



**Norva24 Group AB
Annual Report &
Sustainability Report 2022**



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Pages 42-61 constitute the statutory sustainability report for Norva24 Group AB (559226-2553), headquartered in Stockholm, Sweden. The report summarizes the sustainability work conducted during the period 1 January - 31 December 2022 and is based on the material sustainability issues identified in 2022.

This is an English translation of the Swedish Annual report. In case of discrepancies between the English translation and the Swedish report, the Swedish report shall prevail.



Norva24 – leading UIM-operator in Northern Europe

1

Attractive, large and non-cyclical growth market (UIM)

2

Category leader in Northern Europe benefiting from barriers to entry

3

Attractive combination of strong growth, expanding margins and high cash conversion

4

Decentralized route and branch-based business model serving a fragmented and loyal customer base with recurring revenues

5

Proven consolidation engine with rich M&A pipeline

6

ESG early mover and digital disruptor

Values and Guiding Principles

The following values are guiding for our business:

Trust

- We deliver what's been agreed
- We are competent and deliver high professional quality and precision
- We see and understand the customers needs
- We show decisiveness by getting things done, and seek help from others when needed to get the job done

Passion

- We have passion for our job and will always help
- We are focused at finding solutions and have a positive appearance when meeting customers and colleagues
- We are uncomplicated and informal
- We meet customers and colleagues with a smile

Sustainability and Corporate Responsibility

Environment

- We want to increase the share of green activities aligned with EU taxonomy
- We work to reduce the relative energy consumption of own operations

Social

- We are an attractive workplace
- We emphasize QHSE and work safety
- We support gender equality and equal opportunities for all

Ethical business

- We respect human rights
- We take a stand against corruption and bribery
- We are transparent in financial reporting and taxation



2022 in figures

Total operating
revenue
NOK **2,467** million
Growth **+22%**

Acquired growth
+14%

Currency
adjusted organic growth
+9%

EBIT
NOK **212** million
Growth **+9%**

Adjusted EBITA
NOK **279** million
Growth **+8%**

Adjusted EBITA margin
11%

Completed acquisitions
6
Added annual revenues
NOK **+340** million

Net debt/
adjusted EBITDA LTM
2.1x

Green services
44%

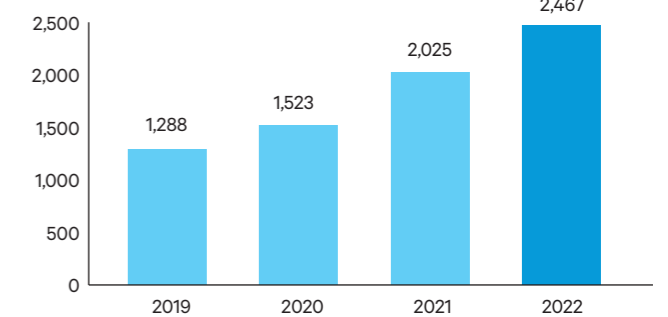


Overview of Group

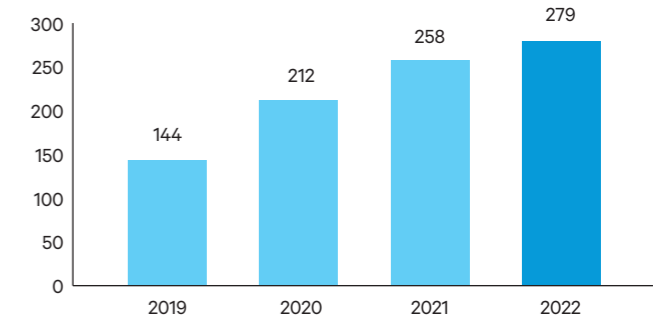
- **Leading UIM operator in Northern Europe**
Providing critical Underground Infrastructure Maintenance services to municipalities, businesses and households
- **Non-cyclical and resilient industry**
- **Proven consolidation engine with European vision**
- **ESG early mover**
- **Digital disruptor**
- **Good organic and M&A growth and margins**
- **More than 50,000 customers**

Total operating revenue

NOK million

**Adjusted EBITA**

NOK million

**FINANCIAL OVERVIEW**

NOK million

	2022	2021	2020
Total operating revenue	2,466.5	2,025.2	1,522.5
Growth – total revenue, %	21.8	33.0	18.3
Adjusted EBITA	278.6	257.7	211.9
Adjusted EBITA margin, %	11.3	12.7	13.9
Adjusted EBITA growth, %	8.1	21.6	47.6
EBIT	211.7	193.5	179.2
Cash flows from operating activities	343.3	337.4	353.8
Cash conversion, %	66.0	73.1	99.0
Net debt (at period end)	1,074.1	763.6	1,245.6
Net debt (at period end)/adjusted EBITDA LTM	2.1	1.7	3.5
Earnings per share (basic and diluted), NOK	0.76	0.81	1.87

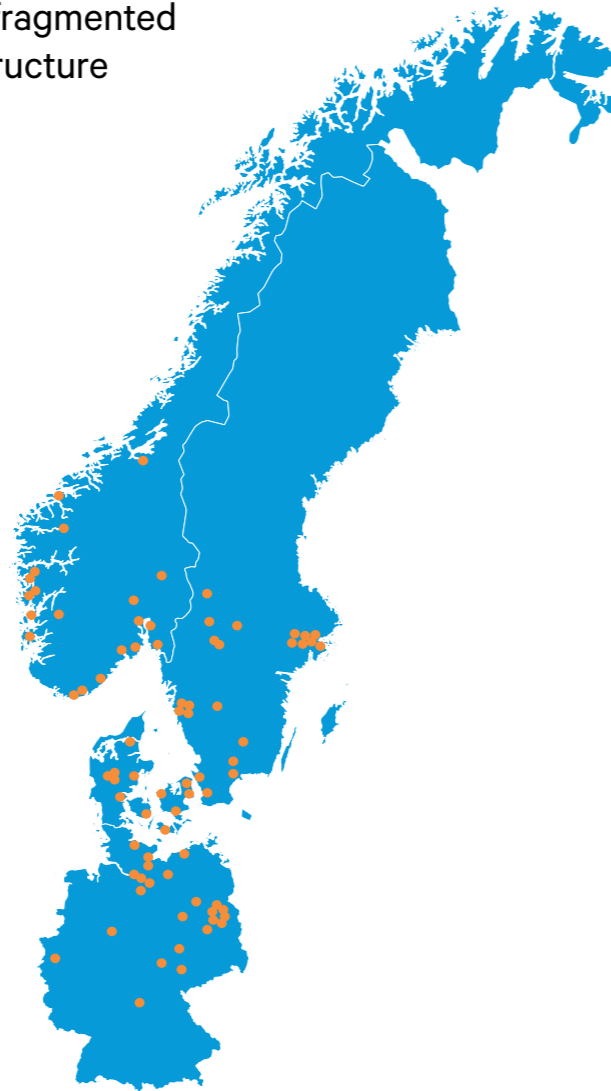


This is Norva24

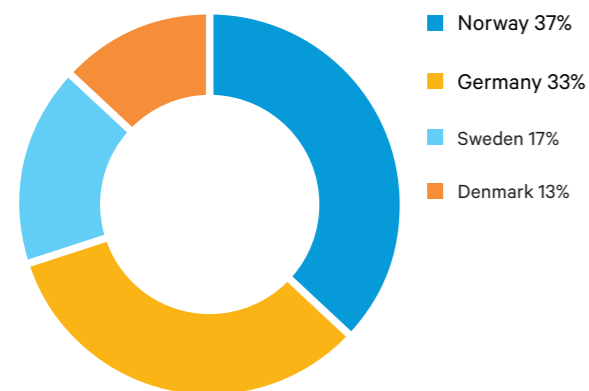
Norva24 is the market leader within the fragmented Northern European Underground Infrastructure Maintenance (UIM) services market.

Norva24 aims to become the leading European operator and be a true inspiration to others in the UIM industry. We are well underway with this strategy and have taken several steps on this path during 2022.

Norva24 continues to operate through a route-based and decentralized branch model which has been key to our success. Norva24 has long-standing relationships with local SMEs and regional customers and is one of the few operators able to serve national and international customers.



Geographical distribution 2022



NORVA24'S UIM SERVICES MAINLY CONTRIBUTE TO:



SDG 6: Ensure availability and sustainable management of water and sanitation for all

- UIM-driven goal
- Contributing to access to clean water



SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable

- UIM-driven goal
- Large contributor for sustainable settlements



SDG 13: Climate change

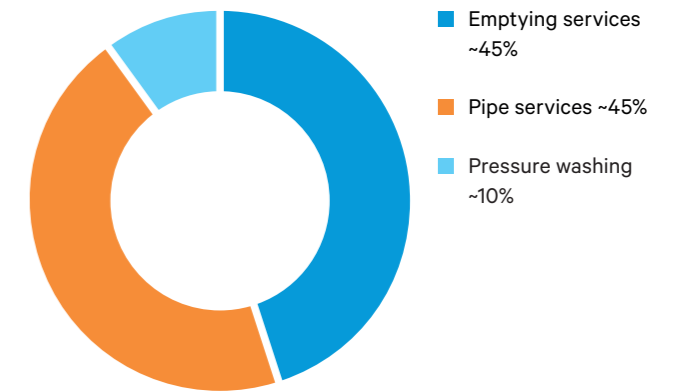
- Strengthening resilience and adaptive capacity to climate-related hazards
- Norva24 a front-runner in reducing own climate impact



HOW WE HELP OUR CUSTOMERS

UIM services are essential for society, as the underground infrastructure needs to be continuously maintained in order to enable a sustainable and functioning society. Using Norway as an illustrative example, current underground infrastructure networks are on average approximately 40 years old, and in some instances almost two times past their life expectancy, meaning that more maintenance and services are required in order to maintain functionality.

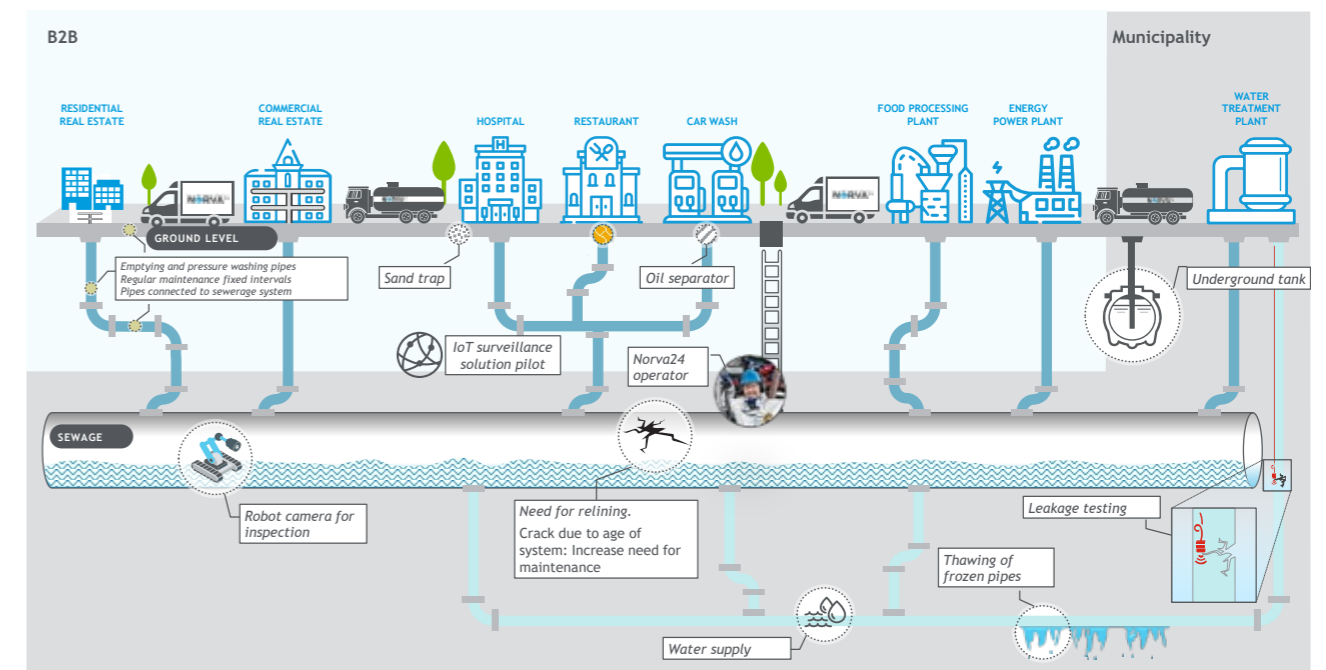
Intertwined service offering



More than **50,000** customers

24/7
365 days a year

The illustration shows how the society is connected through the underground infrastructure and how Norva24's mission critical and non-discretionary maintenance services are provided





On track to deliver on our targets

Solid organic and acquired growth – continued excellent operating cash flow

As we look back on Norva24's first full year as a listed company, we proudly look back at a year with strong revenue growth of 22%, driven by currency adjusted organic growth of 9% and acquisition growth of 14%. Adjusted EBITA margin was 11%. Norva24 is well on track to deliver on the financial targets.

I'm particularly proud of our currency adjusted organic growth of 9% showing that our decentralized business model is resilient in environments of weaker economic activity, high Inflation and above normal sick leaves even post covid. We continue to adjust the prices to compensate for the increased fuel prices, which are up around 40% in 2022 compared with 2021. Our ability to mitigate cost increases by price adjustments is supported by the fact that the services are mission critical for the customers, who rank price as less important purchasing criteria in public tenders, as competence, quality of service and response time is significantly more important. Notably, we do have some contracts where the inflation was not fully compensated in 2022 as most of our public contracts in Norway have annual index adjustments as per January 1, 2023, with price increases of around 10%.

The market activity is seasonal due to the winter weather impacting the pace and efficiency at which our services are carried out, an effect we normally see in our results in Q1 every year. In 2022, we did however also see a winter effect in Q4 due to earlier winter weather conditions than in previous years. We must go back to 2017 for a similar seasonal pattern.

It is encouraging to see that the cash flow from operations covers the cash outflow for the acquisitions in 2022. Cash flow from operating activities amounted to NOK 343 million, representing a cash conversion rate of 66% (Net Cash flow from Operating activities/Adj. EBITDA).

We are comfortable with our healthy financial position, excellent cash flow and leverage. Our leverage was proforma, below 2.0x adjusted EBITDA at year-end and this current leverage provides significant headroom to the financial covenants in the financing facility. Net debt excluding all IFRS16 lease liabilities amounted to NOK 340 million. We had as of year-end NOK 611 million available in the credit facility to enable continued strong M&A pace going forward.

In 2022, we welcomed six new companies to the Norva24 group, adding annual revenue of NOK 340 million. Combined with the strong organic growth, Norva24 is well on track to achieve the financial target of NOK 4.5 billion in revenue by 2025. The six acquisitions in 2022 include: IRG and Stockholm Relining in Sweden, Thorngvig Jensen in Denmark as well as Zimmerbeutel, Jutzy and CKS in Germany. The acquisitions of Jutzy and CKS strengthened our market leading position in Berlin Brandenburg area, where we after these acquisitions will have annual revenue of more than NOK 330 million.

The M&A activity in 2023 has had a good start, as Norva24 in January 2023 completed the acquisition of Gravco in Norway, a company with a long history and strong brand which strengthens Norva24 in the greater Oslo area and surroundings. Gravco had revenues of NOK 90 million in 2022 and high margins. We will continue to act in a prudent and orderly way in accordance with our acquisition strategy, with diligent assessment and integration of candidates, to ensure continued strong organic development.

In 2022, I was also very pleased to see the strong improvements in the Danish operations. Adjusted EBITA margin improved



by 5 percentage points in 2022 compared with 2021, confirming again that Denmark is on the right track.

Our vision remains clear: We want to be the market leader in underground infrastructure maintenance in Europe. We will continue to strengthen our position through both acquisitions and organic growth to fully live up to our promise to our customers: "We always help!"

Our business is resilient to the macro environment since our services are mission-critical with underlying market growth driven by factors such as an ageing underground infrastructure, increased regulation, and a higher frequency of extreme weather events due to climate change. Our services are critical to the functioning of society and there is a need for them regardless of any economic cycles and inflationary environments.

We have a clear, proven, and consistent acquisition strategy, with 41 acquisitions completed since Norva24 was established. We operate in the European UIM market, with a total addressable market of NOK 140 billion, and have a clear number one position in Northern Europe, a market worth NOK 36 billion. Expansion into new markets will be made over the next few years and as stated earlier, the target markets are the adjacent countries to current operations. The markets on the long list are, Finland, Austria, Switzerland, Belgium, Netherlands, UK and Ireland.



Maintenance of underground infrastructure is a key factor for a sustainable future. We remain focused on our core business and work continually to further develop Norva24's sustainability initiatives to safeguard the UN Global Sustainable Development Goals for clean water, sanitation, and clean energy to further consolidate our position as the leading player in the industry.

This Annual Report also includes our CSR report, and we are proud to see progress in most of our key areas. We have a special strategic focus on improving our performance on two KPIs. One is the relative energy consumption measured as kWh/revenue where all energy consumption is calculated into kWh equivalent. Second is the percentage of sales coming from green services.

On green services we have adapted to the EU's Taxonomy, and this shows that Norva24 has more than 44% green services. This shows that we are very much a green company.

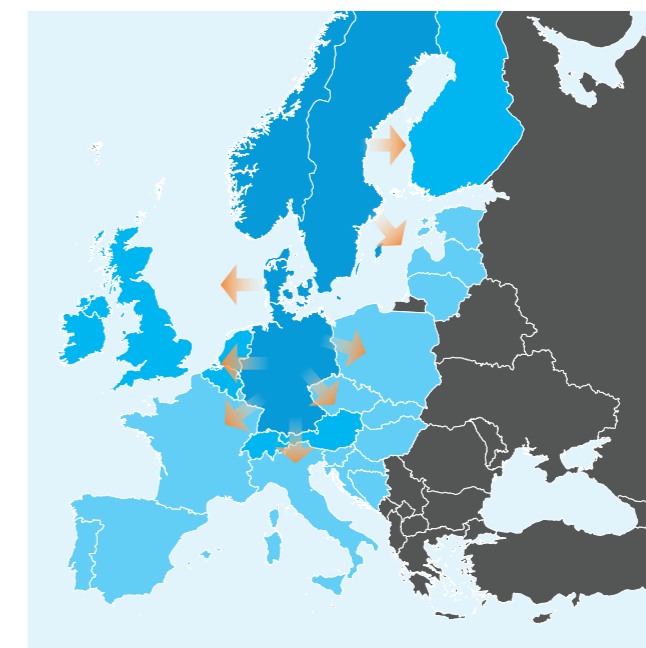
Maintenance of the underground infrastructure is a key part of a sustainable future due to climate change with more severe weather. The need for and importance of Norva24's services is increasing. We work continuously to develop Norva24's sustainability work and to secure the position as the leading player in our industry based on the UN Global Sustainable Development Goals for clean water, sanitation, sustainable cities and clean energy.

