairment. In the assessment of other assets, management has not had any indication that an impairment requirement was present within the group.

	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	158 473	153 946	128 091	122 554
Acquisitions for the Year	12 099	10 727	10 819	10 394
Divestments and disposals	-	- 4 989	-	- 4 784
Translation differences for the year	1 239	- 1 211	110	- 73
Closing accumulated acquisition values	171 811	158 473	139 020	128 091
Opening depreciation according to plan	- 139 978	- 132 416	- 110 597	- 103 263
Divestments and disposals	-	4 812	-	4 664
Depreciation for the year	- 9 411	- 13 497	- 8 648	- 12 056
Translation differences for the year	- 1 167	1 123	- 55	58
Closing accumulated depreciation according to plan	- 150 556	- 139 978	- 119 300	- 110 597
Carrying Amount	21 255	18 495	19 720	17 494
Improvement expenditure on leasehold		Group	Parent company	
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	22 732	22 001	17 341	16 814
Acquisitions for the Year	5 692	1 204	4 936	706
Divestments and disposals	-	- 294	-	- 179
Translation differences for the year	192	- 179	-	-
Closing accumulated acquisition values	28 616	22 732	22 277	17 341
Opening depreciation according to plan	- 20 866	- 18 668	- 16 329	- 14 250
Depreciation for the year	- 882	- 2 612	- 500	- 2 246
Divestments and disposals	-	264	-	179
Translation differences for the year	- 192	150	-	-
Closing accumulated depreciation according to plan	- 21 940	- 20 866	- 16 829	- 16 317
Carrying Amount	6 676	1 866	5 448	1 024

13. Financial Fixed Assets

Shares in Group companies	Parent company	
	2013	2012
Opening acquisition value	66 625	66 575
Acquisitions for the Year	3 300	50
Sales	-	–
Closing accumulated acquisition values	69 925	66 625
Opening write-downs	– 66 573	– 66 572
Impairment losses for the year	– 3 301	– 1
Closing accumulated write-downs	– 69 874	– 66 573
Closing residual value according to plan	51	52

Parent company's Direct holdings in subsidiaries	Kapitalandel, %	Rösträttsandel, %	Number of shares	Book value
Hemtex Ltd, Finland	100	100	3 000	1
Hemtex International AB	100	100	500	50
Summa				51

Koncernföretag	Corporate	Seat
Hemtex Ltd, Finland	1650-251-5	Helsinki
Hemtex International AB	556905-3845	Borås

Other long-term securities holdings	Group		Parent company	
	2032	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	1	13	1	1
Acquisitions for the Year	-	-	-	-
Sales	-	- 12	-	-
Omräkningsdifferens	-	-	-	-
Closing accumulated acquisition values	1	1	1	1

Other long-term receivables	Group		Parent company	
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Opening acquisition value	76	1 737	76	684
Additional receivables	2 261	-	2 261	-

Regulated receivables	- 17	- 1 661	- 17	- 608
Omräkningsdifferens	-	-	-	-
Closing accumulated acquisition values	2 320	76	2 320	76

Other long-term receivables consist mainly of endowment insurance.

14. Prepaid expenses and accrued income

	Group	Parent company		
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Prepaid rents	26 024	25 637	26 024	25 637
Prepayments	2 516	4 988	2 445	4 368
Accrued income	614	766	614	766
Summa	29 154	31 391	29 083	30 771

15. Equity

Shareholders' equity in the group

Share capital

The parent company's share capital.

Other contributed capital

Refers to shareholders' equity that is contributed by the owners. This includes the share premium accounts transferred to the Reserve Fund as at 31 December 2005. Provisions to the share premium Reserve from 1 January 2006 onwards are also reported as contributed capital.

Book

Hemtex's reserves consist only of the translation reserve. The translation reserve includes all exchange rate differences arising from the conversion of financial statements from foreign operations that have prepared their financial statements in a currency other than the currency in which the group's financial statements Presented in the parent company and the Group presents its financial statements in Swedish kronor.

Retained earnings including profit for the year

Retained earnings including profit or loss for the year include earnings in the parent company and its subsidiaries less dividends paid. Previous provisions for reserve funds, excluding transferred share premium accounts, are included in this equity item.

Equity in the parent company

Share capital

The registered share capital amounts to 239 589 (239 589) and consists of 95 835 406 (95 835 406) shares. Hemtex AB has only one share class where all shares have equal voting value.

Restricted funds

Restricted funds must not be reduced by distribution of profits.

Free Equity

Premium Account: When the share is issued in excess of the shares, that is, for the shares to be paid more than the quota value of the equities, an amount equal to the amount received above the quotient value of the shares shall be transferred to share Premium reserve. According to the transitional rule for the amendment of the Annual Accounts Act, funds transferred to the share premium reserve before 1 January 2006 have been transferred to the Reserve Fund in the first annual report drawn up after 1 January 2006. Amounts added to the premium account from 1 January 2006 are reported as non-restricted equity.

Retained earnings including profit/loss for the year: corresponds to the accumulated gains and losses that were generated in total less dividends paid.

Kapitalhantering

According to the Board's policy, the group's financial objective is to future a good capital structure and to achieve financial stability in order to create confidence in investors, creditors and the market and to provide a basis for further development of Business. Capital is defined as total shareholders' equity.

In the management of capital, the group follows up several metrics including, for example, equity ratio, debt/equity ratio, cash flow after investments and net debt in relation to EBITDA. Results of these and comparative figures are shown in the Flerårsöversikten on page 68.

16. Liabilities to credit institutions

In September 2013, Hemtex agreed with the banks to conclude a new credit agreement during the first quarter of 2014.

	Group		Parent company	
	2013	2012	2013	2012
	31 dec	31 dec	31 dec	31 dec
Total liabilities to credit institutions	70 000	80 000	70 000	80 000
of which are reported as current liabilities	– 70 000	– 10 000	– 70 000	– 10 000
Long-term liability to credit institutions	-	70 000	-	70 000
Expires between one and five years	-	70 000	-	70 000
Expires later than five years	-	-	-	-

Loan of SEK 70 m with interest 3.57% due 2014-06-30 in full.