Henrik Damgaard
Group CEO
Stockholm, April 2023

"We proudly look back at a year with strong revenue growth of 22%, driven by a currency adjusted organic growth of 9%, with positive currency adjusted organic growth in all countries, combined with a continued strong acquisitive growth. Norva24 is well on track to deliver on the financial targets."

Clear Northern European market leader

- #1
In Northern Europe
- Addressable market in Europe
NOK ~140 bn
- Addressable market in current
countries NOK ~36 bn
- ~1,900 Acquisition opportunities
in existing markets
- NOK ~4.5 bn
Revenue target 2025



- Existing markets
- Primary future target markets
- Secondary future target markets



Our financial targets

In line with the Group's strategy, the Group has adopted the below financial targets to achieve in the medium-term.

During 2022 Norva24 achieved important milestones in line with set financial targets.

Well capitalized – on track to deliver on medium term financial targets

Medium term financial targets

<p>Operating revenue growth</p>	<p>Organic growth</p>	<p>Target to achieve revenue of around NOK 4.5 bn by 2025 while achieving an average organic growth per annum of at least in line with market growth</p>
<p>Total growth</p>		
<p>Profitability</p>		<p>Target to achieve an adjusted EBITA margin of 14-15% in the medium term</p>
<p>Capital structure</p>		<p>Norva24's capital structure shall enable a high degree of financial flexibility and allow for acquisitions. Target steady state net debt ratio (including IFRS16 liabilities) of 2.5x adjusted EBITDA for the last 12 months, temporary increase for M&A</p>
<p>Dividend policy</p>		<p>As a part of Norva24's vision and strategy, it intends to reinvest cash flows into growth and expansion initiatives, including acquisitions, and as such does not expect to pay annual dividends to its shareholders in the medium term</p>



Our business model

NORVA24'S DECENTRALIZED OPERATING MODEL

Norva24 operates a decentralized operating model with a branch based set up that largely delegates business decisions to individual branches. This operating model combined with the acquisition strategy aims to achieve the benefits of scale to support the local branches, while promoting local entrepreneurial leadership.

The set-up is designed to provide decentralized decision-making combined with centralized support, a performance-oriented culture, and growth focus. Decentralized decision-making means that operational decisions are made by those individuals at the branch-level who have local relationships, expertise, and knowledge. Centralized support is provided so overall scale, corporate IT support, as well as capital and institutionalized best practices are achieved. A performance-oriented culture is monitored through benchmarking across branches, quarterly of margin levels and with respect to revenue growth, as well as training, measuring, and reviewing local branch managers and business units based on such benchmarking.

Growth is encouraged with financial and business plan responsibility throughout the organization, specifically through full profit and loss accountability across all levels. This drives top- and bottom- line growth, as well as sourcing and evaluating new potential M&A targets through local positioning and communication.

Three simple levels of organization are set: Group level, country level and branch level.

Group comprise of Norva24's executive group management, IT/digitalization team and Group finance team. Group level sets financial targets and provides overall strategy and support, approves and executes M&A transactions, performs country-level reviews of the Group's procurement orders and tenders above a set materiality threshold, and follows-up on sick leave and leave due to injuries. Group is also responsible for group accounting, Investor Relations and financing including bank agreements.

At the country level, four Country CEOs are responsible for P/L within each country, management and support of the country operations, implementation of Group strategies, monitoring of local performance and approving new customer accounts, and procurement orders and tenders within a set materiality threshold.

At the branch level, Norva24 has approximately 75 branch managers, who are responsible for daily business operations, marketing and sales, density of local networks, local branch financial performance and management and approve new accounts, procurement orders and tenders below a set materiality threshold.

The Norva24 operating model is based on the key principle that branch managers have the best knowledge of the local market, including customers, and competitive and other market dynamics and are therefore best placed to respond to customers' requirements.

The branch managers are key to success

The Norva24 model supports the branch manager in day-to-day operations



Norva24 believes in autonomy given to local management as a key driver for strong local performance. Autonomy is also an important aspect of Norva24's proven M&A model, as it attracts well-established independent UIM service companies that are founded and managed by entrepreneurs who may wish to retain operational ownership over the local branches after the acquisition. The group provides a proven "playbook" and established set of tools to enable the branch managers to succeed.

The Norva24 operating model is designed to also drive the performance of branch managers by applying a strategy of overview and guidance. In the strategy, the performance of each branch is internally measured according to an agreed set of universal key performance indicators ("KPIs").

The KPIs help branch managers to step up efficiency and transparency, to achieve specific goals. KPIs measured include EBITA margin levels as well as sales growth. In the event of unsatisfactory KPIs within a branch, the management initially entrusts branch managers with addressing the underlying causes of the underperformance. Branch managers then work with Country CEOs and central support functions to devise a plan to improve the branch's performance.

BRANCH NETWORK AND DENSITY

Norva24's branch network and local density allow Norva24 to serve customers more effectively due to close geographic proximity to customers providing quick response time to serve mission-critical customer emergencies and assignments.

With this branch setup Norva24 develop close local relationships with its client something that is valued highly by the local customers.

Norva24's density and network are key drivers of service proactivity and route planning and supports increased visibility and the ability to capture commercial opportunities. The ability to optimize and leverage the branch network and local density functions as a key driver of performance and efficiency for branches, and, in turn, increasing density generally leads to increased profitability.

MARKETING AND SALES CHANNELS

Consistent with Norva24 operating model, the Group's sales activities are decentralized. Most decisions are made at the branch level, with support provided at the national and Group Management levels specifically as they relate to key customer accounts and public tender processes. Marketing activities are also decentralized, with a greater emphasis on the role of branches in local branding and marketing strategies.

On a country level, the Norva24 manages various marketing and sales functions and processes. The country level organization is responsible for onboarding and delivering key national accounts, whereby key account managers are tasked with ensuring that large clients receive standardized services and care across the group companies.

Norva24 value proposition to repeat customers is focused on providing a comprehensive service offering, becoming a partner of choice by offering rapid response time service with superior quality, ensuring adequate documentation and high ESG standards are in place and offering disruptive and innovative solutions, such as IoT surveillance solutions.

Norva24's initiatives for winning new customers focus on: targeted marketing through digital and traditional channels, incentivization schemes for local operators to onboard new customers, quality service to ensure referrals via satisfied customers, and tender process support at the country level to support local branches. New customers are also often won over by the local branch managers.

The Group's marketing strategy has a strong digital focus, which is primarily pursued at the country level. Marketing efforts are focused on both traditional as well as digital platforms, such as Facebook, Google Ads, email and Norva24's blog. Norva24 also has a modern website that drives traffic and delivers a positive and efficient customer experience. Orders can be done online and Norva24 has an internal system that reorganizes leads and opportunities and sends them to the relevant department or local branch automatically. Another example is that customers receive an email before and after emptying of septic tanks in Norway.

The Group is focused on a density-driven approach, targeting many customers in key areas of focus. As such, the Group is not dependent on revenue from a select number of key customers, but rather has a diverse customer base comprised of businesses of varying size as well as residential customers. This helps to reduce price sensitivity, increase margins and reduce customer dependency.

REVENUE MODEL AND CUSTOMER CONTRACTS

Norva24 has revenue from contracted arrangements for ongoing UIM services typically for municipalities as well as medium- and large-sized corporate customers. Contracts mostly have a multi-year duration of four to six years for municipalities and framework agreements for corporate customers.

Corporate customers, who typically do not have multi-year contracts in place, are often longstanding customers with recurring purchases.

The Group provides its UIM services to customers under one of the following three models: contracted, repeat/recurring and ad hoc and emergency services.

TENDER PROCESSES

Norva24 assesses that public tender processes are an attractive area for organic growth, particularly as municipal pooling of tenders increases the size of tender contracts. Municipals amount to 30% of total revenues, but within this group it is highly fragmented. Norva24 has a strong track record for winning municipal tenders.



PERMITS AND CERTIFICATIONS

Norva24's operations and facilities are subject to water, waste, environmental, health and safety laws and regulations. Regulations and safety laws also exist for services related to Norva24's services such as water supply, as well as; the use, handling, treatment, recycling, release, management, storage and disposal of substances; air emissions, greenhouse gas emissions.

VEHICLE FLEET

Norva24's leasing model functions well for the vehicle fleet and benefits the Group in several ways such as lower cash capital expenditures which are spread over a long period of time. Norva24 leases its vehicles from approximately ten counterparties.

As of end of 2022, Norva24 had approximately 1,000 operating vehicles in its fleet, with approximately 280 in Norway, 200 in Sweden,

130 in Denmark and 390 in Germany. Norva24's vehicle fleet comprises of approximately 190 combi trucks, 140 sludge suction trucks, 35 super suction trucks, 30 mobile dewatering trucks, 200 flushing units, 10 vacuum trucks, 15 high pressure unit trucks, 110 camera vans, 70 relining vehicles and 60 recyclers. The vehicles in the fleet utilize a wide range of specialist equipment, and each type of vehicle is used for a variety of specified tasks. Approximately 80 percent of Norva24's operating fleet is younger than 10 years.

EQUIPMENT

Norva24 uses machinery and equipment provided by external suppliers for its services. IT and telecommunications services and products are provided by third parties, as are UIM vehicles, equipment, and products. The access to equipment has not restricted Norva24 growth.

Highly sophisticated and advanced fleet

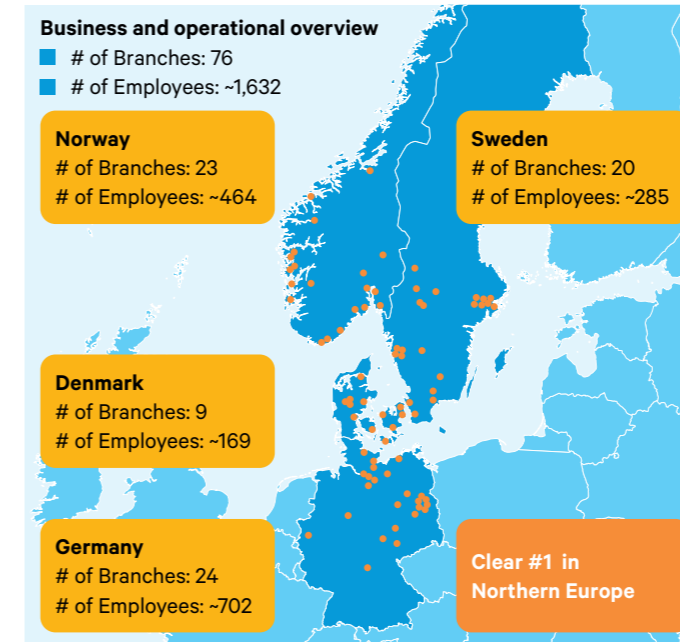
Norva24 has a diverse fleet of modern specialized vehicles able to provide a prompt response to different customers' needs.

SELECT OVERVIEW OF THE MAIN OPERATING FLEET

Type of vehicle	# of vehicles	Relevant Service Groups	Main functions
Sludge suction trucks	140	Emptying services	Emptying of liquid masses
Mobile dewatering trucks	30	Emptying services	Emptying of liquid masses with dewatering function
Combi Trucks	190	Emptying services, Pipe services, Pressure washing	Sludge suction truck with flushing ability
Recycler	60	Emptying services, Pipe services, Pressure washing	Combi truck with water recycling function
Super Suction trucks	35	Emptying services, Pressure washing	Emptying of liquid and dry masses
Vacuum trucks	10	Emptying services, Pressure washing	Emptying of dry masses
High pressure trucks	15	Pressure washing	High and ultra-high pressure washing
Flushing vehicles	200	Pipe services	Flushing of pipes
Camera vehicle	110	Pipe services	TV inspection of pipes
Relining vehicle	70	Pipe services	Relining of pipes
Other	140	Other/All	Various (Sweeping trucks, machinery, hook vehicles, vans etc.).



Our route-based and decentralized branch model



Customer proximity

- Quick response time
- Local relationships are important purchasing criteria
- A key driver of proactivity and route planning
- Increased visibility

An international scope, combined with dense local presence and the Norva24 decentralized business model, is key to winning customers and gaining operational efficiencies

Central support for branch managers enabling them to outperform competition



Our strategy

Norva24's long-term vision is to build a European market leader and a lighthouse in the UIM industry. Norva24's aim is to become the leading European operator in the industry and an inspiration to the UIM industry's development in Europe. The Company's growth and development strategy is founded on five pillars: geographic expansion with solid M&A pipeline, drive sales among largest customers, expand local service offerings, improve flexibility and fleet utilization, and improve digital integration and capabilities.

GEOGRAPHIC EXPANSION WITH SOLID M&A PIPELINE

Norva24 believes that there are further expansion opportunities in its existing markets and new markets. In existing markets, the Company intends to continue to increase its network density with a particular focus on Germany. In the short and medium term, Norva24 expects to expand into adjacent geographies, e.g., Finland, Austria, Switzerland, Belgium, Netherlands, UK and Ireland, and in the long-term other geographic markets in Europe. The Company has a history of successfully completing acquisitions, integrating acquisitions into its existing organization and extracting synergies.

DRIVE SALES AMONG LARGEST CUSTOMERS

The Company has identified six criteria that are of importance for large customers when choosing UIM service providers. These include quality and competencies across geographies, aligned reporting, access to a national account manager, efficient service, price, and high-quality fleet & equipment combined with ESG security best practices & reporting. To facilitate success in these areas, the Company has developed key initiatives such as adopting certifications used by large customers (e.g., ISO 9001, ISO 14001), appointing key account managers, standardizing offering and product structure across markets and implementing value-based pricing.

EXPAND WITHIN THE SERVICES THAT NORVA24 OFFERS

As a step to improve the ability to service large customers across regions and be more efficient in general, Norva24 aims to provide a complete UIM service offering across all geographies and branches in the group including emptying services, pressure washing and pipe services along with expanded green service offering. As a first step in this strategy, the Company plans to share equipment across branches and gradually make sure all branches have the equipment to offer the complete range of the Group's service offering.

IMPROVE FLEXIBILITY AND FLEET UTILIZATION

Norva24 sees great value in improving flexibility and fleet utilization across all branches. Because of this, the Group is monitoring the performance of all its branches and has identified several initiatives to improve both flexibility and fleet utilization across all branches. Identified initiatives include the introduction of an improved pricing model, launch of improved and more dynamic planning tools and further best practice sharing.

IMPROVE DIGITAL INTEGRATION AND CAPABILITIES

Norva24 is focused on increasing profitability and operational efficiency as well as further improving the quality of service. To achieve this, Norva24 is aiming to improve its digital integration and capabilities through three initiatives that include expanding its common infrastructure, improving data analytics and rolling-out an enhanced digital offering.

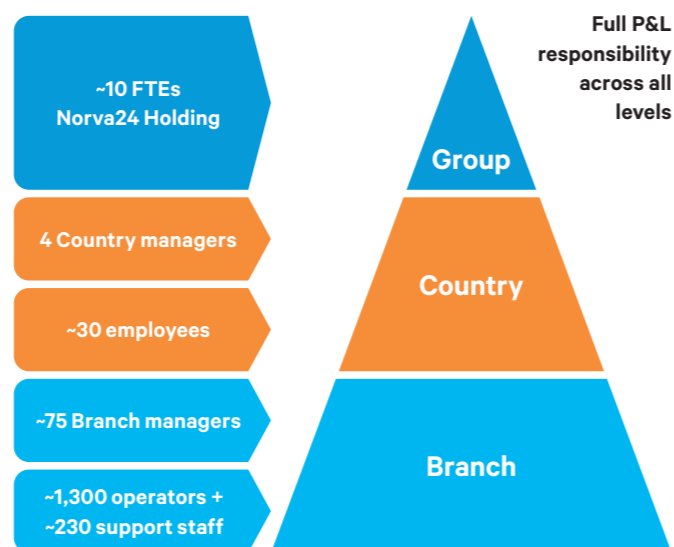
The Company continue to on-board branches and newly acquired companies on a common IT platform and expects all branches in Norway, Sweden and Denmark to be on the same platform in 2023. At the end of 2022 85% of revenues was on a common IT-platform. Given the acquisitive nature of Norva24 the degree of implementation will

Flat organization with only three levels

Flexible structure balancing innovation and the institutionalization of best practices

Flat organization with only three levels with decentralized responsibilities and narrow top

- Sets targets (KPIs) and provides overall strategy and support
- Digitalization and IoT coordination through inhouse R&D team
- M&A execution in coherence with the Norva24 model
- Business reviews of countries
- Approval of new accounts, orders and tenders above a set threshold
- Responsible for region P&L
- Country management and support roles
- Implement group strategies and monitor local performance
- Approval of new accounts, orders and tenders within set threshold
- Responsible for local P&L
- Local customer management, marketing and sales
- Local day-to-day operations; and density of local network
- Approval of new accounts, orders and tenders below a set threshold



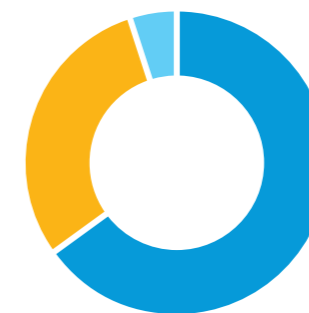
Highly fragmented revenue base with more than 50,000 customers

High visibility*



- Contracted ~40%
- Repeat ~35%
- Other ~25%
- Recurring revenues ~75%

Customer diversity



- Corporates ~65%
- Municipalities ~30%
- Households ~5%

Diversified end-market exposure



- Municipalities ~30%
- Real estate maintenance ~15%
- Construction ~10%
- Industrial ~10%
- UIM and environmental services ~5%
- Households ~5%
- Transportation infrastructure ~5%
- Energy maintenance ~5%
- HoReCa ~5%
- Other ~10%

* Source: Offering Memorandum IPO 2021

fluctuate over time. The overall aim is to create a uniform IT strategy with harmonized IT-services across the Group, which is expected to make operations more efficient.

Several sensor technologies have been tested in 2022 and the company aims to launch a solution in 2023 where customers will benefit from increased service quality, proactive order dispatching and automatic documentation.

Attractive, large and non-cyclical growth market with increasingly high barriers to entry

Key areas	Local competition	Norva24 vs. new entrants
Scale and density	Serves few local locations	Norva24 has an established customer base across all segments creating network density benefits
Operating fleet	Constrained by capital	Norva24 has an extensive fleet Minimum entry investment level: NOK 10-20 million per location Long fleet lead time for first delivery: up to ~12 months
Full service offering	Narrow service offering	Most of the municipalities and corporates purchase and require several of the services available
Domain expertise	Limited breadth and depth of industry knowledge	>1 year on avg. to develop domain expertise per service for the easier jobs, with significantly longer time needed for more complex tasks
Documentation and certification	Limited certificates and documentation capabilities	Numerous, localized and non-standardized certificates required for Quality, Health, Safety and Environment Management
Digitalisation	Limited digital capabilities	Proprietary digital and software solutions Superior route planning
ESG	Behind on ESG standards	ESG has become an important criterion in both public and private tender process, introducing e.g. 30% environmental weighting



Key customer segments

CUSTOMERS

The Group's more than 50,000 customers broadly fall into three categories: public, corporate and private.

Public customers (about 30% of revenues)

This includes municipal customers, smaller as well as larger towns and cities. Norva24 works with individual, standalone municipalities, as well as municipalities working in cooperation and other publicly owned companies. These customers need Norva24's services to maintain public infrastructure.

Norva24 participates in public tender processes involving municipals and other customers and have a strong track record of success in public tenders. Tender processes are often more complex in recent years as public customers evaluate criteria, such as service quality, pace and efficiency and price in selecting the winning tender, and significant regional differences exist in the weighing of these metrics. In addition, increased ESG considerations (such as the use of electric or low-emission vehicles by the service provider), increased demand for documentation, significant capacity flexibility requirements, and increased demands to IT solutions (such as digital tools and route tracking) have all become additional criteria for evaluating offers.

Corporate Customers (about 65% of revenues)

Norva24 also has many corporate customers, including in the real estate maintenance (about 15 percent of revenue in 2022), construction sector (about 10 percent of revenue in 2022), industrial sector (about 10 percent of revenue in 2022), transportation infrastructure (about 5 percent of revenue in 2022), UIM and environmental services (representing approximately 5 percent of revenue in 2022), energy maintenance (representing less than 5 percent of revenue in 2022), and HoReCa industries (representing less than 5 percent of revenue in 2022).

Private customers (about 5% of revenues)

Private customers include residential homeowners. Private customers generated approximately 5 percent of the Group's revenue in 2022. UIM services are necessary to maintain a healthy and safe home environment and to prevent property losses and are typically needed in response to an immediate problem at their premises. Residential private customers comprise only a small portion of Norva24's customer base and are served when Norva24 has spare capacity.





Drivers and trends

DRIVERS AND TRENDS FOR NORVA24'S MARKETS

Norva24's markets are expected to be driven by several factors and market trends. These include, for example, ageing underground infrastructure, climate change, regulative efforts as well as more capacity outsourcing.

Ageing underground infrastructure

The conditions of the underground infrastructure in Norva24's current markets are overall in a poor condition because of lack of investment and delayed renovations resulting in a general investment backlog within the systems. In Norva24's current markets, the average age of the underground infrastructure is approximately 40 years and, in some cases, as old as 150 years leading to damage to the sewers and increased leakage rates. This has an impact on the reliability and quality of the overall underground infrastructure which impacts the entire society. In Norway, Germany, and Sweden, approximately 0.5 to 1.2 percent of sewers

will currently be renewed every year. Even though the quality varies, smaller municipalities normally have a less systematic approach to the maintenance of the underground infrastructure. The poor condition of the underground infrastructure is an important growth driver for the UIM industry, as the need for maintenance and renovation increases. In other European markets, which Norva24 currently are not established in are characterized by similar challenges with ageing underground infrastructure.

Condition of the underground infrastructure in Norva24 current markets

In Denmark the quality of the underground infrastructure is better than some other countries as annual investments of approximately NOK 11 billion have been made since 2012. As a result, the average system is of a younger age and has a significantly lower leakage rate compared to Norway, Germany and Sweden.

The systems are old and in need of constant maintenance

	Average age of sewers	Share of sewers to be renewed	Overall condition of the sewage system	Planned investments in the underground infrastructure
Norway NOK ~3.0bn TAM	~32 years	~1.0% p.a. from 2017 to 2040	Overall bad condition with ~30% leakage	NOK ~4.8bn p.a. from 2021 to 2040
Germany NOK ~26bn TAM	~40 years on average ~30% older than 50 years	0.8-1.2%	Overall bad condition with ~19% of sewers with medium to strong damages	Investments are significantly lower than the needed investment estimated EUR 13.5bn p.a.
Sweden NOK ~4.0bn TAM	~40-50 years	~0.5% p.a. from 2002 to 2017	Overall bad condition with ~15% leakage	NOK ~4.0bn p.a. from 2017 to 2047
Denmark NOK ~3.0bn TAM	~35 years	n.a.	Overall good condition with ~6% leakage	NOK ~11.0bn p.a. since 2012

Total current addressable market¹ (TAM)
NOK ~36 billion

Potential European UIM market²
NOK ~140 billion

¹ Norway, Germany, Sweden and Denmark. 2020 estimates.
² 2020 estimates.

Source: Norva24 Offering Memorandum, 2021



Drivers and trends in the underground infrastructure maintenance market

Ageing underground infrastructure	<ul style="list-style-type: none"> Poor state of the underground infrastructure requiring significant maintenance and renovation Ageing underground infrastructure 	~40 Years old on average
Climate change	<ul style="list-style-type: none"> Increased extreme weather increases the load on the underground infrastructure networks and requiring more maintenance and higher quality pipes Temperature and rainfall increase set to strain underground infrastructure 	12% increase in rainfall
Regulation	<ul style="list-style-type: none"> Existing regulations expected to drive higher investment Regulations increase the frequency of maintenance intervals Increasing standards and reporting requirements 	~90% of fat separators has regular emptying intervals
Capacity needed	<ul style="list-style-type: none"> Urbanization placing extra pressure on the outdated underground infrastructure in urban areas, which increases maintenance need 	13% increase in ppl per km sewer
Outsourcing	<ul style="list-style-type: none"> Sizeable outsourced UIM market with only ~24% of the services currently insourced No expected change in outsourcing degree in Nordic markets Further outsourcing potential in Germany (e.g. municipalities) 	~24% of market insourced
ESG	<ul style="list-style-type: none"> Increasing trend for customers to weight ESG criteria Reporting requirements also increasing 	~30% weighting in certain tenders

Source: Norva24 Offering Memorandum, 2021

Climate change

Climate change has and will likely continue to increase the frequency of more extreme weather conditions, which has multiple effects on the underground infrastructure. UIM services offer solutions for handling the pressures placed on underground infrastructure caused by climate change, as a well-maintained underground infrastructure is essential to cope with increased precipitation and to reduce the risk of flooding.

The increase in extreme weather events due to climate change implies that capacity requirements of the day water systems will have to increase. More precipitation will be challenging for the current water systems. This will lead to problems handling higher

water levels, which can lead to sewer flooding and contamination of sewage to the environment. It is not only more precipitation that strain the underground infrastructure, but extraordinary dry weather may also result in increased need for cleaning services such as underground infrastructure and water pipes, since the flow through the system from normal weather conditions result in self-cleaning. An expected increase in average temperatures can also lead to sanitation problems occurring in the drinking water supply system, due to possible bacterial contamination. Local weather conditions vary significantly when it comes to intensity of precipitation, topography as well as self-drainage capacity. Investments in the underground infrastructure can lead to better



handling of extreme weather conditions, by increasing the retention capacity, both through more access points to the underground infrastructure and through higher storage volumes in the retention basins. This type of investment in underground infrastructure, however, are not a sustainable solution, and municipalities will need to continue to address problems resulting from climate change. As a result UIM services are essential for society in regions with extreme weather due to climate change. In addition, climate change and an increased environmental awareness among customers have increased the importance of ESG as a scoring criterion, especially in public tender processes, which further drives scale advantages within the industry and creates opportunities for premium pricing.

Regulative changes

Most regulations are set at the municipal level. Regulations in general have historically been in the form of higher investments in renovation to address environmental concerns, again due to more severe weather conditions. As local regulations are implemented, the frequency of maintenance intervals have increased to extend the life length and quality of underground infrastructure. One key takeaway from past regulations has been that requirements for reporting and documentation have increased significantly. Large, multinational, and municipal customers require more stringent permits and certifications, as well as higher standards of documentation to meet QHSE regulations. All this combined with several other factors have resulted in higher scale advantages for large, focused UIM companies as smaller UIM companies find it challenging comply with the new requirements due to a lack of sufficient resources and expertise.

Increased population

Sweden is currently one of the fastest growing countries in Europe in terms number of inhabitants. During 2016, Sweden's population exceeded 10 million, and by 2070 the population is expected to be approximately 12.7 million. Similarly, the population in Norway was 5.4 million in 2020, and is expected to be approximately 6.1 million in 2060. This growth will result in greater demands on underground infrastructure and other underground infrastructure that is already today ignored maintenance-wise. Population growth will also increase pressure on the existing infrastructure as it was built several decades ago and for a significantly smaller population size, leading to a disproportion of capacity.

Other consequences of population growth are increased demand of new connections to the underground infrastructure grid, which will grow by approximately 1.9 percent per annum in

Norva24's current markets and consequently also drives the industry market growth. The increased preferences for separate systems for sewage, rainwater and abandonment of mixed solutions further contributes to the general UIM market growth.

The urbanization that is currently taking place is expected to accelerate with the current and ongoing population growth. Population growth and urbanization, combined with climate change, such as higher average temperatures and more severe rain and extreme weather, place additional pressure on the outdated underground infrastructure, especially in urban areas. The need for a functioning underground infrastructure is essential for all members of society, and well-managed and maintained underground infrastructure is essential to cope with increasing urbanization and capacity demand. Therefore, significant investments are required to accommodate the expected increased pressure on the underground infrastructure as well as achieving sustainable management of the systems.

Outsourcing

Over the course of several decades, the UIM industry, especially in the Nordic countries, has experienced an increased outsourcing trend. This trend has been a consequence of several factors, including a general privatization trend in western countries and demand for greater efficiency combined with a reduced workforce within the public sector. As of 2020, a majority of the UIM markets in Norva24's current markets are outsourced, with Denmark having a comparatively higher share of outsourced services at 90-95 percent compared to 70-80 percent in Norway and Germany, and 60-80 percent in Sweden. The outsourcing share of the UIM industry is also generally higher for renovation services than for inspection and cleaning services. Smaller and midsized municipalities also outsource inspection and cleaning services as well, while larger municipalities often have in-house capacity for planned jobs and contract supplementary providers in peak-demand situations and for short term interventions. Public in-house providers have in recent years experienced serious challenges to attract and retain skilled employees, which in certain cases have forced them to use private UIM service providers in the open market, even if in-house may have been the preferred solution.

The remaining share of the market is still insourced, primarily by larger public utilities. Norva24's view is that if further outsourcing is realized it is most likely to be driven by municipalities in Germany, with additional potential in Sweden and Norway within areas such as housing associations and public utilities entities.





Description of Norva24 Services

SERVICES

Within the UIM service market, Norva24 broadly categorizes its services into emptying services, pressure washing and pipe services, though there is often overlap between the services and many job assignments involve more than one service being performed.

PIPE SERVICES







Pipes have a limited life span. By performing a pipe inspection, Norva24 find the cause of any pipe-related problems. Norva24 also performs pressure testing, tightness checks and leak detection to prevent leaks in and out of pipelines. If pressure or drinking water pipes freeze, Norva24 provides services to thaw these with water and pressure. Norva24 delivers a wide range of pipe services and have solutions for most problems. Sometimes only small parts of the pipe need repair, and, in that case, point repair may be the solution in these cases, whereas other times new pipes might be necessary. In many cases, pipe renewal is a good alternative. Pipe renewal entails establishing new pipes inside old ones, rather than substituting the pipes. Pipe services are provided across all of the Group's markets of operation and accounted for approximately 45 percent of the Group's revenue.

Pipe inspection

Norva24 provides pipe inspection services. Old pipes have a limited life, and if there are problems with piping, an investigation

may be performed to check the inside of the pipes thoroughly for structural quality and integrity. Issues with pipelines may arise over time, due to general wear-and-tear and external factors which have weakened the pipeline's structure, however, it can also happen suddenly and without warning. Since pipes are often covered or buried, filming the inside is an efficient way to inspect them. An inspection is done with a specially built, remotely controlled pipe inspection camera, which is introduced into the drainpipe. The video is transferred directly to the screen and is analyzed afterwards. When the problem has been identified, Norva24 delivers a report with a professional opinion on the state of the pipes and a recommendation regarding the repair of any damage. Potential issues include rust and corrosion in old iron pipes, sediments and roots. These can be addressed through pipe flushing. Leakages from joints may lead the debris around the pipes to be flushed away, so that the pipes move out of place. Sometimes, this means that the whole piping system must be replaced, while in other instances, it will suffice to perform point digging and only repair the broken part. Pipe renewal or point reparation may also be viable solutions, provided the pipes are accessible. Norva24 can determine pipe routing or the point of damage with a probe. The probe is introduced into the pipe with a camera, and any points of damage may be marked and improved in the same spot. Accurate localization of pipes is also used in renovation and construction, it is necessary to know the exact

Comprehensive, mission critical and non-discretionary service offering

 Pipe services	 Pressure washing	 Emptying services
		
Pipe inspection Relining Pressure testing, leak detection, tightness checks	Tank cleaning High and ultra-high pressure washing	Emptying septic tanks Emptying sand traps Emptying grease separators Emptying other masses Emptying oil

A normal job typically encompasses more than one service, leveraging similar capabilities and equipment
 Local- and EU-level regulations require most services be conducted at regular intervals



pipe routing. To find issues with water pipes/drinking water pipelines, Norva24 performs a leak inspection.

Relining

Pipe renewal

Norva24 provides pipe renewal services. Most pipe and cable systems undergo pipe renewal, including bottom pipes, water pipes, wastewater pipes or common wiring. To get inside the pipes, Norva24 uses the existing access points, for example, stake hatches, septic tanks, stake manholes or external manholes. The process always starts with a preliminary examination, called a pipe inspection (See *Pipe inspection* above). This helps to determine the state of the pipes, enabling the Group to price the job accurately. The new pipe is usually made from epoxy-saturated lining, which is twisted into the old pipe by help of water or compressed air.

Access is only required from one end of the wiring web to put the soft lining into place. When this is done, the lining is strengthened by a steamer. Norva24 uses either a felt sleeve or a fiberglass sleeve, saturated with polyester or epoxy resin. The lining is then strengthened with steam on the felt sleeves and UV light on the fiberglass sleeves. The curing time may last a few hours, depending on the length and dimensions. After a few hours of hot air treatment, it becomes a new, durable pipe without any joints. If there is a branch linked to the piping, Norva24 uses a special robot to open the link. Norva24 can also renew branch pipe connections and branch pipes. When the strengthening has been completed, the lining is cooled and cut clean in both ends. The service pipes are opened to ensure that the new pipe is functioning correctly by means of another pipe inspection with a pipe inspection camera. Norva24 records "the entire journey" through the pipe, and this recording is part of the finishing documentation that the Group

delivers to the municipal mapping authority together with proof of warranty and surveying documents.

Point repair

Norva24 provides point repair services for pipes. Point repair is a method used when only parts of the pipe is in need of repair. Occasionally, pipes experience cracks, due to penetrating roots or movements in joints, which can lead to leakage. If the rest of the pipe is functional and sound, there is no need to replace the entire pipe, and it will usually suffice to repair the leakage area through a so-called "point repair." There are two methods of performing a point repair: one method entails closing the hole with a cylindrical construction "Quick Lock"; the other method is point repair with an epoxy-saturated fiberglass cloth.

Pressure testing, leak detection, tightness checks

Pressure testing

Norva24 provides services to test the pressure of drinking water pipes. Both in new constructions and in renovations, it is important to prevent leaks into and out of drinking water pipes to avoid contamination. Water must be clean and safe, out of concern for health, the environment and security. The method for pressure testing also depends on the type of pipes to be tested. The most common alternatives for water pipes are ductile iron pipes, PVC or GRP pipes. With these, the pipes are tested according to common standards, while PE pipes are tested according to their own standard (NS EN 805). Water is pumped into the water pipe to create a constant pressure. Over a thirty minute period, constant pressure is maintained, and if there is a fall in pressure further tests are performed to determine the specific issue. All data is logged and monitored, and after the pressure test is performed



and any issues resolved, an extensive disinfection is performed to ensure the quality and safety of the drinking water conform to the relevant requirements.

Leak detection

Norva24 provides leak detection services for pipes. Leakage may occur in a home pipe, or other pressure water pipes may become defective and cause leakage. Since the pipe is usually buried or covered, it becomes necessary to search for the leak through leak detection. The pipe route is detected through pressure testing. The first step is to perform a pressure test to find out whether the leak is located before or after the internal stopcock. If the soaring persists after the internal stopcock is closed, the leak is probably headed towards the main pipes. A route detector is then used to mark down the pipe's path. The next step is to search for the point of leakage using various instruments and methods. The chosen method depends on the pipe type and the terrain.

Tightness checks

Norva24 provides tightness checks for pipes to make sure newly laid or existing pipes do not contain hidden leaks. With modern equipment, Norva24 has the capability to perform the tightness check quickly and efficiently. A tightness check includes measuring via pressure. One pipe is blocked in both ends and then a constant air or water pressure is applied, and if the pressure falls, it indicates a leak. Before the tightness check starts, the pipe route is controlled with a pipe inspection camera. This control reveals visible fractures to concrete pipes or cracks in PVC pipes. It is also important to get an overview of how many branches are located along the critical stretch of piping. There are often more leaks in pipelines in private residences, and these leaks are also uncovered through a pipe inspection. It can be dangerous to work with high pressure, and therefore all Norva24 employees have high expertise and significant experience with such procedures. During the tightness check the computer logs the results of the pressure check continuously. The customer will receive the results of the tightness check as a separate report when the job is done. Most of the tightness checks performed by Norva24 are on new facilities for wastewater, commissioned both by municipalities and commercial customers.

Pipe cleaning (maintenance flushing)

Norva24 provides pipe cleaning services to remove clogs and waste from pipes. A clogged toilet, drain or shower can be both uncomfortable and costly. Not only can it make houses or premises smell unpleasant, but it can also lead to water damage in the surroundings of the clogged drain. Typically, collections of dirt, soap remnants, fat, rust and/or hair lead to clogged pipes. In these situations, the Group performs pipe flushing, where it cleans the pipe system with a pressure washer to open clogged pipes. In most cases this will dissolve fat and coating from the pipes, thus clearing the clog and cleaning the pipe. Pipe flushing is done using a pressure washer, and is usually done through a stake hatch, drain or a disassembled water lock underneath a sink. A special nozzle is connected to the hose, which ensures that the water flushes and cleans the inside of the pipe completely. To check that the pipes are damage free, Norva24 can perform a pipe inspection with a pipe inspection camera, where a camera with lights is introduced into the pipes. Professionals then check on a computer screen if the newly flushed pipes are clean and damage free.