17.

Checkräkningskredit

21. Eventualförpliktelser/Ansvarsförbindelser

24. Interest paid

	Group		Parent company	
	2013	2012	2013	2012
Interest received	35	319	30	310
Interest paid	7 098	6 331	7 083	6 323

25. Acquisition of subsidiaries/businesses

	Carrying amount before acquisitions	Fair value Adjustments	Fair value reported in the group
2013			
Intangible assets	-	-	-
Tangible fixed Assets	-	-	-
Inventories	483	-	483
Total identified net assets	483	-	483
Goodwill	-	-	650
Rörelseskulder	163	-	163
Total identified net assets incl. Goodwill	-	-	970
Purchase price paid	-	-	970
Effect on the group's liquid funds	-	-	970

	Carrying amount before acquisitions	Fair value Adjustments	Fair value reported in the group
2012			
Intangible assets	-	-	-
Tangible fixed Assets	70	-	70
Inventories	420	-	420
Total identified net assets	490	-	490
Goodwill	-	-	-
Total identified net assets incl. Goodwill	-	-	490
Purchase price paid	-	-	490
Effect on the group's liquid funds	-	-	490

During April 2013, a franchised store was acquired in Katrineholm with an annual turnover of approximately 3.5 million. The purchase price for Franchisebutiken amounted to SEK 1.0 million and was paid in cash. The giblets in the store amounted to SEK 0.3 m, which resulted in a goodwill of SEK 0.7 m. The store contributed SEK 2.7 million in sales and Msek 0.4 in operating profit during the financial year.

No intangible fixed assets other than goodwill have been identified in connection with the acquisition of Franchisebutiken during the financial year 2013.

Since Hemtex AB has delivered most of the goods that acquired franchise sold, the group's turnover will not be affected by the whole of the above-mentioned turnovers at the consumer level. The estimated turnover in the group amounts to approximately half of the acquired sales.

During October 2012, a franchised store was acquired in Kiruna with an annual turnover of approximately SEK 3 m. The purchase price for franchisebutiken amounted to SEK 0.5 million and was paid in cash. Giblets in the store amounted to SEK 0.5 m, which resulted in a goodwill of SEK 0 M. The store contributed SEK 1.0 million in sales and SEK 0.3 million in operating profit during the financial year.

No intangible fixed assets have been identified in connection with the acquisition of Franchisebutiken during the financial year 2012.

Since Hemtex AB has delivered most of the goods that acquired franchise sold, the group's turnover will not be affected by the whole of the above-mentioned turnovers at the consumer level. The estimated turnover in the group amounts to approximately half of the acquired sales.

26. Financial risks and Riskpolicies

Financial assets and liabilities

The financial assets available and used in the group are receivables, loan receivables, derivatives and loss.

The financial liabilities that exist and are used in the group are Accounts payable, bank overdrafts, interest-bearing liabilities, liquid funds, trade Credit institutions and derivatives. Financial assets valued at fair value through profit or

	Financial Derivatives	Customer And Loan Claims	Other Financial Debt	Sum Carrying amount Value	Real Value	Non-financial Assets and liabilities	Sum Balance Count
Volvo Group 2013							

Other long-term securities holdings	-	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	-	2 351	2 351
Kundfordringar	-	3 853	-	3 853	3 853	-	3 853
Other current receivables/derivatives	378	-	-	378	378	3 364	3 742
Cash and Bank	-	40 028	-	40 028	40 028	-	40 028
Total financial assets	378	43 881	-	44 259	44 259	5 716	49 975
Long-term liabilities to credit institutions	-	-	-			-	-
Current liabilities to credit institutions			119 361	119 361	119 361		119 361
Accounts payable	-	-	78 497	78 497	78 497	-	78 497
Derived	-	-	-			-	-
Total financial Liabilities	-	-	197 858	197 858	197 858	-	197 858

	Financial derivatives	Kundoch lånefordringar	Other Financial liabilities	Total carrying Amount	Real value liabilities	Non-financial Assets and	Summa Balance sheet
Volvo Group 2012							
Other long-term securities holdings	-	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	-	2 320	2 320
Kundfordringar	-	4 384	-	4 384	4 384	-	4 384
Other current receivables	-	-	-	-	-	4 907	4 907
Cash and Bank	-	47 880	-	47 880	47 880	-	47 880
Total financial assets	-	52 264	-	52 264	52 264	7 228	59 492
Long-term liabilities to credit institutions	-	-	70 000	70 000	70 000	-	70 000
Current liabilities to credit institutions			38 766	38 766	38 766		38 766
Accounts payable	-	-	76 074	76 074	76 074	-	76 074
Derived	539	-	-	539	539	-	539
Total financial Liabilities	539	-	184 840	185 379	185 379	-	185 379

Continuation note 26

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	Items valued At fair value Via Profit for the year	Kundoch lånefordringar	Other Financial liabilities	Summa Carrying Amount	Real value liabilities	Non-financial Assets and	Summa Balance sheet
Parent company 2013							
Other long-term securities holdings	-	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	-	2 351	2 351
Kundfordringar	-	3 845	-	3 845	3 845	-	3 845
Cash and Bank	-	26 580	-	26 580	26 580	-	26 580
Total financial assets	-	30 425	-	30 425	30 425	2 352	32 777
Current liabilities to credit institutions	-	-	119 361	119 361	119 361	-	119 361
Accounts payable	-	-	77 083	77 083	77 083	-	77 083
Total financial Liabilities	-	-	196 444	196 444	196 444	-	196 444