PRESSURE WASHING (INDUSTRIAL CLEANING)

Norva24 offers a wide range of pressure washing services, among others, tank cleaning as well as high pressure and ultra-high pressure washing. Pressure washing is necessary in situations where regular cleaning is insufficient. Norva24 performs, for example, pressure washing related to factories, premises, equipment and tanks and ships typically for corporate customers. Pressure washing are provided across all of the Group's markets of operation, and account for approximately 10 percent of the Group's revenue.

Tank cleaning

Clean tanks ensure good fuel quality, and as such, all fuel and oil storage tanks must be cleaned regularly. If cleaning is not taken seriously, there is a risk of diesel bugs, sludge, water, and bacteria in the tank, which will reduce fuel quality. Norva24 performs tank cleaning professionally, which ensures safety and environmental consciousness. Tank cleaning is done in steps, where the remnants of fuel are first vacuumed into a clean chamber on a tanker. Then, precipitates and sludge are sucked into the sludge chamber. When the tank has been emptied, it must be aired out. Toxic substances, and sometimes flammable substances, are sucked out of the fuel tank and substituted with fresh air. Norva24 uses a gas meter to control sufficient oxygen and that there are no explosive gases left in the tank. When the tank atmosphere has been approved, the washing begins. A professional equipped with the appropriate protective gear, such as gas masks and chemical-proof clothing, enters the tank to wash it thoroughly. The wastewater is then removed, and the tank is dried. The last part of the process is to filter the fuel removed from the tank to start with, to then release it into the newly cleaned tank. In addition to fuel storage tanks, Norva24 also cleans marine and rig tanks. Norva24 cleans marine tankers on offshore supply ships and performs the following services: washdown of pipes and chain lockers on oil rigs; emptying of mud basins; emptying and washdown of land based tanking facilities; gas checks; issuing entry permits and work certificates. In connection with tank cleaning, a condition control might also be performed on the tank. If the tank is approved, approvals lasting 5 to 10 years may be issued. It is the tank owner's responsibility that the tank is approved.

High pressure and ultra high pressure (industrial cleaning)

Norva24 offers pressure washing from 0 to 3,000 bar in several types of assignments. When washing and cleaning for industrial purposes, Norva24 usually uses high pressures from 400 to 3,000 bar. This type of high-pressure washing can also be used in non-industrial assignments. For example, Norva24 provides high pressure cleaning of tanks, pipes, construction sites (such as industrial buildings, areas, and facades), facades, buildings, steel cutting and surface treatment of steel structures (such as removing rust and paint), concrete removal, flushing pipes and public pipe systems. When regular pressure is not enough, pipes and tanks can become clogged or overflow, for example, in instances of hardening industrial materials, such as epoxy, sulfur or rubber. This is when high pressure becomes necessary to remove the material, usually at a much higher pressure than that of regular high-pressure cleaners. Ultra-high pressure washing, however, has a much more powerful pressure than in regular pressure washing with a water pressure of up to 1050 bar. Ultra-high



pressure washing therefore cleans away most of what cannot be removed in other ways. Ultra-high pressure can also effectively remove or cut away old concrete, strip rebars, clean tanks or blow away rust from metal. The type of nozzles or pistols Norva24 uses depends on the job assignment. Everything can be adapted for the best result. The equipment is important, and Norva24 has specially designed flushing vehicle for ultra-high pressure. This vehicle has an ultra-high-pressure aggregator, which is controlled by a computer. Norva24 even has its own water tank of 3000 liters, as well as equipment to connect the machines to water outlets at the work site. In addition, Norva24 also has equipment for underwater concrete rehabilitation, so that Norva24 can cut and chisel concrete under water with the help of a diver.

EMPTYING SERVICES

Emptying services are provided across all of the Group's markets of operation and accounted for approximately 45 percent of the Group's revenue. Norva24 delivers many types of emptying services. For instance, the Group has significant experience emptying septic tanks, grease separators, oil separators and sand traps. There are strict regulatory requirements for the emptying of septic tanks, and the Group has acquired knowledge regarding the local requirements and regulations in each of the jurisdictions in which it operates. Similarly, there are also strict requirements for emptying grease separators. For example, grease must not enter the water and sewage system, and must therefore be separated into a grease separator. Norva24 empties grease separators, removes the grease, and transports it to approved waste sites. To avoid flooding or broken pipes, it is necessary to empty sand traps regularly, providing the Group with a predictable flow of revenue. As discussed above, Norva24 provides its

emptying services according to fixed appointments or when needed. The Group has a modern fleet with specialized equipment, including machines fitting most needs and assignment types.

The Group's emptying services can be categorized as follows:

Emptying septic tanks

Norva24 provides septic tank emptying services. There are strict regulatory requirements in place regarding the emptying of septic tanks, for example, to ensure that all tanks are emptied on a regular basis to avoid sewage seeping into the surrounding environment and nature. Norva24 empties septic tanks according to local requirements or otherwise as needed. Generally, there are two types of septic tanks: tight tanks and sludge separators. In a tight tank, septic is collected into a single chamber. A tight tank has no outlet, hence there is no need for water cleaning or more chambers in such a tank. When a tight tank is emptied, the entire tank is emptied without returning cleaned water, as is the case in the emptying of regular septic tanks. Tight tanks are most common in cabin complexes and areas where septic tank emissions are prohibited. A sludge separator is a septic tank where sludge goes into a first chamber, before it is separated into the second and third chambers, where the septic tank outlet is located. A septic tank is most common in cabins and detached houses with individual sewage systems. In some cases, there might be a need to remove septic tanks purely physically, and this can be expensive. As an alternative, Norva24 offers service to disconnect old septic tanks, where the drain is then connected to the municipal pipe system. There is also a requirement that the disconnected tank be filled with gravel. This can be done with a vacuum excavator. It is fast and efficient and entails no damage to the area around the tank. In the end, a plumber connects inlet and outlet in the tank



with a piece of piping. Afterwards, the drain will run through the tank without stopping, and out in the municipal pipe system. Drainage of septic tank sludge is an important part of the drainage services Norva24 offers. This applies to both conventional sludge drainage, as described above, and mobile dewatering. Mobile dewatering for sludge drainage is often used for decentralized, scattered buildings, and refers to a procedure through which water is removed from the waste sludge to create a more solid sludge mass with less liquid. This process significantly reduces the amount of water transported with the sludge to the relevant point of central reception. For example, by dewatering to 20 percent dry matter, the amount of water being transported will be reduced by about 90 percent compared to conventional sludge dumping. Further, reduced transport needs involve reduced fuel consumption and thus reduced greenhouse gas emissions and NOx emissions. Mobile dewatering can therefore potentially provide both economic and environmental benefits compared to conventional drainage. Mobile dewatering also results in lower load to the treatment plants that receive the sludge, which is beneficial in areas where treatment plants have limited capacity. There will also be a significant reduction in the number of kilometers of transport. Also, in more central and densely populated areas, mobile dewatering will be beneficial. In case of traffic congestion and rush traffic, using this technology will significantly reduce the load on the road network into a central treatment plant.

Emptying sand traps

Norva24 provides sand trap emptying services. Sand traps are mainly used to protect waste pipes that receive storm water from roads and streets to prevent sludge and clogging. Storm water and washing water flows into manholes and then into the sand traps contained within. Therefore, these must be emptied regularly to avoid flooding or pipe damage. Manholes and gratings are everywhere in public and private infrastructure, such as in the streets, residential areas, petrol stations or washing halls. When gravel and sand flow into a sand trap, the solid debris sinks to the bottom, while the water continues on into the relevant pipe system. Sand traps should be emptied regularly. Some basins are emptied according to fixed appointments, others are emptied as the need arises. No matter the frequency, this can be performed fast and efficiently by a suction and flushing vehicle. How often a sand trap should be emptied depends on several factors, such as the amount of sand used on roads in wintertime; the risk of flooding in the area; the location of the basin – whether it is located at the bottom of a hill or on a flat stretch; the amount of gravel and sand in the area; and local traffic density.

Emptying of grease separators

Norva24 provides grease trap emptying services, which are used in large kitchens, such as those in restaurants. A grease trap separates grease from water before the water flows out in the drain. Since grease is lighter than water, it floats to the top in the grease trap and is accumulated there. A grease trap must therefore be emptied frequently. If not, there is a risk of noxious odors and grease spills, which again can lead to clogged drains and flooding. Regulatory requirements for the emptying of grease traps vary between municipalities. Most municipalities in Norway require that any person who has a grease trap enter into an agreement with an approved provider that regularly empties the grease trap. How often a grease

trap should be emptied depends on size and usage. However, all grease traps should be emptied at least once a year. The vehicle used for emptying opens the grease trap and flushes it clean. Norva24 also offers flushing of the pipes going into and out of the grease trap (see *Pressure testing, leak detection, tightness checks – Pipe cleaning* below). Grease and dirty flushing water is collected and brought to an approved landfill after the assignment is completed.

Emptying of other wet or dry masses

Norva24 provides super vacuum machine and vacuum excavator services in connection with emptying of other wet or dry masses using specialized super suction trucks and vacuum excavators. The super vacuum machine is efficient at removing dry and liquid masses, such as clay, gravel, sand, hydro granules, dirt, dust, grain or water. A common service is to vacuum out gravel and stone. Approximately 90 percent of assignments are 'dry vacuuming', but the same vehicle may also be used for liquid masses. The expression 'dry vacuuming' is used because such a large portion of the assignments regard removing or adding dry masses. A few examples of common vacuum cleaning assignments are: digging out underground cables or pipes in the ground and removing the debris from such excavation with a vacuum so that the pipes can be fixed, and then blowing back sand or gravel to fill the hole after the renovation is completed; removing of gravel protecting the roof fabric; and removing gravel in connection with drainage problems.

Emptying oil (hazardous waste)

To prevent oil spills from seeping into the public sewage system, companies such as washing halls and workshops are required to have an approved oil separator. When wastewater containing oil is flushed down the drain, it must flow into an oil separation facility. The oil separator prevents the oil from reaching the public sewage systems or the watercourses. Oil separators are used to treat water that is polluted with small amounts of oil. Operations that have an oil separator, for example washing halls or workshops, hold the responsibility to make sure that oil, sludge and sand is collected, emptied and delivered to an approved waste site. Oil is considered hazardous waste, and strict requirements apply. Oil separators need regular supervision, and should be emptied when a maximum of 80 percent of the collection capacity is reached. Oil separators should still be emptied at least once a year. Oil separators that have storage of accumulated oil in the wet volume, should be emptied before 25 percent of the volume is filled with oil. If this is not done, the cleaning effect will be reduced considerably. Sand traps should be emptied when approximately 50 percent of the volume is full. The rule about yearly emptying applies also in this case. Norva24 performs various services relating to the removal of hazardous waste, such as polluted waste, waste oil, removal of buried oil tanks, emptying, control and operation of oil separators, cleaning fuel tanks, gas measurements, cleaning of ship tanks, and general emptying and removal of hazardous waste. Typically, however, Norva24's hazardous waste services relate to the removal of oil or oil-contaminated liquids or masses. The oil separated by an oil separator, and that which remains in the associated sand trap, is hazardous waste. Oil and sludge must be submitted to an approved site for hazardous waste. It is important that oil and sludge is not mixed with other waste. It is also important to remember that waste from oil separator and sand trap may not be stored at the business for



more than one year. Businesses that have an oil separator must be able to document that they have sufficient routines for emptying, operation and maintenance of the separator. Norva24 can contribute to routines that secure and maintain the functionality of the oil separator, and that there is no danger of contamination, ensuring regulatory compliance. There are also specific requirements water output from oil separators. For example, the oil content in outgoing water must be lower than 50mg per liter of water in Norway. Some municipalities in Norway have their own regulations that may differ from and be stricter than national requirements. Consequently, testing must also be performed to ensure compliance.

OTHER SERVICES

Composting of wet organic sludge

For more than 20 years, Norva24 Birkeland has converted wet organic sludge into great soil for parks and gardens. We are proud of our facility, which is an important part of the natural cycle, and transforms waste into useful products, says founder Johnny Birkeland.

Every single day, trucks full of sludge roll into the composting facility in Sløvåg. The sludge comes from both municipalities, industrial companies and the farming industry from large parts of southern Norway. Recycling is the whole essence behind the business, says Birkeland. We collect sludge and turn it into beautiful and compact soil one hundred percent stone-free. Soil is in high demand all over Western Norway, both by private operators and larger companies - and transported by ship or trailers. In many cases, the land is sold on to contractors or municipalities.

Composting in three steps

The technology used is so-called "vine composting", where the sludge is sanitized in a three-step process. All vine composting takes place inside closed composting halls.

1. Decomposition of organic matter

Dewatered sludge is mixed with structural material such as bark, twigs and garden waste, which is laid in vines and mixed at regular intervals. This aerobic process emits heat. When there is enough air access in the tendrils, aerobic bacteria will start the breakdown of organic matter and generate heat. The vines must be turned a couple of times a week to achieve a stable temperature.

2. Post-composting process

When the internal process is finished, the tendrils are moved out. There they are placed in large vines, which are turned every month over a period of six months.

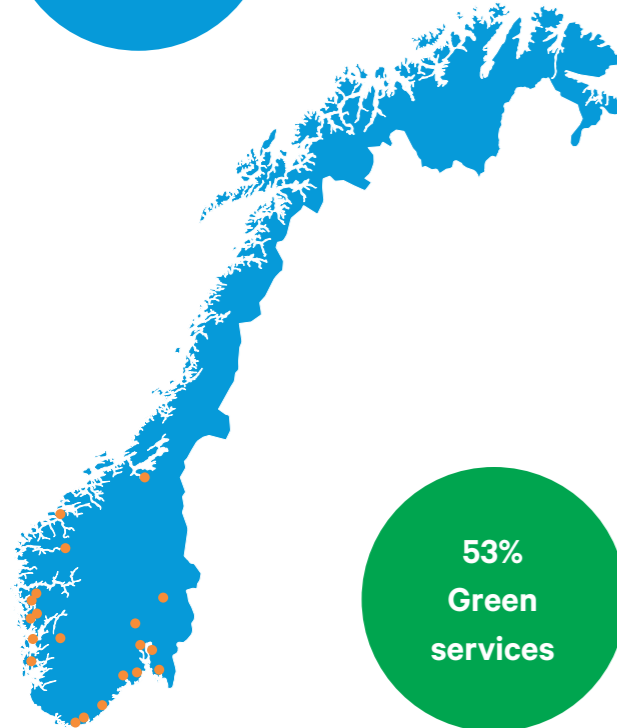
3. Soil production

The compost has now shrunk to around half of its original volume. The temperature is measured several times per week, and totals are logged in the facility's internal control system. Finished compost is added to special sand and local bog soil and is transformed after a year into great soil. The Norwegian Food Safety Authority and the State Administrator carry out regular inspections of the facility. In addition, Norva24 has strict requirements for internal procedures.



Norway

37%
Group
revenue



53%
Green
services

The Group's Norwegian operations date back to 1919 in Sandefjord, Norway, when Norva24's oldest subsidiary was established. In 2015, Norva24 was established in its current form through a merger of five smaller Norwegian UIM companies. Since then, Norva24 has expanded and now holds a leading market position in Norway. Norway had 464 employees as of December 31, 2022.

FINANCIAL DEVELOPMENT 2022

Total operating revenue for 2022 amounted to NOK 904.9 million, compared with NOK 801.5 million during the same period of 2021, corresponding to a growth of 12.9% in total operating revenue. Organic growth was at 12.7% compared with the preceding year, positively affected by a high overall activity level, price increases due to pricing power and higher energy prices. Growth was also positively affected by the backlog from Covid-19 in the first half of 2022 but also adversely affected by early winter weather at the end of 2022.

TOTAL OPERATING REVENUE GROWTH

%	2022	2021
Growth – total operating revenue	12.9	8.5
Organic growth	12.7	3.4
Acquisition growth	0.2	5.1

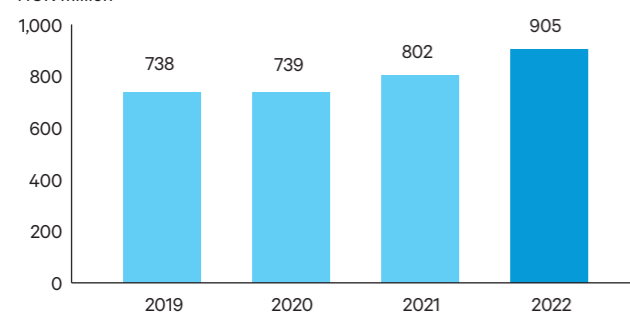
ADJUSTED EBITA 2022

Adjusted EBITA amounted to NOK 137.5 million in 2022, compared with NOK 126.2 million in the same period of 2021. The adjusted EBITA margin was 15.2% during the period. This is a relatively solid margin for the period considering early winter weather in the last months of 2022. The margin in the beginning of 2022 was also driven by high overall activity level and the backlog in assignments that were postponed in 2020 and 2021 due to Covid-19.

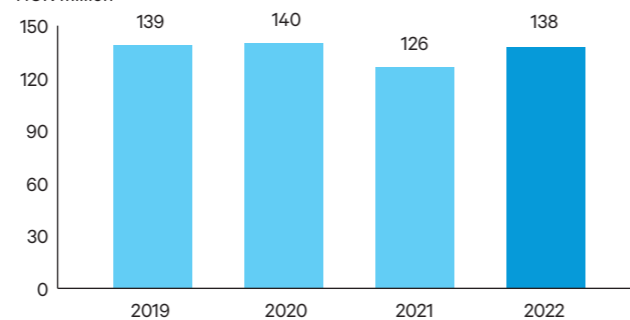
KEY PERFORMANCE INDICATORS

NOK million	2022	2021	Change, %
Total operating revenue	904.9	801.5	12.9
EBITA	134.2	122.4	9.6
EBITA margin, %	14.8	15.3	-0.5 pp
Adjusted EBITA	137.5	126.2	8.9
Adjusted EBITA margin, %	15.2	15.7	-0.6 pp

Total operating revenue
NOK million



Adjusted EBITA
NOK million



HIGHLIGHTS OF THE YEAR

The activity in the market has been good throughout the year but was affected by the winter weather conditions in the latter part of the year, leading to organic revenue growth of 12.7%. Cost increases were offset by price increases from both private customers and public contracts, which in general were index-adjusted as of January 2022 and will be adjusted again on January 1, 2023, by approximately 10%. Norva24 has also renewed several municipality contracts.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2022

General short sick leave levels increased in 2022. This reflects the development generally in society where sick leave post covid has been generally higher. Long-term sick leave has been generally stable. The general energy consumption of Norway has decreased slightly because of energy efficiency projects across the segment.

CORPORATE SOCIAL RESPONSIBILITY KEY PERFORMANCE INDICATORS

	2022	2021
Total number of employees	464	512
Number of days sick-leave	11,720	8,727
Sick leave (short-term)	5.4%	2.8%
Sick leave (long-term)	5.8%	5.6%
Sick leave (total)	11.2%	8.4%
Relative energy consumption x100	4.63	4.90



*The robust organic growth in Norway of 13% proves Norva24's ability to gain market share in the non-cyclical UIM market. We had a relatively strong year in the first half with growth of over 20%. However the particularly early winter weather dampened the growth in Q4. Despite the weaker Q4, profitability in terms of adjusted EBITA margin was above 15%.
Tore Hansen, CEO Norway.*





Germany

33%
Group
revenue



36%
Green
services

Norva24 entered Germany in 2019 through the acquisition of ExRohr. Norva24 has since grown and established a leading market position in Germany. The Group's oldest subsidiary in the country was established in Gochsheim in 1964. Germany had 663 employees as of December 31, 2022.

FINANCIAL DEVELOPMENT 2022

Total operating revenue amounted to NOK 812.9 million during 2022, compared with NOK 646.3 million during the same period in 2021, corresponding to growth of 25.8% in total revenue. This growth was primarily attributable to the acquisition of Mayer Kanalmanagement, Decker Group in 2021, and Zimmerbeutel, and Jutzy and CKS Berlin in 2022. Currency-adjusted organic growth was 1.9% on the back of strong revenues in the same period in 2021 as well as reduced activity because of Covid-19 (Omicron) affecting sick leave, particularly in the beginning of 2022.

TOTAL OPERATING REVENUE GROWTH

%	2022	2021
Growth – total operating revenue	25.8	126.6
Organic growth	1.1	12.8
Organic growth – currency adjusted	1.9	18.9
Acquisition growth	24.6	113.8

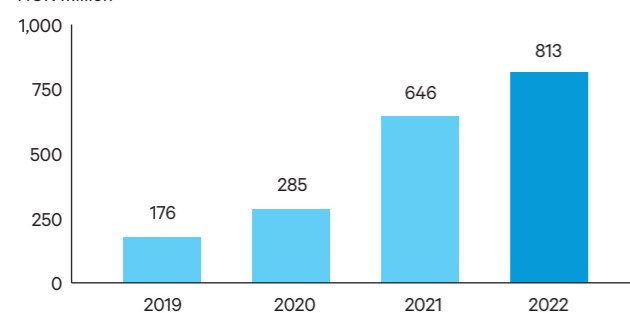
ADJUSTED EBITA 2022

Adjusted EBITA amounted to NOK 124.9 million in the period 2022 compared to NOK 119.1 million in the same period of 2021. The adjusted EBITA margin declined from 18.4% in the preceding year to 15.4% for the period. The margin reduction is attributable to very strong comparable profitability in 2021 as well as high levels of sick leave due to Covid-19 (Omicron), which resulted in lower production capacity and hence revenues, as well as increased personnel costs. Margins in Germany was also negatively affected by lower margins in the acquired companies.

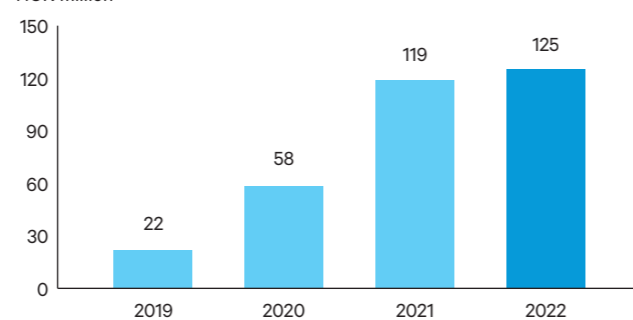
KEY PERFORMANCE INDICATORS

NOK million	2022	2021	Change, %
Total operating revenue	812.9	646.3	25.8
EBITA	95.5	108.2	-11.7
EBITA margin, %	11.7	16.7	-5.0 pp
Adjusted EBITA	124.9	119.1	4.9
Adjusted EBITA margin, %	15.4	18.4	-3.1 pp

Total operating revenue
NOK million



Adjusted EBITA
NOK million



HIGHLIGHTS OF THE YEAR

Revenue growth remained good, supported by acquisitions. Norva24's activity within relining has been somewhat limited due to reemerging challenges with Covid-19 during parts of 2022, resulting in lower revenues and utilization within the area and also some operational challenges with winter weather parts of 2022. The Zimmerbeutel acquisition was closed in early April 2022 and provides Norva24 with a foothold in the Rhein/Ruhr area. Jutzy was closed in late August 2022 and CKS in October 2022 with annual revenues of more than NOK 200 million. Norva24 became market leader in the Metropolitan region of Berlin with these acquisitions and significantly increases density. Norva24 has also initiated a project to test fully electrical high pressure flushing car this fall as part of its CSR initiatives.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2022

The number of employees increased from 546 to 702 in 2022 mainly due to the acquisitions in Germany. Short-term sick leave levels are generally higher in 2022 compared with 2021 reflecting the general society post Covid-19. These sick-leave levels have affected productivity in 2022. Long-term sick leave levels are generally slightly higher.

CORPORATE SOCIAL RESPONSIBILITY KEY PERFORMANCE INDICATORS

	2022	2021
Number of employees	702	546
Number of days sick-leave	11,528	7,622
Sick leave (short-term)	6.2%	4.6%
Sick leave (long-term)	2.5%	1.8%
Sick leave (total)	8.7%	6.4%
Relative energy consumption x100	2.73	n.a.



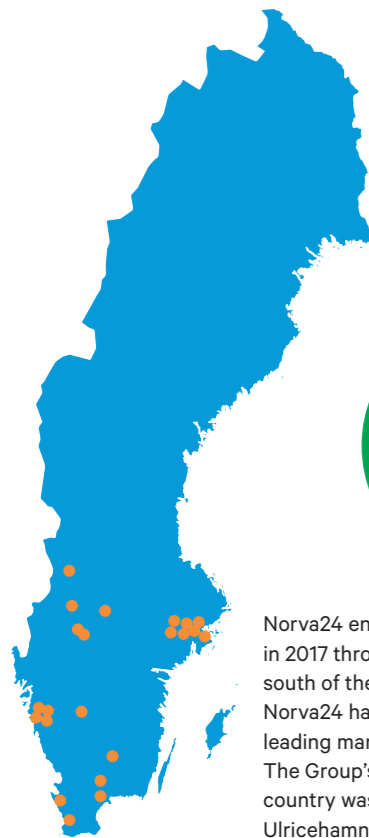
I am very happy to deliver a strong revenue growth of 26% in 2022, supported by several acquisitions. We have also added a few companies in the Berlin area. This strong development demonstrates the benefits of our market leading position in Germany. In addition to the growth initiatives in 2021, we have also integrated Mayer Kanalmanagement and Decker Group and we expect that this will significantly strengthen our position in many parts of Germany and yield scale benefits and synergies going forward.
Bertolt Gärtner, CEO Germany.





Sweden

17%
Group
revenue



54%
Green
services

Norva24 entered the Swedish market in 2017 through an acquisition in the south of the country. Since then, Norva24 has grown and secured a leading market position in Sweden. The Group's oldest subsidiary in the country was founded in 1974 in Ulricehamn. Sweden had 285 employees as of December 31, 2022.

FINANCIAL DEVELOPMENT 2022

Total operating revenue during the period amounted to NOK 426.9 million compared with NOK 306.6 million during the same period in 2021, corresponding to an increase of 39.2%. Currency-adjusted organic growth was 10.0%. The organic growth was primarily attributable to higher activity across most branches and local markets, as well as price increases. GR Avloppsrensning, GJ & Son, Norva24 Miljöhantering, UTAB, IRG Rörinspektion and Stockholm Relining generated acquisition growth of 34.7% in the period.

TOTAL OPERATING REVENUE GROWTH

%	2022	2021
Growth – total operating revenue	39.2	59.5
Organic growth	4.5	-6.5
Organic growth – currency adjusted	10.0	-4.0
Acquisition growth	34.7	66.0

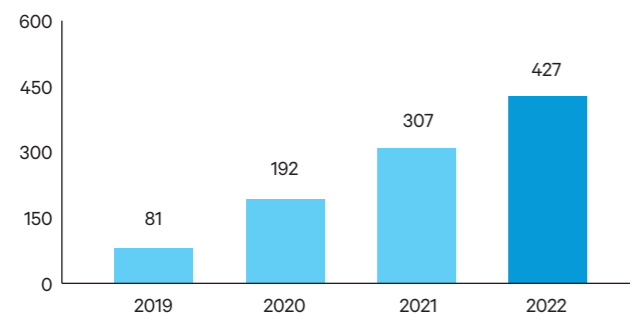
ADJUSTED EBITA 2022

Adjusted EBITA amounted to NOK 50.9 million in the period 2022 compared to NOK 39.6 million in the same period of 2021. The segment's adjusted EBITA margin declined from 12.9% to 11.9% due to lower EBITA margins in a few recently acquired companies and early winter weather conditions.

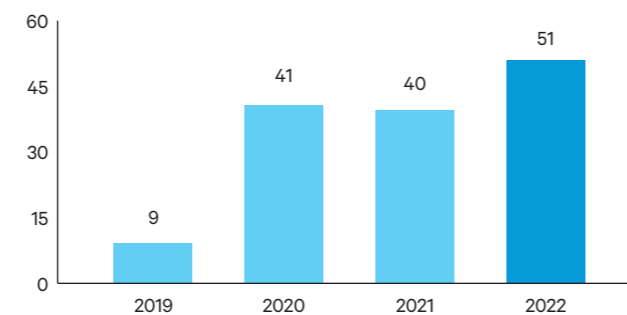
KEY PERFORMANCE INDICATORS

NOK million	2022	2021	Change, %
Total operating revenue	426.9	306.6	39.2
EBITA	48.8	36.3	34.2
EBITA margin, %	11.4	11.9	-0.4 pp
Adjusted EBITA	50.9	39.6	28.6
Adjusted EBITA margin, %	11.9	12.9	-1.0 pp

Total operating revenue
NOK million



Adjusted EBITA
NOK million



HIGHLIGHTS OF THE YEAR

The segment performed well in terms of growth, with double-digit organic growth and the impact of acquired operations leading to a total growth of 39.2% compared to 2021. The integration of new entities is proceeding according to plan and the integration of the most recent acquisitions, IRG and Stockholm Relining, is well underway.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2022

The total number of employees in the segment increased mainly because of acquisitions. Short-term sick leave is slightly higher in 2022 compared with 2021 reflecting the general sick leave levels in society. On the contrary long-term sick level was significantly down to a very low level at 1.1% in 2022.

CORPORATE SOCIAL RESPONSIBILITY

KEY PERFORMANCE INDICATORS

	2022	2021
Number of employees	285	232
Number of days sick-leave	3,968	3,429
Sick leave (short-term)	5.1%	4.3%
Sick leave (long-term)	1.1%	2.5%
Sick leave (total)	6.2%	6.8%
Relative energy consumption x100	5.21	n.a.



2022 was a year when Norva24 took a substantial leap towards becoming a market leader within UIM services in Sweden. The year was a busy year for us integrating the four acquisitions made in 2021 in Western and Southern Sweden, GJ & Son, GR Avloppsservice, Malmberg-Miljöhantering and UTAB. These acquisitions providing us with a total revenue growth of 40% and strengthening our positions in Stockholm, Värmland, western Sweden and in Skåne. In addition, our acquisitions made in 2022 Stockholm Relining and IRG in Göteborg will increase our revenue and geographical presence in Sweden, but also sharpen our technical profile while both companies provide advanced technical UIM services within relining and pipe inspection services.

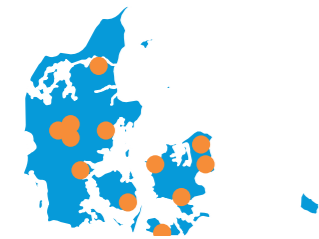
Mikael Smedborn, CEO Sweden





Denmark

13%
Group
revenue



27%
Green
services

The Group entered Denmark in 2017 through the acquisition of a platform with national market presence. The Group's first subsidiary in the country was founded more than 100 years ago in Herring. Norva24 holds a leading position in the Danish market. Denmark had 170 employees as of December 31, 2022.

FINANCIAL DEVELOPMENT 2022

Total operating revenue for the period of 2022 amounted to NOK 323.0 million, compared with NOK 270.8 million during the same period in 2021, corresponding to total growth of 19.3% for the period. Currency-adjusted organic growth was 13.5%, signaling good activity level and that the improvement measures in the action plan are having an effect and are increasing efficiency.

TOTAL OPERATING REVENUE GROWTH

%	Jan-Dec 2022	Jan-Dec 2021
Growth – total operating revenue	19.3	-11.6
Organic growth	12.7	-11.6
Organic growth – currency adjusted	13.5	-6.8
Acquisition growth	6.6	0.0

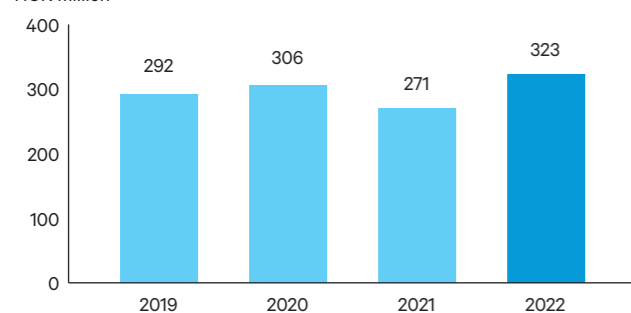
ADJUSTED EBITA 2022

Adjusted EBITA amounted to NOK 7.6 million during the period, compared to NOK -6.3 million during the same period of 2021. The adjusted EBITA margin improved from -2.3% to 2.4%. This development was driven by new contracts as well as the improved capacity utilization of personnel and vehicle fleet and is a clear sign of the improvement of the Danish operations.

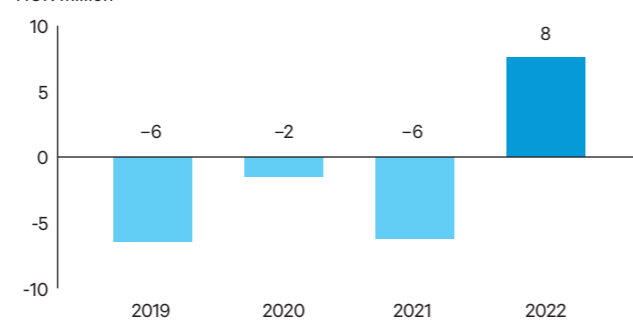
KEY PERFORMANCE INDICATORS

NOK million	Jan-Dec 2022	Jan-Dec 2021	Change, %
Total operating revenue	323.0	270.8	19.3
EBITA	10.1	32.3	n.m.
EBITA margin, %	3.1	11.9	-8.8 pp
Adjusted EBITA	7.6	-6.3	n.m.
Adjusted EBITA margin, %	2.4	-2.3	4.7 pp

Total operating revenue
NOK million



Adjusted EBITA
NOK million



HIGHLIGHTS OF THE YEAR

Norva24 has implemented and will continue to implement a series of changes in the Danish business. The action plan is proceeding according to schedule, with measures such as termination of contracts with unsatisfactory profitability, winning new contracts, and a strong focus on operational efficiency and increasing the degree of utilization of vehicles and personnel. The effects of the actions implemented were seen gradually in the last few quarters and adjusted EBITA margins improved significantly in 2022 compared with 2021.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2022

The number of employees increased due to the acquisition of Thornvig-Jenssen in 2022. Short-term sick leave level was stable in 2022 compared with 2021. Long-term sick leave is generally at a low level of 1.6% down from 2.3% in 2021.

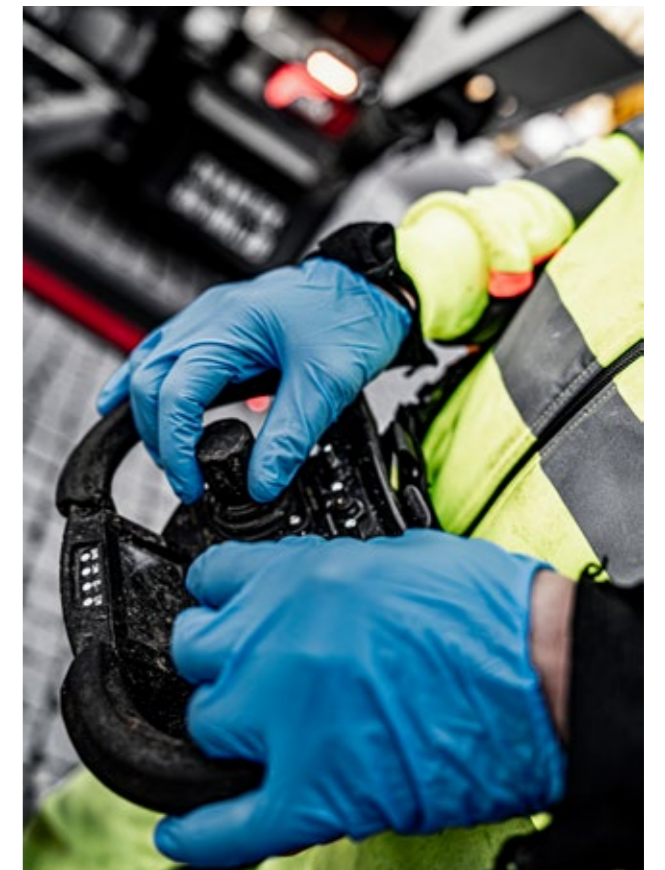
CORPORATE SOCIAL RESPONSIBILITY KEY PERFORMANCE INDICATORS

	Full year 2022	Full year 2021
Number of employees	170	149
Number of days sick-leave	2,444	1,988
Sick leave (short-term)	4.6%	5.0%
Sick leave (long-term)	1.6%	2.3%
Sick leave (total)	6.2%	7.4%
Relative energy consumption x100	5.01	6.22



We are pleased to see that our improvement initiatives continue to provide are providing results in 2022. We still have work to do to get to group level profitability, but I am confident we will continue our improvements going forward. certain that all these changes will lead to a positive profitability trend going forward.

Tim Normann, CEO Denmark.