	Items valued At fair value Via Profit for the year	Kundoch lånefordringar	Other Financial liabilities	Total carrying Amount	Real asset and s	Not nice valuelsiella teams lities	Total Balance Sheet
Parent company 2012							
Other long-term securities holdings	-	-	-	-	-	1	1
Other long-term receivables	-	-	-	-	-	2 321	2 321
Kundfordringar	-	4 384	-	4 384	4 384	-	4 384
Cash and Bank	-	36 687	-	36 687	36 687	-	36 687
Total financial assets	-	41 071	-	41 071	41 071	2 322	43 393
Current liabilities to credit institutions	-	-	38 766	38 766	38 766	-	38 766
Accounts payable	-	-	75 239	75 239	75 239	-	75 239
Total financial Liabilities	-	-	114 005	114 005	114 005	-	114 005

Accounts receivable

	Group	
	2013	2012
Kundfordringar Gross	3 853	4 415
Provision for doubtful accounts receivable	-	– 31
Kundfordringar Net	3 853	4 384
Credit loss Disposal Account – reconciliation		
Provision at beginning of year	– 31	– 3 086
Provision for anticipated losses	-	– 31
Losses found	31	3 086

Provision at year-end	-	– 31
Age analysis of accounts receivable		
Accounts receivable not due	3 474	4 154
Accounts receivable overdue 0 – 30 days	97	216
Overdue Accounts receivable > 30 – 90 days	273	14
Overdue Accounts receivable > 90 – 180 days	-	-
Overdue Accounts receivable > 180 – 360 days	5	31
Overdue Accounts receivable > 360 days	4	-
Summa	3 853	4 415

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Continuation note 26

Valutaterminer

The total value of purchase orders for which currency forward contracts were signed amounted to 4.7 (6.0) mln at the balance sheet date. The value of these outstanding currency forward contracts amounted to 0.4 (-0.5) million at the balance sheet date. The fair value of forward exchange contracts is determined using market prices for currency futures on the balance sheet date. Hedge accounting is not applied.

Financial risks

The Board of directors has set different frameworks and the risks that can be taken in the finance policy for Hemtex group. Risk management aims to identify, quantify and reduce or eliminate risks. The group's finance policy provides a framework for managing different types of financial risks and defines the risk exposure with which the business is to be conducted. The main thrust is to pursue a low risk profile. The finance policy identifies the risks related to currency management, capital supply and liquidity management.

Valutahantering

The policy covers the entire group's currency management. The companies in the group shall, if possible, only operate in local currency. All transactions between Hemtex AB and other companies in the group take place in each company's local currency. Currency risk arises from the following three categories of exposures;

- Transaction exposure – defined as the net of all contracted commercial financial inputs and outflows in foreign currency.
- Translation exposure – defined as adjusted Equity In foreign subsidiaries.
- Financial exposure – defined as the offsets in the competitive image that occur when currency relationships are changed. Currency risk refers to the resultant effect of a change in exchange rates.

The single largest transaction exposure consists of changes in USD against the Swedish krona as the majority of Hemtex's purchases of goods take place in USD. Hemtex secures the risks identified in the management of the currency in accordance with the risknorm and in policy-defined instruments/transactions. To reduce the currency risk, Hemtex secures a significant share of the group's contracted flows in foreign currency. In accordance with the group's finance policy, at least 65 percent of the contracted flows in USD will be hedged. In the event of a possible increase in USD against SEK of 0.50, this would mean increased purchasing costs of approximately SEK 25 m before currency hedging.

The total exchange differences affecting earnings during the financial year have been positive and total SEK 24.3 (18.9) million. The change in the value of outstanding forward contracts, when applying IAS 39, affected the gross profit positively 0.9 (-1.1) million.

Credit risks in trade receivables As the group mostly sells cash to the customer, the credit risks in accounts receivable are minimal.

Kapitalförsörjning

This covers liquidity risk/refinancing, interest rate risk, collateral provision and guidelines for subsidiaries.

- Liquidity risk and refinancing – liquidity risk and refinancing refer to the risk that, due to a shortage of liquid assets, the company is unable to meet its commitments and does not reach business-critical volumes. The group's goal is to maintain a balance between continuity and flexibility in financing through bank loans and overdrafts. Credit to customers and credits from suppliers greatly influences the need for liquid funds. In the event of a strong negative financial performance, banks may terminate existing loans and credit commitments as a result of breaches of applicable loan agreements, including covenants. The main factors influencing the liquidity risk are the sales development and hence the trend in earnings, the size of the inventory and the payment terms from suppliers. According to the group's current routines, liquidity management is centred on Hemtex AB's finance department in order to optimise the use of liquid funds and minimise the need for financing. To minimise liquidity risk, liquidity monitoring is carried out on all the group's liquid accounts. Weekly liquidity forecasts are drawn up for the next three months.
- Interest rate risk – is defined as the risk that the group's earnings will change as a result of a change in the market interest rate. Interest rate risk is managed by regulating the average fixation period of the loans and/or by the use of interest rate derivatives.

Likviditetsförvaltning

The group's external investments in surplus cash are handled by Hemtex AB. The risks identified in the financial policy, the Board has developed guidelines for procedures, permitted instruments and instructions for subsidiaries.

27. Related party transactions

Purchases and sales between group companies	Transactions with key personnel in managerial positions
Hemtex AB's sales to subsidiaries amounted to 43.4 (46.1) million. Some purchases from subsidiaries have not taken place. For purchases and sales between group companies, the same principles of pricing as for transactions with external parties are applied.	Regarding salaries and remuneration to the Board of directors and senior executives, see note 4. The group has no receivables from key employees. Liabilities to key persons consist of customary related liabilities.
The parent company's holdings of shares and Participations in subsidiaries are shown in note 13.	

28. Significant events after the end of the financial year

No significant events have taken place after the end of the period.

29. Proposed dividend to shareholders

No dividend is proposed for the financial year 1 January 2013 – 31 December 2013.

30. Information about the parent company

Hemtex AB is active in the association form of Aktiebolag and has its registered office in Borås, Västra Götaland. The address of the head office is Hemtex AB, Box 495, 501 13 BORÅS.