How we work with mergers and acquisitions

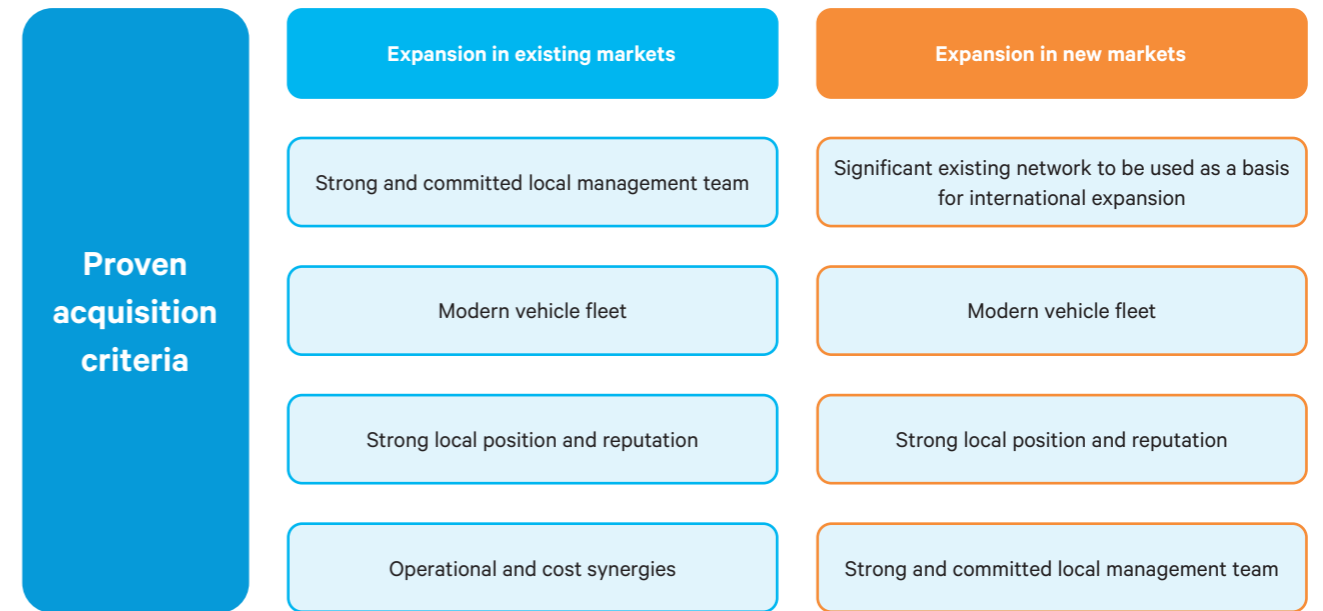
Norva24 has a strong track record of acquisitions, with 41 acquisitions completed since 2015. Acquisitions are performed both to enter new markets and to further strengthen the position in Norva24's current markets. In 2016 Norva24 entered Denmark, Sweden the following year, and in 2019 Norva24 entered the German market through the acquisition of ExRohr.

Norva24's goal is to become the "partner of choice" within the highly fragmented European UIM market. The focus of Norva24's M&A strategy is to increase network density, expand the geographic footprint and add complementary offerings. Norva24 has an institutionalized approach to sourcing, and integrating targets, including identifying suitable acquisition targets through a

ACQUISITIONS

Acquisition year	41 acquisitions	Geography	Strategic rationale	Sourcing	
2023	NRC Gravco AS and Septik Tank Co AS		Local add-on	Bilateral	Consolidator of choice: Earn-outs and re-investments standard
2022	CKS Express Baumanagement GmbH and CKS Rohrexpress GmbH		Local add-on		
	Jutzy Haustechnik & Service GmbH		Local add-on	Pre-emptive auction	Entrepreneurial home for future branch managers
	Stockholm Relining AB		Specialist competence		
	Thornvig Jensen A/S and J.S. Overfladebehandling ApS		Local add-on	Bilateral	Entrepreneurial home for future branch managers
	IRG Rörinspektion AB		Local add-on		
	Rohrfrei Axel Zimmerbeutel GmbH		Local add-on	Pre-emptive auction	37 bilateral deals
2021	Ulvsby Miljö (including subsidiaries)		Local add-on		
	Decker Group		Local add-on	Bilateral	Avg. exclusivity period of ~5 months
	Malmberg Miljöhantering		Local add-on		
	GR Avloppsrensning		Local add-on	Pre-emptive auction	Limited competition for targets
	GJ & Son AB		Regional platform		
2020	Kjelsberg Transport AS		Local add-on	Bilateral	Standardized SPAs
	Mayer Kanalmanagement		Regional platform		
	Solna Högtryckspolning AB		Local add-on	Pre-emptive auction	Average acquisition pre-synergies multiple: ~3-7x EBITDA ~6-9x EBITA
	Behne Entsorgungs-Service		Local add-on		
	Rohrreinigung Falkenhagen GmbH		Local add-on	Bilateral	
	Kanal-Türpe Gochsheim GmbH & Co. KG		Regional platform		
2019	LGT		Local add-on	Pre-emptive auction	
	BRI		Local add-on		
	Miljövision		Regional platform	Bilateral	
	Ex-Rohr		National platform		
2018	Jysk Kloak Service		Local add-on	Pre-emptive auction	
2017	A Söderlinds AB		National platform		
	Risskov		Regional platform	Bilateral	
	Sørmiljø		Regional platform		
	Søgne rørservice		Local add-on	Pre-emptive auction	
2016	ISS Kloak Service (Norva24 Danmark)		National platform		
	Vann og Rørservice AS		Specialist competence	Bilateral	
	Ringerike Septikservice AS		Local add-on		
	Flagstad AS		Local add-on	Pre-emptive auction	
2015	Septik24 AS		Regional platform		
	Østfold Høytrykk AS		Local add-on	Bilateral	
	Septik og Miljøservice AS		Local add-on		
	Norsk Vacuumgraving AS		Initial platform	Pre-emptive auction	
	Spyleteknikk AS		Initial platform		
	AquaPower Vest		Initial platform	Bilateral	
	Aqua Power AS		Initial platform		
	Sandnes Transport AS		Initial platform	Bilateral	

Bilateral Pre-emptive auction Auction



selective process, covering the acquisition of the selected targets, and integration of the executed acquisitions as a "buy and build" strategy. Through its acquisition and integration of M&A targets, Norva24 can realize synergies with respect to costs, IT, common procurement, increasing utilization, centralized support functions and homogenizing services offerings. Financially, realized synergies result in revenue growth, margin expansion and cost savings.

Norva24's ambition is to apply a tailored approach for each acquisition, based on the local market and culture as well as the acquired company's individual performance and size, particularly as it pertains to integration and post-acquisition processes.

By tailoring the approach to integration and post-acquisition processes, Norva24 aims to achieve the benefits of scale through a larger organization while encouraging the benefits of local entrepreneurship.

NORVA24'S M&A MODEL

Norva24's M&A model is based on five key pillars: (1) clear strategic objectives; (2) Norva24's track record of acquisitions and integration; (3) the fragmented UIM market with significant opportunity for consolidation; (4) Norva24's robust M&A process and team in place; and (5) a pipeline with clear strategy and criteria. Norva24 follows clear strategic objectives in its approach to M&A, specifically with regards to: increase local network density, increase geographical reach, expand local service offering, unlock synergies in existing markets, acquire platform companies, acquire expertise and depth in existing services and solutions, and unlock synergies in new markets. Norva24 has a strong track record of acquisitions and integrations. The UIM market remains highly fragmented, presenting significant and attractive opportunities for further consolidation. Moreover, Norva24 has a robust M&A and integration process in place and leverages its local branches to identify attractive acquisition targets and build a steady pipeline of acquisition opportunities and targets.

The acquisition table on the previous page presents a comprehensive list of Norva24's acquisitions until end of 2022, including related details such as geography, rationale, and sourcing.

IDENTIFYING ACQUISITION TARGETS

Norva24 does acquisitions both to enter new geographies, and to strengthen its position in existing geographies. Norva24 believes that, in the near term, the primary strategic focus will be on expanding and densifying the operations in the current four countries where Norva24 has operations as well as preparing market entries in identified markets, like Austria, Switzerland, BeNeLux, Finland and UK.

When evaluating acquisition targets in order to enter new geographies, Norva24's priority is on platform targets with a significant existing network that can be used as a basis for geographical expansion, a good local reputation in the new market, a modern vehicle fleet, a strong local position and reputation in the new market, and a strong and committed local management team. In doing so, Norva24 aims to identify market leading UIM businesses with solid reputations for delivering high quality services, with a diverse portfolio of customers and stable track record of growth, well-invested asset base, professionalized service offering, strong leadership, and entrepreneurial culture. Additional goals when acquiring platform companies in new geographies are to establish significant presence in the new market, acquire expertise and depth in existing services as well as new solutions and competencies, and achieve synergies. Norva24 aims to identify new market acquisition targets with a certain minimum level of UIM service revenue and EBITDA margin.

When identifying bolt-on acquisition targets, Norva24 looks for targets that support the strategic priorities of each specific existing platform, such as to increase local network density in each area, expand the geographic footprint to a new area or optimizing its



product portfolio or customer mix in a specific market, while also achieving synergies. In doing so, Norva24 aims to identify bolt-on acquisition targets with a certain minimum level of UIM service revenue and EBITDA margin. Norva24 also looks for bolt-on acquisition targets with a strong, committed local management team, a modern vehicle fleet, a strong local position and local brand awareness, and potential for operational and cost synergies.

Norva24's acquisition strategy is developed by the Management team.

Identifying acquisition targets involves both a top-down and bottom-up screening process whereby local branch managers and Country CEOs identify and propose potential acquisition targets. Norva24 thoroughly analyzes strategic decisions regarding acquisition planning and sources potential targets based on its strategic criteria. Centralized screening and selection are generally based on the following considerations: rationale and strategic fit, the target's management team, financial targets, the age of the target's vehicle fleet, ESG considerations, profitability, and reputation. Furthermore, local branches play an important role in the generation of acquisition targets.

The lists split the screening into the following categories:

- **Identified opportunities:** as of the date of this annual report, a list of approximately 1,900 UIM companies identified in Norva24's current four geographic markets.
- **Engaged in discussion:** as of the date of this annual report, a list of approximately 19 priority targets, that meet Norva24's acquisition objectives and criteria in the relevant platform, with which the company has an ongoing discussion; and
- **Advanced Discussions:** as of the date of this annual report, approximately 15 priority targets for which Norva24 has executed a NDA, a letter of intent or is undertaking due diligence typically under exclusivity arrangements.

The relevant Country CEO proactively approaches targets on the identified acquisition opportunities list to either initiate the acquisition process or to maintain a close dialogue with the owners of the respective UIM companies to develop a good relationship and become the acquirer of choice in case they decide to sell in the future.

ACQUISITION PROCESS

Although each process is unique and tailored on a case-by-case basis to the specifics of the targets such as size, geography, and the acquisition target's particular systems and operations, Norva24 generally proceed with its acquisitions and subsequent integration through a standardized framework process. This process has been optimized over the past and tailored towards Norva24's needs. Due to this standardization, Norva24 can provide high quality, swift decision making on targets and subsequent execution of transactions. During the acquisition process, Norva24 works to build a relationship with the target management and owners, secure the best terms for the transaction, and complete a thorough due diligence. The transparent process helps to facilitate this as well and allows for clear communication throughout the process, which is particularly important, as targets' management remains within Norva24 group after the transaction.

Significant recent acquisitions

In 2023, Norva24 acquired NRC Gravco and Septik Tank Co in Norway.

In 2022, Norva24 acquired Rohrfrei Axel Zimmerbeutel, CKS Express Baumanagement and CKS Rohrexpress and Jutzy Haustechnik & Service in Germany, Stockholm Relining and IRG Rörinspektion in Sweden and Thornvig Jensen and J.S. Overfladebehandling in Denmark to further expand its position in Germany, Sweden and Denmark.

In 2021, Norva24 acquired Mayer Kanalmanagement and Decker Group in Germany, GJ & Son, GR Avloppsrensning, Malmberg Miljöhantering and Ulvsby Miljö in Sweden and Kjelsberg in Norway to further expand its position in Germany, Sweden and Norway.

In 2020, Norva24 -acquired Kanal-Türpe, Behne and Falkenhagen in Germany, which strengthened Norva24's service offering and geographic reach in Germany. In the same year, Norva24 also acquired Solna Högtrycksspölning and LGT:s Högtryck in Sweden to expand Norva24's Swedish operations. In addition, also Bergen Rörinspeksjon in Norway has been acquired, which strengthened Norva24's service offering and geographic reach in Norway

INTEGRATION OF ACQUIRED COMPANIES, WITH VALUE CREATION AND EXTRACTION OF SYNERGIES

Following the completion of the acquisition, Norva24 has an established framework for integration. The approach to integrate newly acquired targets is supported by Norva24's IT network within Norway, Denmark, and Sweden. Generally, Norva24 attempts to integrate bolt-on acquisitions over a three-month timeframe, and new platform acquisitions over a six-month timeframe. Concurrently and following the integration process, Norva24 works to realize synergies in areas such as increasing utilization, sharing best practices, expanding services, shared IT-platform, bid management support and centralizing relevant procurement. Financially, these synergies are realized in revenue growth, margin expansion and cost saving.

The integration process of an acquired target typically starts after the completion of the acquisition process. For Norva24, the primary objective of acquisitions is to achieve value creation through geographical diversification and expansion, leveraging Norva24's best practices, introducing certain functions and processes coordinated at Norva24 or country level, and obtaining economies of scale and realizing synergies while at the same time preserving the local entrepreneurial spirit of the target.



Established and proven integration model

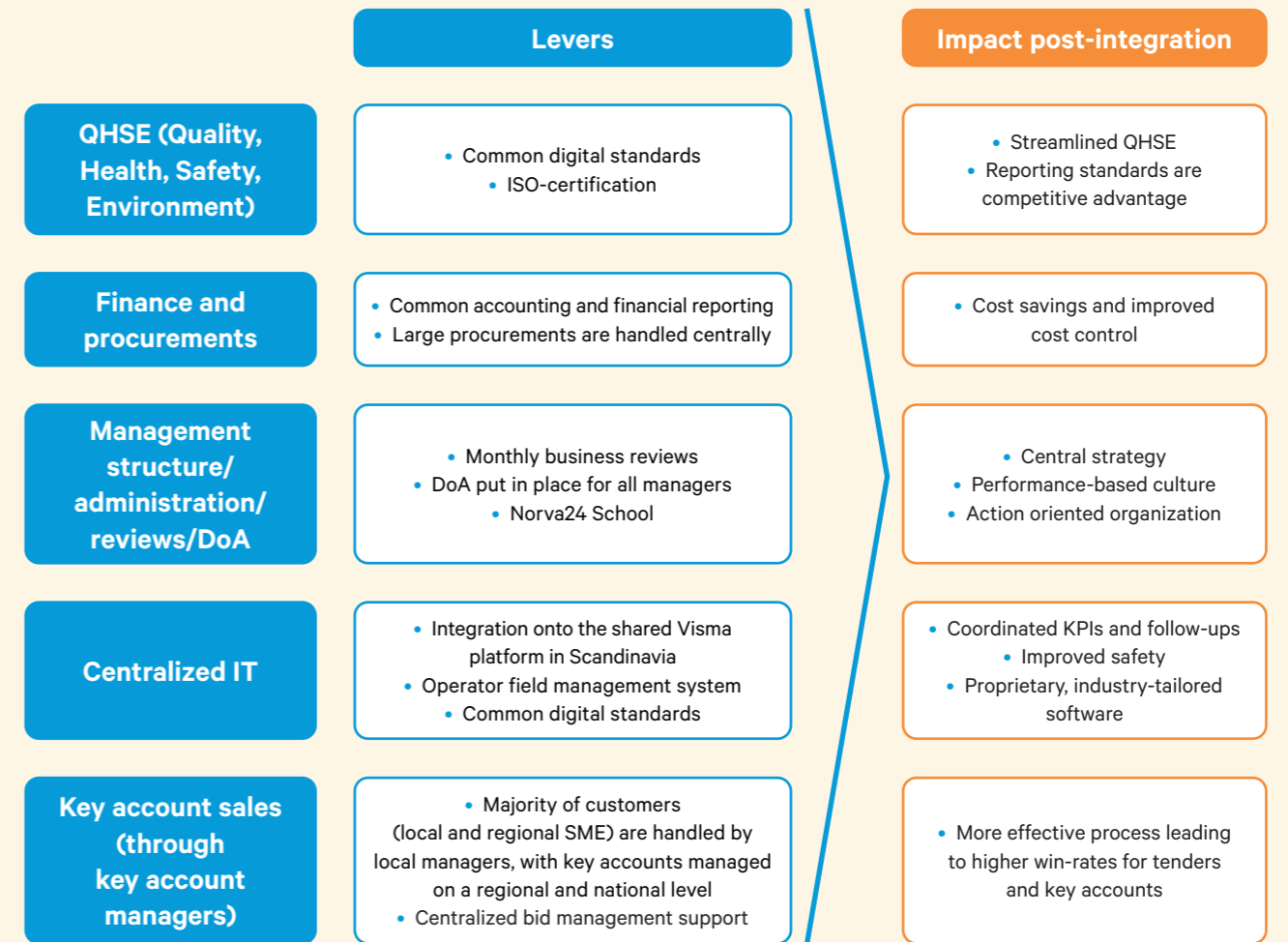
Growing organically is a key focus for Norva24, but equally important are acquisitions, which is also an important component of Norva24's growth strategy going forward. Norva24 has a strategy of continuing to supplement its organic growth with acquisition-driven growth and

considers itself to have a strong offering to entrepreneurs who wish to partner with Norva24, since the selling entrepreneur or owner has the possibility to remain in the company post the transaction. Norva24 has a structured process for identifying and completing acquisitions. In addition,

Norva24 has an established process for integration of acquisitions and realization of potential synergies through, for example, sales, implementation of best practice, local economies of scale and access to capital as described below.

Post-merger integration model

Our decentralized model facilitates and derisks the integration of our acquisitions.





Sustainability is part of our purpose

UIM SERVICES FOR A SUSTAINABLE SOCIETY

Underground infrastructure is a vital part of society, and their performance is crucial for society to function. Access to clean water and sanitation are fundamental human rights. Almost all private and public organizations, institutions and private households are connected to the underground infrastructure. The underground infrastructure provides clean water to society and returns wastewater back for proper treatment and disposal. Underground infrastructure deterioration, damage or malfunction may cause disruptions in the delivery of clean water, wastewater pollution and environmental damages as worst-case scenarios. Continuous maintenance of underground infrastructure and pipes is therefore a critical process in keeping the operational effectiveness and increasing service life.

Aging underground infrastructure and urbanization

Underground infrastructure in Norva24's current markets are generally in poor condition after decades of delayed renovations resulting in a general investment backlog within the underground infrastructure. Across the current markets, the average age of the underground infrastructure is approximately 40 years and, in some cases, as old as 150 years. This leads to an increase of damage in the sewers and leakage rates, which affects the reliability and quality of the overall underground infrastructure and affects the whole society in a negative way. Additionally, increasing urbanization is putting a strain on the capacity of the underground infrastructure that was not dimensioned for the current population increases in larger cities. The poor state of the underground infrastructure increases the need for maintenance and renovation.

Climate change

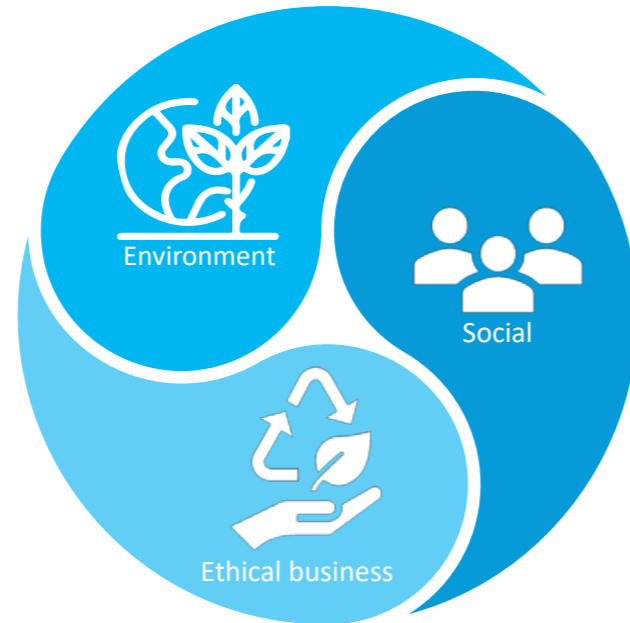
Climate change has and will continue to increase the frequency and severity of extreme weather conditions. Climate change will increase both drought and the levels of precipitation putting higher pressure on the underground infrastructure. Extraordinary dry weather often results in increased need for cleaning of underground infrastructure and water pipes, since the flow through the system in normal weather conditions results in self-cleaning. Climate change also increase the acute levels of precipitation putting pressure on the capacity of the wastewater systems. The systems cannot accommodate the more extreme water levels resulting in floodings and damage to the surrounding infrastructure. An increase in average temperatures may lead to hygiene problems occurring in the drinking water supply system, since the prevalence of bacteria is increasing. UIM services are crucial for countries adapting to extreme weather events created by climate change.

Role in society

Industry cannot operate independently of society but is a part of it. Stakeholder expectations have moved beyond the simple task of maximizing corporate profits within the limits of the law. Corporations are expected to contribute to the society they are a part of, to abide by all laws and regulations as well as social norms and ethical business practices.

NORVA24S CONTRIBUTION TO A SUSTAINABLE SOCIETY

Sustainability is therefore at the very core of Norva24 and what we do. It is part of our purpose. Norva24's long-term vision is to build a





European market leader and a lighthouse, which means that we want to serve as an inspiration, also around sustainability, to the UIM industry's development in Europe.

Environment

Norva24's maintenance of the underground infrastructure is a key factor for a sustainable future and our services contribute to the UN Sustainable Development Goals (SDG). We contribute directly to SDG 6 – Clean water and sanitation, and our services are also important for SDG 11 – Sustainable cities and communities as well as SDG 13 – Climate action. A strategic focus for the Group is also to promote energy efficiency in line with SDG 7 – affordable and clean energy.

To contribute to a more environmentally sustainable society, we have a strategic focus on increasing the share of our green activities aligned with the EU Taxonomy and reduce our relative energy consumption:

- Increase the share of green activities aligned with EU taxonomy. (Total operating income from green activities aligned with EU taxonomy/Total operating income) 
- Reduce the relative energy consumption from own operations. (kWh/Total operating income*100) 

Social

The goal of the group is to be ahead on quality, health, safety and environmental work (QHSE), and all employees in the group shall participate in the process of constant improvement of both work environment, work processes, environmental work, and social responsibility. Our commitment and promise "We always help!" is made possible by this culture, rooted at the core of the Group.

To ensure that our employees have a safe working environment, Norva24 have a clear focus on social factors such as health and safety practices within the workplace. We work actively to prevent accidents and other work-related illness through proper

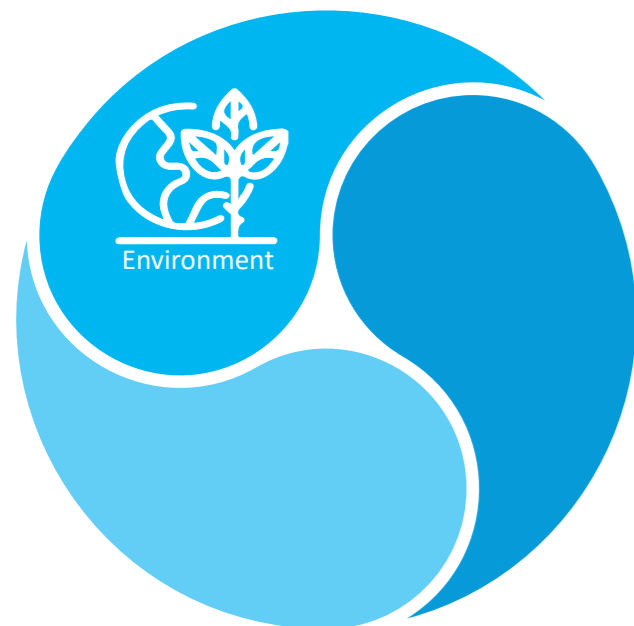


training and QHSE awareness. For us at Norva24, health and safety is at the very foundation of our business, and most of our operational entities are either certified or in the process of getting an ISO 45001 certification.




Ethical business

Norva24 defines sustainable development as a development that meets the needs of the present without compromising the ability of future generations to meet their own needs. We shall always act as a responsible company promoting sustainable practices. Norva24 is committed to applying ethical business practices throughout the organization. The board approved Code of Conduct is the underlying foundation for how Norva24 will conduct ethical business and reduce risk of non-compliance within competition, anti-corruption, human rights, data protection security, health, safety and environment when interacting with our key stakeholders. Norva24 is also conducting an annual Human Rights due diligence in line with the OECD guidelines for responsible business conduct.

Environment




Norva24 is aiming to be the lighthouse for inspiration regarding environmental solutions in the UIM industry. As a leading UIM services provider, we are offering solutions for our customers that are crucial for society to function. We have a strategic target to increase our share of green activities aligned with the EU taxonomy. Our services are directly contributing to several of the UN sustainable goals:

-  SDG 6: Ensure availability, and sustainable management of water and sanitation for all.
-  SDG 11: Make cities and human settlements inclusive, safe, resilient, and sustainable.
-  SDG 13: Take urgent action to combat climate change and its impacts



Increase the share of green activities aligned with EU taxonomy.
(Total operating income from green activities aligned with EU taxonomy/Total operating income)

In addition, we are actively taking measures to reduce our relative energy consumption related to delivering our services. More efficient route planning, investments in newer equipment with lower energy consumption and other energy saving initiatives are made to increase energy efficiency in our operations. To monitor the development, we have implemented a KPI measuring relative energy consumption at all segments.

-  SDG 7.3: Double the global rate of improvement in energy efficiency.



Reduce the relative energy consumption from own operations.
(kWh/Total operating income*100)

EU Taxonomy Green activities



The EU taxonomy is a classification system introduced by the European Union to align the EU's Green new deal strategy with the financial reporting and to promote investments in sustainable businesses and to create transparency and comparability within the Union. With the taxonomy, we report the share of turnover that is aligned with the EU goals for environmentally sustainable services (green services). We also report capex as the share of investments that are supporting the green services or are meant to transition non-aligned services to green services. Investments that do not qualify as capex in the accounting standards are reported as opex investments within the taxonomy.

The taxonomy framework is under constant improvement. In 2022 we will report on activities that are aligned with the requirements of the framework for the first time. The alignment is only relating to the environmental objectives of climate change mitigation and climate change adaptation. EU is currently developing technical screening criteria for the four other EU environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and restoration of biodiversity and ecosystems) and this is expected to result in additional reporting in the future.

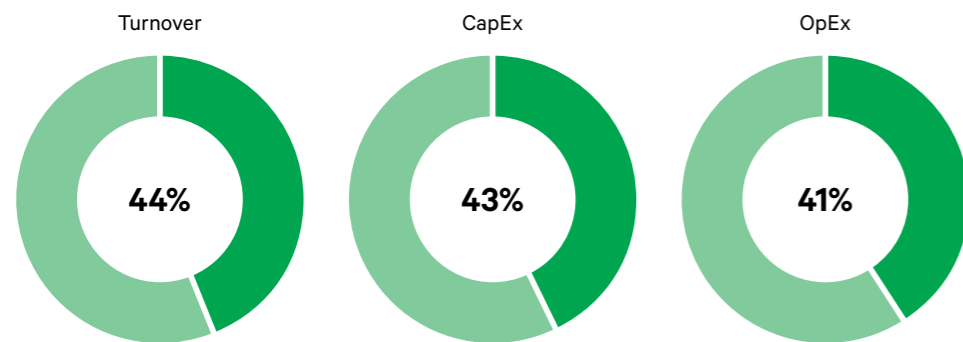
For a service to qualify as aligned according to the taxonomy, it must be established that the activity:

- makes a substantial contribution to achieving one or more of the EU's environmental objectives.
- does no significant harm to any other EU environmental objective.
- will be practiced in compliance with the EU minimum social safeguards.

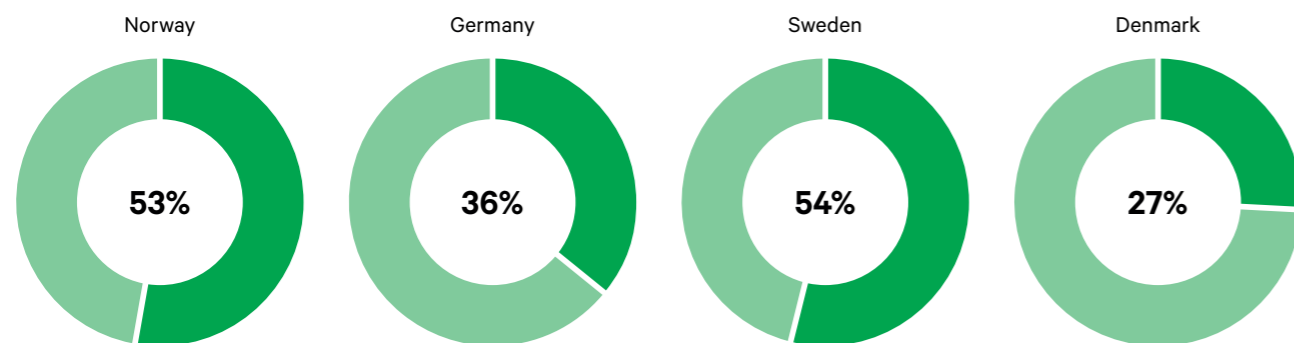
Only if all three requirements are achieved, will the service be deemed environmentally sustainable by the EU and be qualified as a green service by Norva24. The UIM Industry is an integral part of keeping the water supply and sewerage networks functioning, and many of Norva24's core services falls within the EU taxonomy.

SUBSTANTIAL CONTRIBUTION

Taxonomy aligned green services for Norva24 In 2022



Taxonomy aligned green services (turnover) pr segment for Norva24



Turnover

Turnover is defined the same way in the taxonomy as in revenue in IFRS. For Norva24 this means that total turnover is the same as revenue from customer contracts. We have mapped Taxonomy activities to the relevant services offered by Norva24 and present them as their relative contribution to the total turnover.

Capex

Green capex is defined as those investments that support the EU taxonomy aligned turnover or supports the transition from non-aligned to aligned. Total capex is defined as capital expenditures in Intangible assets other than Goodwill, Property plant and equipment and Right of use assets. Total investments can be found in note 10, 11 and 12 of the consolidated financial statements as the lines acquired in business combinations and additions. Norva24 presents green capex as the relative share of EU Taxonomy aligned capex of total capex.

When investing in vehicles, there is no inherent limitations on what services these vehicles can perform in connection with the EU Taxonomy. A vehicle procured for emptying of hazardous waste such as oil separators that currently are not covered as part of the taxonomy, a non-eligible activity, can just as well be used for emptying of fat separators that is an eligible activity. Capex is

therefore allocated as a share of turnover, measured at individual subsidiary level.

Opex

The total operating expenditure (Opex) covers direct non-capitalized costs related to short-term lease and maintenance, and other direct expenditures relating to the day-to-day servicing of the group's relevant assets.

Opex is allocated based on the same principles as capex.

DO NO SIGNIFICANT HARM

We have done the following assessment in relation to the do no significant harm criteria (DNSH). Generally, these EU regulations and directives have been turned into national law in Norway, Germany, Sweden and Denmark.

Adaption to the effects of climate change

Physical risks are monitored and reviewed on a continuous basis at a local level. Relevant sites have local risk assessments related to climate hazards. The risks described in the different climate scenarios as presented by the UN Panel on Climate Change have limited adverse impact on the Group and presents opportunities to grow the business as climate changes will increase the

Taxonomy area	Taxonomy activity	Norva24 Services	Aligned	Eligible	Non-eligible
	Substantial contribution		Environmentally sustainable activities – green services	Not environmentally sustainable activities	Not part of the taxonomy framework
Water supply, sewerage, waste management and remediation	5.2 Renewal of water collection, treatment and supply systems	Pipe services – Relining	11%		
	5.4 Renewal of wastewater collection and treatment				
	5.5 Collection and transport of non-hazardous waste in source segregated fractions	Emptying services – Septic tanks – Sand traps – Grease separators – Other wet or dry masses	31%		
	5.8 Composting of bio-waste	Composting of wet organic sludge	2%		
Non-eligible activities	11.2 Collection and transport of hazardous waste (Pollution prevention and control) – Includes waste oils	Emptying of hazardous waste – Oil separators – Other hazardous waste			5%
	Not ratified by EU as of 2022				
	Activities not covered by current EU taxonomy	Pipe services – Pipe Inspection – Pressure testing, leak detection, tightness checks – Pipe cleaning Pressure washing – Tank cleaning – High- and ultra high pressure Other services			51%
TOTAL TURNOVER			44%	0%	56%

demands placed on underground infrastructure and maintenance and renewal of such systems.

Sustainable use and protection of water and marine resources

Norva24 has a limited number of activities that have been deemed relevant for the DNSH part of the alignment criteria. Many of Norva24's services are actively preventing stress and emissions of sanitary wastewater by supporting and maintaining the infrastructure put in place by other actors.

Transitioning to a circular economy

Downstream handling of waste fractions is the most significant contribution to the circular economy. Norva24 delivers all waste fractions, the materials collected by suction trucks, source segregated at approved sites. In addition, Norva24 perform

treatment of fractions such as septic sludge, fat, and oil-contaminated mixes, transforming it to new resources such as clean fertilized soil and pure oil fractions ready for reuse and clean water returned to the wastewater system. All such activities are strictly monitored by Norva24 at local level as well as by both national and local authorities.

Vehicles at the end of their economic life are subject to studies where the reuse feasibility is assessed. Depending on the usage during the lifetime of a vehicle chassis, there is the possibility to reuse the bodies with tanks and pump assemblies on a new chassis, substantially reducing economic investments and the environmental impact. Other times there is the possibility to prolong the lifetime with repairs, balancing the investment against expected future down-time and repair cost of older vehicles.



Vehicles, where the analysis concludes that reuse within the group is not economically feasible, is sold in the open market so that no vehicles are scrapped.

Avoid and prevent environmental pollution.

There is risk analysis done for all services performed by Norva24 as part of the QHSE system and ISO certifications. If the delivery of a service has increased risk of polluting the environment, the operators need to do necessary risk reducing actions to bring the risk down to an acceptable level. There is an inherent risk in the industry that cannot be completely eliminated, but Norva24 has company-wide systems for sharing knowledge and best practices to reduce the risk.

Some of the aligned activities of the group are covered by the EU regulations. Specific requirements are placed on the environmental composting plant outside Bergen, where septic sludge is composted into fertilized soil for use in agriculture and gardening. The plant is compliant with all local and national approvals for such plans, and limiting the negative impact on the local environment is the highest priority for Norva24. There are ample solutions to prevent leachate and unwanted smells in the air.

Protection and restoration of biodiversity and ecosystems

Norva24s activities have been deemed to not have a significant Impact and the assessments regarding biodiversity have been limited to assessing that the locations of our businesses do not impact protected areas.

MINIMUM SOCIAL SAFEGUARDS

EU Taxonomy have put in place minimum standards for businesses in regard to minimum social safeguards to ensure that aligned services do not exploit the society the business is a part of. Norva24 monitors minimum social safeguards at group level and have implemented routines and procedures with regards to Anti-Corruption, Fair Competition, Taxation and Human Rights. An annual human rights due diligence is performed for the Group, in line with the OECD guidelines for responsible business conduct. The reporting on these items is placed in the chapter Ethical business.



Other environmental initiatives



A fully electric flushing car

REDUCE RELATIVE ENERGY CONSUMPTION

To reach the targets of the Paris Agreement and the climate commitments of the world community, the UIM Industry needs to contribute with environmentally friendly solutions in the way services are provided. As the leading UIM provider in northern Europe, Norva24 needs to do its part and contribute in line with stakeholder expectations to reach these targets. Norva24 have set a strategic target of reducing the relative energy consumption of our operations to reduce energy consumption and greenhouse gas emissions. This KPI is directly linked to SDG 7.3 Double the global rate of improvement in energy efficiency.



Reduce the relative energy consumption from own operations.
(kWh/Total operating income*100)

In 2022, we have monitored this KPI closely for all segments. Norway and Denmark, where we have comparable numbers from 2021, have both had good improvements. Norway reduced its relative energy consumption from 4.90 in 2021 to 4.63 in 2022. Denmark reduced the KPI significantly, from 6.22 in 2021 to 5.01 in 2022. The Improvement was mainly driven by a strong focus on

operational efficiency in operations, where Denmark had higher utilization of vehicles and better planning of jobs. Sweden and Germany have also measured this KPI throughout 2022 and ended at 5.21 and 2.73 respectively.

For the Norva24 Group in total, the relative energy consumption ended at 4.12.

CERTIFICATION – ENVIRONMENTAL MANAGEMENT SYSTEMS – ISO 14001

ISO 14001:2015 specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. The standard is intended for use by an organization seeking to manage its environmental responsibilities in a systematic manner that contributes to the environmental pillar of sustainability.