The Board of Directors and the managing director certify that the annual report has been prepared in accordance with generally accepted accounting principles, gives a true and fair view of the parent company's position and results and that the directors ' report gives a true and fair view of The development of the parent company's operations, position and performance, and also describes the material risks and uncertainties facing the parent company. The Board of directors and the CEO also certify that the consolidated financial statements have been prepared in accordance with international Financial Reporting Standards (IFRS) as adopted by the EU, give a true and fair view of the group's position and results The directors ' report gives a fair overview of the development of the group's operations, position and results and also describes the material risks and uncertainties facing the group.

Stein Petter Ski
Chairman

Paul Adlercreutz *Director*

Rocky af Ekenstam Brennicke
Director



Ingemar Charleson
Director



Mats Holgerson
Director



Christel Kinning
Director



Peder Larsson
Managing Director

Our audit report has been submitted on 6 March 2014.
Ernst & Young AB

Erik Åström
Authorized Public Accountant

Revisionsberättelse

To the annual general meeting of Hemtex AB (publ) With the Annual Accounts Act and provide, in all material
7056 Fair view of the parent company's financial position, Org.nr 556132-
Position as of the 31 December 2013 and of its financial
Report on the annual accounts and consolidated accounts Results and cash flows for the year according to ÅRSR EdovisningsVi
have carried out an audit of the annual Group Law. The consolidated accounts have been prepared in accordance with the accounting for

Hemtex AB (publ) for the financial year 2013 The Swedish Annual Accounts Act and provides in all material respects
Included on the pages 25-65. Fair view of the group's financial position per

managing Director's liability for the annual Cash flows for the year according to International Financial reporting Accounts and
consolidated accounts Standards, as adopted by the EU, and the ÅRSR edovisnings Act. 31 D Ecember 2013 and of its financial results And Board And the
The Board of Directors and the managing director are responsible The administration report is consistent with the ÅRSR Edovis and to
prepare an annual report that gives a fair view of the Other parts of the consolidated financial statements. accordance with the
annual Accounts Act and the consolidated We therefore recommend to the AGM that the results be correctly shown
in accordance with International Financial reporting Sheet and the balance sheet of the parent company and standards, as
adopted by the EU, and the Annual Accounts Act, Income statement and balance sheet for the group. Internal control that
the Board of directors and the managing

Director Analyst More is necessary to establish a Annual Report On other requirements laid down by law, regulation or
administrative Accounts and consolidated accounts that do not contain In addition to our audit of the annual accounts and
group material errors Aktigheter, whether due to irregularities Report, we have also carried out an audit of the draft
or error. Appropriation of the company's profit or loss and the
Administration of the Board of Directors and the managing director of Hemtex
AB (publ) for 2013.

Auditor's responsibility Our responsibility is to express an opinion on the annual accounts
Accounts on the basis of our audit. We have performed Responsibilities of the Board of Directors and the Managing Director
accordance with International standards on auditing and good The Board of Directors is responsible for the proposed appropriations of
auditing standards in Sweden. These standards require that we comply with The company's profit or loss, and it is the board of
directors and ethical requirements, and plans and performs the audit to The managing Director, who is responsible for the
administration, obtain reasonable assurance that the annual Group Under AKTIEBOLAGSL Agen. The report does not contain material errors.
An audit involves taking various measures to obtain Auditor's responsibility

Flerårsöversikt

Nyckeltal	2013 ¹	2012 ¹	2011 ¹	2010 ¹	2009 ³	2008/09	2007/08	2006/07	2005/06
Koncernen									
Nettoomsättning, Mkr	981,3	941,1	929,3	1 080,8	916,8	1 390,6	1 608,3	1 470,5	1 159,7
Nettoomsättningstillväxt, %			-14,0	²	-9,41 ²		9,4		
Bruttovinstmarginal, %	59,2	57,3	54,4	53,1	50,9	53,5	52,7	52,2	47,2
Rörelseresultat, Mkr	-8,9	-46,2	-116,5	-232,7	-148,0	-32,5	141,1	221,5	180,9
Rörelsemarginal, %	-0,9	-4,9	-12,5	-21,5	-16,1	-2,3	8,8	15,1	15,6
Resultat efter skatt, Mkr	-16,1	-52,3	-124,6	-255,5	-121,3	-42,9	96,5	159,5	130,5
Vinstmarginal, %	-1,6	-5,6	-13,4	-22,2	-16,5	-3,3	8,3	15,0	15,6
Avkastning på eget kapital, %	-5,8	-16,8	-52,5	-96,4	-48,8	-10,4	20,0	35,9	42,6
Avkastning på sysselsatt kapital, %	-2,3	-12,2	-28,5	-48,0	-36,4	-4,8	22,8	45,5	55,7
Avkastning på operativt kapital, %	-2,6	-15,4	-35,4	-56,0	-40,1	-5,1	24,5	54,7	75,2
Avkastning på totalt kapital, %	-1,6	-7,7	-18,7	-32,9	-26,5	-3,7	16,9	32,3	38,6
Soliditet, %	47,4	50,8	54,0	22,2	49,7	40,1	53,4	61,6	68,0
Nettoskuld/EBITDA	6,2	-3,3	0,0	-1,2	-1,2	15,8	1,0	0,1	-0,5
Kapitalomsättningshastighet, ggr	2,8	3,1	2,8	2,6	1,7	2,2	2,8	3,6	4,8
Investeringar, netto, Mkr	31,1	19,6	3,8	15,9	9,0	52,9	66,4	242,8	105,3
Kassaflöde efter investeringar, Mkr	-18,9	-61,2	-105,5	-132,4	37,8	-28,9	-42,2	-43,3	13,2
Antal årsanställda	553	547	609	719	768	773	757	602	433
Resultat per aktie före utspädning, kr	-0,17	-0,55	-1,57	-6,22	-3,04	-1,46	3,31	5,69	4,76
Resultat per aktie efter utspädning, kr	-0,17	-0,55	-1,57	-6,22	-3,04	-1,46	3,31	5,47	4,60
Kassaflöde efter investeringar per aktie, kr	-0,20	-0,64	-1,33	-3,22	0,95	-0,98	-1,45	-1,54	0,48
Eget kapital per aktie, kr	2,79	2,97	3,51	3,37	9,55	12,03	16,10	17,53	14,21
Utdelning per aktie, kr	-	-	-	-	-	-	2,65	4,85	2,35

¹ Avser kalenderår.
² Avser jämförelse med motsvarande period föregående år.
³ Avser det förkortade räkenskapsåret 1 maj–31 december 2009.

Code of corporate governance and 6 chapter. Sections 6 – 9 of the Annual Accounts Act and Chapter 9. Section 31 of the Companies Act. Management and Control of the Hemtex group is divided between the shareholders of the AGM, the Board of Directors and the President in accordance with the Swedish Companies Act and the Articles of association.

The Swedish Code of Corporate governance states that companies that comply with the code but have chosen to deviate from it in any respect should explain why.

Hemtex follows the Swedish code of corporate governance. The Board is responsible for ensuring that the code is complied with by both the board and the executive management and the company in general. The Board conducts an annual evaluation to ensure that it is complied with.

Shares and shareholders

On 31 December 2013, Hemtex AB's share capital was SEK 239 588 765 divided into 95 835 506 shares with a quota value of SEK 2.50. Each share entitles the holder to one vote at the AGM and all shares have equal rights to share in the company's assets and profits. As of 31 December 2013, neither Hemtex AB nor any company in the group had holdings of shares in Hemtex AB. The number of shareholders as at December 31, 2013 was 3 320. The largest shareholder at the end of the financial year was ICA Gruppen AB with 68.5 percent and ABG Sundal Collier Norway ASA with 12.6 percent of the shares and votes. There are no additional shareholders holding more than 10 per cent of the votes.

General Meeting and Articles of association The annual general meeting is the company's highest decision-making body. The annual general Meeting's tasks are governed by the Companies Act and the Articles of association. The AGM shall be held no later than six months from the end of the financial year. The shareholders who are registered in the share register and who have notified their participation in time are entitled to attend the meeting. At the AGM, the shareholders choose, among other things, the Board and Auditors, remuneration, principles for the nomination committee and decide on the discharge of the Board of directors and the CEO. Changes in the articles of association are made at the AGM or extraordinary general meeting. There are no provisions in Hemtex's Articles of association regarding the appointed and dismissal of board members. Articles of association and minutes of previous general meetings are available on Hemtex's website www.hemtex.com.

Annual General Meeting 2013

The last AGM was held on April 15, 2013 at the company's premises in Borås. At the AGM, ten shareholders participated, representing 69.1 per cent of the capital and votes.

Annual general Meeting for the financial year January 1 – December 31 2013 The annual general meeting for the financial year January 1 – December 31, 2013 will be held at the company's premises at Druveforsvägen 8 in Borås on Friday, April 11, 2014 at 13.00.

Nominating committee

The nomination committee shall consist of the Chairman and three members of the Board, which shall consist of representatives of the three largest shareholders in the votes, each of which shall be represented by one member. During the third quarter of each financial year, the Chairman of the board shall contact the shareholders who are the three largest of Hemtex and ask his representative to the nomination committee. The names of the members and the shareholders they represent shall be published no later than six months before the next AGM. The nomination committee shall present to the AGM proposals for the Chairman of the annual general meeting, the number of board members and deputies, the board members, the Chairman of the Board, Auditors (where applicable), fees to the Chairman of the board, other Board members and to the auditors and instructions for the nomination committee.

The nomination committee consists of the Chairman of the board, Stein Petter Ski, Stefan Vinge, ICA gruppen AB, Hans Ek, Skandinaviska Enskilda Banken and Patrick von Schenck.

Board

According to the Articles of association, the Board shall consist of at least three and a maximum of nine members and no more than five deputies. The members and alternates are elected at the AGM for the period until the end of the next AGM.

Chairman of the Board

The Chairman leads the work of the board so that this is done under the Companies Act and other relevant laws. He follows the activities in dialogue with the CEO and is responsible for ensuring that the other members receive the information necessary for high quality in discussion and decisions. The Chairman represents the company in matters of ownership.

Board's work

The Board is responsible for the company's organization and the management of the company's affairs, which includes the determination of the company's strategy. The Board of Directors is also responsible for appointing the managing director. The work of the Board follows an annual plan, which is suitable for ensuring the board's need for information. In addition, the Board of Directors and the Executive Director follow the special rules of procedure of the Board of Directors on the division of work between the Board and the president. The supervisory questions on the board are handled by the Board in its entirety. Evaluation of the Board's work has taken place both within the board and in individual discussions. Hemtex's nomination committee has, in the relevant parts for its work, been given the compilation of the evaluation.

The board has conducted twelve recorded meetings during the 2013 financial year.

During the financial year Hemtex AB has been franchisor in accordance with the respective franchisees signed agreement. The existing franchise agreement was revised in spring 2013. The franchisees are enclosed in an association and are represented by Franchisetagarföreningens board in contact with Hemtex AB.

Bolagsstyrningsrapport

BOLAGSSTYRNINGSRAPPORT	
Remuneration committee	Follows an established framework, Internal Control – Integrated Framework, "COSO", which consists of the following five components: processes, decides and makes recommendations Control environment, risk assessment, control activities, information and on the managing director's and Management's Communication and follow-up. Salaries, other terms of employment and incentive programs.
The remuneration committee reports to the Board. Members of Christel Kinning (Chairman), Stein Petter Ski and Ingemar Charleson.	Control environment The remuneration committee is made up of Financial reporting. An important part of the control environment is that decision paths, powers and responsibilities are clearly defined and communicated between different levels of the organisation
Audit committee	Governance documents in the form of internal policies, Handböckatt define principles and quality assurance of the company's Guidelines and manuals are available. The control environment consists mainly of financial reporting and internal control. Audit committee Ethical values, integrity, competence, leadership philosophy, consists of members Mats Holger's son (chairman), Stein Organisational structure, responsibilities and powers. Petter Ski and Margareta Adlercreutz.
Management's work	Hemtex ensures a clear division of roles and responsibilities for the effective management of the risks of operations in The Board's rules of procedure and instructions to the Managing Director. Management is responsible for the CEO and management of operations. Hemtex's management has The managing director of the system of internal controls during the 2013 financial year consisted of the CEO and necessary to create a control environment for material risks. President of Hemtex AB, chief financial officer, head of marketing, purchasing manager, In addition to these Rules of procedure and the instructions for the sales manager, HR Manager, assortment and The CEO contains guidelines and policies relating to the logistics manager and head of export/Hemtex International.
Financial management and follow-up, communication issues and management group meetings once Month Business ethics. Framework for credit and currency management, financial one for ongoing cases and discussion, and once per year Governance and follow-up are set, for example, by establishing a longer strategy meeting. The CEO leads the operations within the Financial, accounting and investeringspolicies. By the board. The CEO will develop the necessary information Hemtex also has a communication policy that ultimately and a decision basis for board meetings, is the rapporteur and Aims to likabehandla all stakeholders, to submit reasoned proposals for decisions. The CEO Board	
Essential information At the right time and also, in other respects, on a monthly basis the information required to comply Comply with the applicable rules and good practice regarding the position, operations and development of the company and the group Information disclosure in Swedish listed companies.	
And keeps the chairman of the Board regularly informed of Hemtex also has a code of conduct Activities.	
Applies to the entire group. The code, which is based on a International conventions, is an expression of a number of The values and guidelines that apply within the group Respect to business ethics and rights and freedoms.	
Auditors	All companies within the group are in principle the same Accounting system with the same chart of accounts. This facilitates the audit of In Hemtex AB. The auditors are elected for a period of four years. structure and at least once a year, the company's auditor describes The creation of effective procedures and control systems, leaving the president and chief financial Officer of the board meeting to Promotes internal control and facilitates comparisons between board members to have a dialogue with the auditors The various companies.
Without the participation of executives in the company. On the annual Detailed store instructions are available for the stores on April 15, 2013, the Authorised Audit Committee was The daily work. Within the group, there are also several other companies Ernst & Young AB as auditors for Hemtex AB Guidelines and manuals. These are prepared at the head office at the end of the annual general meeting 2017. To the principal auditor has been appointed In Borås and subsequently communicated to the respective region and authorized public accountant Erik Åström at Ernst & Young's office in Country office. Stockholm.	
The board believes that there is a good understanding among Employees for the need for good control over the financial Reporting.	
Internal control	Hemtex's internal control structure is based in summary, The division of labour between the company bodies, the reporting requirements, the objectives and the framework are clearly defined. Ultimately, The board, established policies and guidelines, and that the control to protect the company's assets and thereby The employees follow policies and guidelines so that a good control shareholder's investment. The internal control in Hemtex Financial reporting can be maintained.

Risk assessment and control activities	Information and communication
Hemtex works continuously with risk analysis where the risks of errors result in the financial reporting of significant	The correct disclosure of information both internally and externally will result in the financial reporting of significant
Operational risks are also	That all parts of the business should be effectively exchanged and balance items reviewed.
To achieve this, Hemtex has issued policies and a higher inherent risk of errors, including losses in inventories,	Report relevant material information about the business. Mapped. Hemtex has identified certain areas with a
Guidelines concerning the management of information in the financial cash manipulation or embezzlement of goods. Another	The process, which has been
communicated from the Management Group risk area, is inventories valuation including	Employees. For communication with external parties
regarding obsolescence. These parameters are also important for	There is also a policy that sets out guidelines for how such assessment of
going concern. To limit the risks, there are	Communication should take place and when, for example, logbook is to be conducted. The
appropriate policies and guidelines as well as processes and	The ultimate aim of these policies is to ensure that controls are in operation.
Law and exchange are complied with.	
Policies and guidelines are of particular importance for the correct	
Accounting, reporting and disclosure, and defines the	
Also the control activities to be performed. Within Hemtex's	Follow-up
updated policies and guidelines regarding the financial	The Board of Directors continuously evaluates the information that is
mainly done within the respective central	Company management. The work includes, among other things, the ongoing process. This is
to regions and country offices	Ensure that action is taken on the shortcomings and the proposed function and communicated
Measures that may have emerged from the external audit.	
Through e-mail and the intranet, but also through meetings. The purpose of the control activities is to detect, prevent and correct the	Internal Audit
Errors and discrepancies. The control activities include	To date, Hemtex has not found reason to set up a sample account reconciliation, analytical
follow-up, Comparison	Special internal audit. The issue of a specific between income statement and balance sheet items and controls in the
IT systems.	Internal audit will be tested annually.

More information about Hemtex's corporate governance can be found at www.hemtex.se. These include important policies such as the group's Code of Conduct, Code of conduct, environmental policy and further information regarding the company.

Corporate governance	Compensation Replacement Board	Compensation Audit meetings Committee	Board Committee	Replacement- Committee Independent	Audit 1	Compensation Elected
Stein Petter Ski2President	11	5	No	2009	-	-
Paul Adlercreutz	12	-	5	And 2011	170 000	- 25 000
Ingemar Charleson	12	-	And 2002	170 000	25 000	-
Mats Holgerson	10	-	And 2008	170 000	-	50 000
Christer Kinning	7	-	And 2013	170 000	50 000	-
Rocky AF Ekenstam Brennicke	9	-	- And 2013	170 000	-	-

BOLAGSSTYRNINGSRAPPORT						
Meta Persdotter ²	3	-	And	2009	-	-
Summa		850 000		75 000		75 000

1 As defined in the Swedish Code of corporate governance.

2 A fee is not paid to Stein Petter Ski, representative of the parent company ICA Gruppen AB.

Board



Stein Petter Ski Board member since 2009 Born 1967 Primary education: Political And point, Nilson, Radical Sports, Jerns and Ecco), Configured Work experience: Different positions within Enskilda Securities 1989-Active in ministry 2001-2002. Partner at ABG Sundal Collier 2003-2005 within corporate finance. A member of Management Hakon Invest AB) since 2005, Business Consulting AB. Director Portfolio Company. Mission: Member of the Board of Cervera AB, Kjell & Co Elektronik AB, Forma Holding AB and Kjell & Company AB. Shareholdings (own and/or related parties): 10 000 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: No	Ingemar Charleson Board member since 2002 Born 1954 Primary education: Science upper secondary Education. Retail Management training, ICA School. Business Leadership Training, ICA School. Master CEO 2000 to 2010. AMM Holding AB, CEO 2000 – 2010. N3 Group AB, CEO 2000 to 2010. Shoe Fiver AB, CEO 2009. Mission: Board member of the real estate company Riksdalen, Charleson Merchant and owner of the giant and Jessica-be Hallen 1989. Merchant and Owner Shareholdings (own and/or related parties): 390 397 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: Yes
Paul Adlercreutz Board member since 2011 Born 1948 Primary education: MBA, Stockholm School of Economics Work experience: Cristal Hotels S. A, Chief Financial Officer, 1971. Price Waterhouse & Co, accountant, 1973. Managing director and co-owner of HL Hem textil AB, 1982. Mission: : Chairman of the board of retail Knowledge Sweden AB, company/company management *: Yes Shareholdings (own and/or related parties): 35 000 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: Yes	Prakash s Board member since 2008 Born 1953 Primary education: Graduate in Business Administration, Stockholm School of Economics. Work experience: Esso 1976. Statoil 1985. Statoil Norway, MD 1994 – 1996. Dial Insurance AB, CEO 1996. Statoil Retail Skandinavia, CEO 1998. Menigo Foodservice AB, CEO 2006. ICA AB, Chief operating Officer 2008. Mission: Chairman of the Board of Cervera AB. Board member of Bilia AB, Evidensia Animal Care Ab Dialect AB, Comfort Sverige Holding AB and GLOBAL Batteries AB. Shareholdings (own and/or related parties): 30 000 More from Ted Bergström Shareholding in Hemtex AB: 5 000 Home Textiles AB. Board member in the right Start AB.

Christel Kinning Board member since 2013 Born 1962 Primary education: Gothenburg School of Economics, The exchange's training for the CEO and board members Work experience: Polarn O. AP, CEO 1996-2000. RNB Retail and Brands AB, VVD 2000-2001, President and CEO 2001-2003, VVD 2003-Own consultancy company Sun-drenched tomatoes AB 2005-. Mission: Board member of Stadium AB, Venue retail Group AB, Zound shareholders *: Ja Industries International AB and Ring Strand & Söderberg AB, OAO Melon Fashion Group and Reima OY. Shareholdings (own and/or related parties): 5 800 Independence in relation to the company/company management *: Yes	Rocky af Ekenstam Brennicke Board member since 2013 Born 1971 Primary education: Berghs SOC, New York Film Academy Hands on Filmmaking, RMI berghs. Work experience: Björn Borg AB, PR and event manager, global Marketing 2007-2011. Gant, Global marketing Manager 2011-2013. Arctic Fox, global marketing Manager 2013-. Mission: Shareholdings (own and/or related parties): 0 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: Yes * The information regarding independence is related to the proposed The board member's independence according to the Swedish code of Corporate
Ingemar Charleson Board member since 2002 Born 1954 Primary education: Science upper secondary Education. Retail Management training, ICA School. Business Leadership Training, ICA School. Master CEO 2000 to 2010. AMM Holding AB, CEO 2000 – 2010. N3 Group AB, CEO 2000 to 2010. Shoe Fiver AB, CEO 2009. Mission: Board member of the real estate company Riksdalen, Charleson Merchant and owner of the giant and Jessica-be Hallen 1989. Merchant and Owner Shareholdings (own and/or related parties): 390 397 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: Yes	Paul Adlercreutz Board member since 2011 Born 1948 Primary education: MBA, Stockholm School of Economics Work experience: Cristal Hotels S. A, Chief Financial Officer, 1971. Price Waterhouse & Co, accountant, 1973. Managing director and co-owner of HL Hem textil AB, 1982. Mission: : Chairman of the board of retail Knowledge Sweden AB, company/company management *: Yes Shareholdings (own and/or related parties): 35 000 Independence in relation to the company/company management *: Yes Independent in relation to the company's major shareholders *: Yes

: in relation to the company's major shareholders *:

From left: Ingemar Charleson, Margareta Adlercreutz, Stein Petter Ski, Rocky af Ekenstam Brennicke, Christel Kinning, Mats Holger's son.

Peder Larsson Born 1957 CEO from May 2011. Shareholding of Hemtex AB: 0 graduate in Business Administration, University of York, England. Education, ICA School. ICA Business School, ICA School. Work experience: Merchant and owner ICA Rosen 1979. Merchant and Owner ICA Matmästarn 1982. Enterprise Manager Högsby Municipality 1988. Employed from 2011. MAXI ICA Hypermarket 1994. Category Manager perishables, ICA merchants AB. Business manager for ICA's Supermarkets 2000. Establishment and structure Responsible ICA Sverige 2002. CEO ICA Sverige AB 2004. Own consultancy Company Within Detaljhandel 2009. CEO Cervera AB 2010. Category Manager Perishable goods, ICA The merchants AB. Business manager for ICA's Supermarkets 2000. Establishment and Structural responsible ICA Sverige 2002. CEO ICA Sverige AB 2004. Own Consultant Companies in retail trade 2009. CEO Cervera AB 2010. Mission: Board member of Julia AB, Julia Holding AB, Cervera AB, pharmacy Group I Sverige AB, Synologen AB, LAFAB AB. Chairman of Julia Logistics AB, Blankinvest AB, G & K Blanks Real Estate AB, Julia Sverige AB, Julia Norge. Shareholding in Hemtex AB (own and/or related parties): 100 000 in capital-Savings Depot Chief financial officer from 2010. H & P Staffing AB, Milso AB, Noviax Trading and Consulting AB and HL Marketing Manager as of November 2010. Shareholding in Hemtex AB: 7 000	Ramzi El Amri Born 1976 Sales manager from April 2013, employee from 2007. The shoe, shoe Lisa Jansz Born 1960 Head of export/Hemtex International from December 2012, the group at ICA Gruppen AB (formerly Shareholding in Hemtex AB: 5 000 Lena Nyberg-Collin Born 1962 HR Manager from May 2008, employee from 2005. Shareholding of Hemtex AB: 5 000 David Odequist Born 1971 Purchasing manager from April 2010. Shareholding in Hemtex AB: 5 000 Deepak S Born 1966 Independence in relation to the Accountant (not in picture) Erik Åström , born 1957 Authorized Public Accountant Ernst & Young AB. The company's principal accountant since 2012.
Ann Bernlert Born 1966 Logistics manager from November 2012, employed from 1995. Shareholding in Hemtex AB: 0	

Management



Standing from the left: Ann Bernlert, Peder Larsson, Lena Nyberg-Collin, Niklas Odequist.
Sitting from the left: ULF Seger, Ted Bergström, Ramzi El Koteswararao. Missing in the picture makes Anette Jansz.

Board signatures

Borås on 6 March 2014

Stein Petter Ski
Chairman



Joseph Charleson Director

Paul Adlercreutz Director



Prakash s Director

Rocky af Ekenstam Brennicke
Director



Christel Kinning Director

Peder Larsson

Managing Director



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Hemtex's Stores

Sweden

Alingsås Arvika Boden Borlänge Dome · **Borås** (City, Knalleland Land) · Eskilstuna (City, Tuna Park) · Eslöv Falkenberg · The London Falun Gävle (City, Valbo) · Gothenburg (Bäckebol, Eriksberg, Fifth House, Kungsgatan, Nordstan, Partille, Södra Högsbo, Torslanda, Västra Frölunda) · Halmstad City Eurostop · Haparanda Helsingborg (Stortorget, Ödåkra Väla Centre) · Hässleholm Höllviken Jönköping (City, A6) · Kalmar Karlshamn Karlskrona · Karlstad (Cebu City) · Katrineholm Kiruna Kristianstad The Harbor · The King's Hill · Kungälv Landskrona Lidköping Linköping (City, Tornby) · Ljungby Luleå (City, Storheden) · Lund (City, Nova) · Löddeköpinge Malmö (Burlöv, Kv Caroli, Emporia, entrance, Mobilia, triangle) · Motala Norrköping (Ingelsta) · Norrtälje Nyköping Nynäshamn · Oskarshamn Piteå Sala Sandviken Skellefteå Skövde (City, Elin's Esplanade) · Stenungsund · Stockholm (Barkarby, Bromma, Bålsta, Farsta, field Colonel, Globen, Götgatan, Haninge, Heron City, Huddinge, Jakobsberg, Kista, Lidingö Centrum, Liljeholmen, Länna, Mörby, Nacka, the government Street, Sergel Street, Sickla Centrum, Skärholmen, Sollentuna, Solna, Sundbyberg, Sundbyberg signal Factory, Tyresö, Täby Centrum, Tumba, Upplands Väsby, Vällingby, Värmdö, Västermalmsgallerian, Åkersberga) · Strängnäs Strömstad Sundsvall (City, Birsta) · Säffle Södertälje Tranås Trollhättan Uddevalla (City, Torp) · Umeå (City, Strömpilen) · Uppsala (Boländerna, centre, Gränby) · Varberg Värnamo Västervik Västerås (City, Lund) · Växjö (City, Samarkand) · Ystad Ängelholm Örebro (The creamer, Marieberg) · Örnsköldsvik Östersund

Finland

Borgå Esbo (Big Apple, cello) · Helsingfors (Hagnäs, Itäkeskus, Kampen, Kannelmäki) · Åbo Hansa · Kempele Kotka (The Divine promontory) · Lahtis Lembois · björneborg · Raisio · Rovaniemi · S:t Michel · Tammerfors (Central centre) · Vanda Jumbo · Vasa (City, Stone haka) · Villmanstrand

Estonia

Tallinn (Rocca, Solaris, Järve Keskus)

Different direction and a significantly smaller scope compared to the direction and scope of an audit in accordance with International standards on auditing and generally accepted auditing standards in Sweden.

A corporate governance report has been prepared and we believe that its statutory information is consistent with the annual accounts and consolidated accounts.

Borås on 6 March 2014

Ernst & Young AB

Erik Åström
Authorized Public Accountant

Auditor's opinion on the Corporate governance report

To the annual general meeting of Hemtex AB (publ), Org.nr 556132-7056



2024/2025 Annual general meeting

Convened on Monday 22 April 2025, 10:00 AM, to elect the annual general

meeting on Monday 22 April 2025 at 10:00 AM in accordance with the provisions of the Swedish Companies Act (2006:200).

Agenda

The agenda for the 2024/2025 Annual general meeting shall be as follows: 1. The annual report for the financial year ended 31 December 2024, and the consolidated financial statements for the financial year ended 31 December 2024, under heading

Heading 1.1. The annual report for the financial year ended 31 December 2024, and the consolidated financial statements for the financial year ended 31 December 2024, under heading

Heading 1.2. The annual report for the financial year ended 31 December 2024, and the consolidated financial statements for the financial year ended 31 December 2024, under heading

Heading 1.3. The annual report for the financial year ended 31 December 2024, and the consolidated financial statements for the financial year ended 31 December 2024, under heading

Heading 1.4. The annual report for the financial year ended 31 December 2024, and the consolidated financial statements for the financial year ended 31 December 2024, under heading

Registration of shareholders

Shareholders who wish to participate in the annual general meeting must be registered in the share register maintained by the company, and the latest date for registration is 10 April 2025, and the company will be responsible for the registration of shareholders who wish to participate in the annual general meeting.

Shareholders who wish to participate in the annual general meeting must submit their request to attend the annual general meeting to the company, and the latest date for registration is 10 April 2025.

Shareholders who wish to participate in the annual general meeting must submit their request to attend the annual general meeting to the company, and the latest date for registration is 10 April 2025.



Hemtex AB

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