ISO 14001:2015 helps the organization achieve the intended outcomes of its environmental management system, which provides value for the environment, the organization itself and interested parties. Consistent with the organization's environmental policy, the intended outcomes of an environmental management system include:

- enhancement of environmental performance;
- fulfilment of compliance obligations;
- achievement of environmental objectives.

Norva24 have currently ISO 14001 certification of all entities in Norway, all entities in Sweden except one, and Denmark is currently in the process of getting this certification.



Case: Less pollution in fjords with frequent emptying of Sand traps



Norva24 is currently running a project in cooperation with the Bergen municipality in Norway that other cities and municipalities should take note of. The systematic follow-up and emptying of sand traps result in less pollution entering the adjacent fjords. Preliminary results show that most sand traps are too full to give the desired effect, and that 30% are completely full resulting in no effect.

The project that Norva24 is running in cooperation with Bergen municipality is a part to the bigger project "Clean Water Bergen" that has been running for many years.

The city is a source of pollution to the adjacent fjords, often due to excess wastewater overflows. Several cities in Norway have done large projects to clean the pollution from the city that ends up as sediments at the bottom of the adjacent fjords. Subsequent measurements have shown that the large and expensive projects have good effects. The next question is then how to keep the fjords clean by preventing new pollution in the future.

Sand traps play a keen role in preventing and slowing water carried particles such as sand, heavy metals, micro plastics and organic waste entering the wastewater systems and ending up the fjords. If the sand traps are frequently emptied and maintained, and the trapped sand disposed at correct treatment plants, they also function as treatment plants preventing pollutants reaching the fjord.

In Bergen alone there are over 15.000 sand traps owned by the municipality in addition to all privately owned installations. To function optimally, a sand trap should be emptied at around 60% full, giving a cushion of water to trap sand and other pollutants to be trapped and not flushed into the wastewater system. How fast a sand trap is filled varies largely based on local conditions and the size of the sand trap.

The new project includes recorded data points on location, time of emptying and the sand level at the time of emptying. Over time, this will create an extensive database over all the sand traps, and how

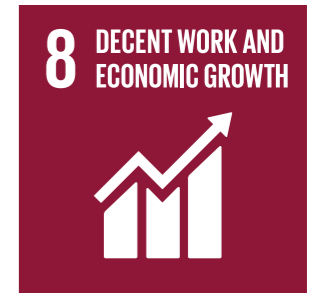
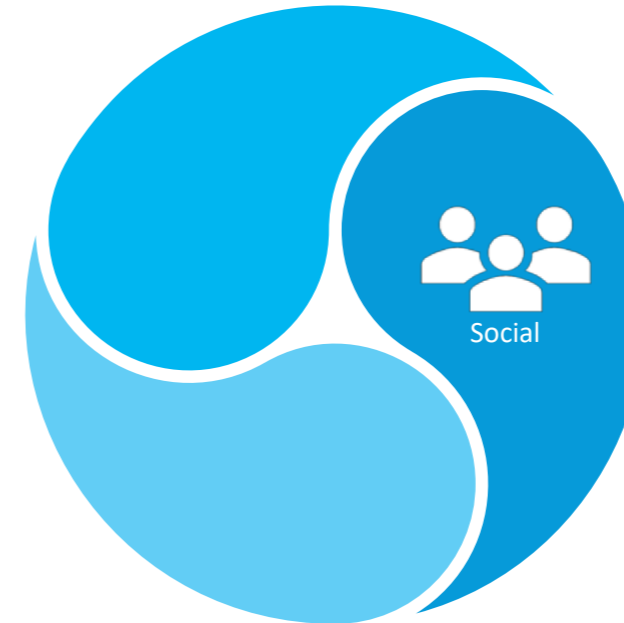
often they need to be emptied. Traditionally these types of contracts only require emptying within a certain time.

Preliminary measurements in Bergen show that 2/3 of all tested sand traps were above the recommended level, and around 1/3 was completely full giving no effect in preventing sand and pollutants from entering the wastewater system and ending up in the fjords. The detailed measurements and mapping have shown that the frequency of emptying need to be increased for the sand traps to function optimally. The measurement of sand levels before emptying only takes a couple of minutes but gives valuable information for the planning of the next emptying and surveying of the system as a whole.

Empty sand traps is a good insurance against floodings, keep sand and other pollutants out of the fjords and decrease the overall strain on the underground infrastructure. Emptying sand traps is a core service provided by all Norva24 group companies.



Social



Norva24's employee philosophy is based on our values; trust and passion. We believe that when employees learn and cooperate, the organization can create a positive work environment and deliver higher results. Employees with team spirit and a shared goal, share information and knowledge and utilize each other's strengths to benefit Norva24's business and serve its customers, as well as society at large. When it comes to leaders within the organization, Norva24 expects them to always act as role models and live the Group's values.

VALUES AND GUIDING PRINCIPLES

Let these values be guiding for our business:



- We deliver what's been agreed
- We are competent and deliver high professional quality and precision
- We see and understand the customers needs
- We show decisiveness by getting things done, and seek help from others when needed to get the job done



- We have passion for our job and will always help
- We are focused at finding solutions and have a positive appearance when meeting customers and colleagues
- We are uncomplicated and informal
- We meet customers and colleagues with a smile

SOCIAL KEY PERFORMANCE INDICATORS

Short-term sick leave: 5.6% (6.0%)
 Long-term sick leave: 3.2% (3.6%)
 Total sick leave: 8.8% (9.7%)
 Number of employees: 1 632 (1 450)
 Share female employees: 13% (12%)
 Number of incidents leading to absence: 28 (34)

EMPLOYEES OF THE GROUP

In 2022, Norva24 had more than 1,600 employees across its 75 branches. By function, around 80 percent of our employees are operational and around 20 percent are administrative in their role.

Health and safety in the workplace are important for Norva24. Our employees' commitment is crucial, and we will continue our efforts to create an attractive workplace where our employees can grow and thrive. As a leading company in the UIM industry, Norva24 can facilitate many possibilities for training and development for all employees. Our service offerings require skilled operators, and we strive to have a culture of best practice sharing where we learn from each other and encourage rotation to try new tasks. All employees in the group must go through a buddy system, as well as take part in the Norva24 School upon employment, where they receive targeted training and education until the employee feels safe at work.

The Group offers apprenticeship programmes for young people and in 2021 we had three apprentices in Denmark. We are also committed to facilitating for people with disabilities and special needs to work for us. An example is the complete rebuilt truck that makes it possible for one of our employees to work for Norva24 and deliver services to our clients, even when bound to a wheelchair.

QHSE AND WORK SAFETY

Norva24 has a clear focus on health and safety practices within the workplace. We work to prevent accidents and other related illness.



The basis is to always comply with international conventions on human rights and labor rights.

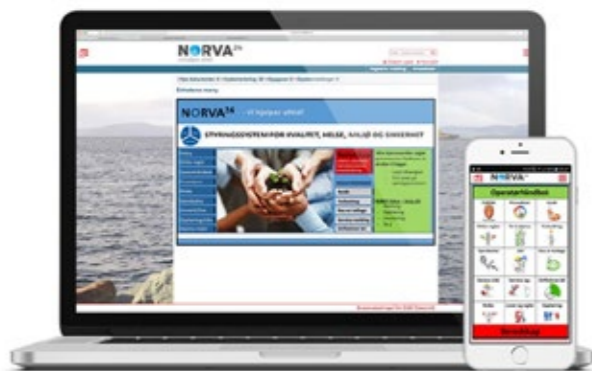
Norva24 is exposed to occupational health- and safety-related risks. We conduct operations in potentially hazardous environments and situations that expose risks to our employees' health and safety. The main risk areas are traffic accidents, working with and handling waste products – both fluids and materials, and working with complex equipment in work environments with inherent risks. Any incident could lead to personal injury, and illness.

Since Norva24 carries out many of its engagements at customers' premises and facilities, there is also a risk that shortcomings in the customers' work environment efforts may adversely impact Norva24, irrespective of Norva24's own endeavors to achieve a safe work environment.

Quality, health, safety and environment form a core part of employee culture at Norva24. QHSE processes are organized and coordinated primarily at the country and local branch levels. Norva24 has internal quality control measures in place and works to ensure that employees have the necessary knowledge of QHSE and related processes, maintains routines and high health and safety standards to avoid breaching QHSE regulations at the country or local levels.

Norva24 have developed its own web based QHSE management system, beginning in Norway, with content, structure and documentation that satisfies requirements from the Internal Control Regulations, ISO 9001, ISO 14001 and ISO 45001 standards. The system provides available and updated information on topics such as procedures, breaches, ethical rules, risk analysis, and service information at all times for all employees. Further, in Norway, Norva24 has a trust-and-safety delegate system as well as a work environment council that holds regular QHSE meetings and feedback on QHSE systems and procedures is supported and received

QHSE and work safety



Norva24's portal and mobile application gives employees access to up-to-date information around QHSE and work safety that includes procedures, ethical rules, risk analysis tool, service information and breaches reports. The documentation is secured (used on phones).

through the online portal. In 2022, the Swedish segment were able to get ISO 9001, ISO 14001 and ISO 45001 certifications for all of its entities except the latest acquisition. The Danish segment is currently in process of getting these certifications in place.

In 2022, 28 (34 in 2021) accidents resulted in a leave of absence.

ATTRACTIVE WORKPLACE

We are actively and continuously working towards creating an attractive workplace. This is reflected in the Group's human resources strategy, which is aimed at ensuring that we can attract, retain, and incentivize the personnel required to best serve the business. Approximately 10 percent of employees also have an ownership interest in Norva24, which encourages and motivates employees in their jobs and careers.

We promote employee engagement so that every employee feels involved and can influence the work. The Group also promotes diversity, inclusion, and equal opportunities in our workplace. Norva24 has a zero tolerance against any forms of discrimination or harassment.

The Group's human resource functions are performed locally or at branch level, which contributes towards a better understanding of local market conditions. We work with performance management to steer and lead the business towards setting overall goals. It is focused on ensuring that each employee and team contributes in the best way to what is most important for our success. The purpose is to drive development in the organization that in line with our strategy, clarify priorities and create commitment among employees. We appreciate the importance of feedback, since it helps us to grow personally and professionally as individuals as well as a business.

Certain employees are covered by collective bargaining agreements and other arrangements with trade unions. Such agreements are renegotiated from time to time.

CERTIFICATION – OCCUPATIONAL HEALTH AND SAFETY – ISO 45001

ISO 45001 specifies requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance.

The standard is applicable to any organization that wishes to establish, implement and maintain an OH&S management system to improve occupational health and safety, eliminate hazards and minimize OH&S risks (including system deficiencies), take advantage of OH&S opportunities, and address OH&S management system nonconformities associated with its activities.

ISO 45001 helps an organization to achieve the intended outcomes of its OH&S management system. Consistent with the organization's OH&S policy, the intended outcomes of an OH&S management system include:

- continual improvement of OH&S performance;
- fulfilment of legal requirements and other requirements;
- achievement of OH&S objectives.

Norva24 have currently ISO 45001 certification of all entities in Norway, all entities in Sweden except one, and Denmark is currently in the process of getting this certification.



Case: Equal opportunities for all at Norva24



Norva24 believes there are opportunities for everyone to do a good job regardless of background. We are looking for unique people who want to live up to our motto: "We always help" and we want diversity to create a good workplace that generates value. As a part of this intention, Norva24 has entered into a collaboration agreement with the Norwegian Foundation Sunnaas-stiftelsen. The foundation helps people who have been exposed to serious illness or injury and have rehabilitation need to master their new life situation.

It started with Sven-Erik Fønnes, who 20 years back was exposed to a tragic accident that paralyzed him from the waist down. Before the accident, Sven-Erik had a dream of becoming a truck driver, and despite the paralysis, that dream has become a reality. Today he drives a truck for Norva24 branch Birkeland in Norway. Most of the time is spent driving soil, wet

organic sludge and woodchips linked with the branch UIM activities. During 2021, Sven-Erik got a brand new specially built Scania. This is an adapted truck with lift for his wheelchair and all controls such as gas and brake on hand controls. Everything is operated with the arms, and the car can also be used by regular pedals.

During 2022 Norva24 have Invested In a new trailer for the custom equipped truck of Sven-Erik. The trailer is customized around the needs of Sven-Erik, but also the need of Norva24. The new trailer utilizes aluminum instead of steel for parts of the construction giving a net increase in the carrying capacity. Carrying more useful cargo per trip in turn keeps the cost down but also reduces the relative energy consumption.

To help Sven-Erik in the operation, the connection between the truck and the trailer has been customized so that the air,

hydraulic and electricity couplings are done automatically and reducing the need for manual handling. The tailgate is hydraulically operated from the cab of the truck. There are other small details that must be sorted such as the mandatory "long truck" warning sign that can be changed from inside the cab reducing the number of times Sven-Erik needs to climb the almost to meters into the cab.

"We hope that Sven-Erik and his truck stands as a lighthouse of inspiration to other players in the transportation industry as it does for us. We don't do this as goodwill gesture, this is a business decision for us in Norva24 and the benefits far outweigh the cost of adapting the truck" says Tore Hansen, CEO of Norva24 Norway.

Ethical business



 <p>5 GENDER EQUALITY</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
 <p>10 REDUCED INEQUALITIES</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>

As a leading UIM service provider, it is important that Norva24 is a trusted partner to our customers, suppliers and other relevant stakeholders in the communities where we operate. We handle all our business relationships with integrity and professionalism. All employees and other associated parties must comply with applicable laws and regulations, as well as our internal governance documents and policies. Special emphasis is made on reducing the risk of non-compliance regarding human rights, anti-corruption, financial reporting and taxation, competition law, and data protection. The Group's Board sanctioned Code of Conduct provides a framework for business ethics that is applicable for all employees.

HUMAN RIGHTS

Norva24 has created a governing document structure, including the Code of Conduct and Policies, that is created to incorporate responsible business conduct throughout the organization. As part of the Minimum safeguards in the EU taxonomy, we have conducted a human rights due diligence in line with the requirements in the OECD guidelines for responsible business conduct. The human rights due diligence is performed as an annual exercise where we identify and assess adverse impacts related to Human Rights topics in our operations, supply chains and other business relationships. No significant risks or adverse impacts regarding Human Rights have been identified. The geographies where Norva24 is operating are broadly ranked amongst the best countries in the world related to human rights.

ANTI CORRUPTION AND BRIBERY

Corruption is a major risk of counteracting sustainable development, and it also poses risks for the company. Norva24 support correct and comprehensive competition through professional follow-up of tenders, offers and purchases, with no form of price fixing or other abuse of our market position.

Norva24 has a whistle-blower function that enables employees and individuals outside the company to report suspected misconduct anonymously, via the internet, or by phone. The system is run by an independent external service provider, 2Secure, that acts as an intermediary between the whistleblower and the company to increase independence and confidence in the solution. Administrators at 2Secure receive the observation and have a dialogue with the whistleblower throughout the process. All incoming cases are handled by specially appointed staff at 2Secure with solid investigative experience, to ensure correct and efficient handling. Norva24 receives a recommendation for further action in each whistleblower case.

SUPPLIERS AND PROCUREMENT

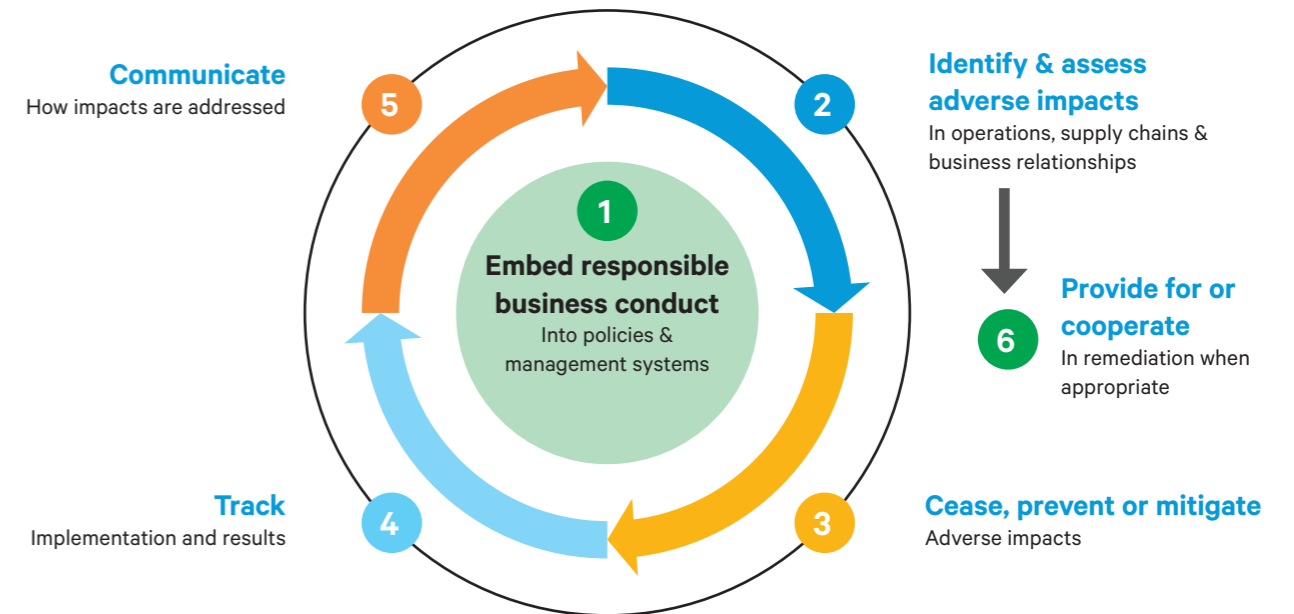
Norva24 cooperates with many subcontractors and suppliers. We rely upon third parties for deliveries of diesel fuel, disposal of waste, and certain septic sludge collections as well as in relation to the purchase of UIM service materials, personal protective equipment and vehicle financing or purchasing. We also invest in and deploy more technical equipment as part of our offering, such as cameras, robots, and sensors.

The Group's largest suppliers relate to production of Norva24's vehicles, which are mostly leased via a financial institution. Norva24 also uses external third-party IT software and platforms to support our service offering.

Consistent with the Norva24 Model, the Group follows a decentralized approach in sourcing supplies. Supplies are generally sourced at the national or branch levels, which diversifies the base of the Group's suppliers and reduces reliance on specific suppliers for the Group's operations. Some Group-wide procurement are arranged through a formalized process through country and Group-level management, including select shared software platforms, insurance, vehicles, and fuel, which benefits the Group by decreasing costs, and increasing efficiency.

OECD risk-based due diligence process and supporting measures

Due diligence process and supporting measures.



Source: OECD

All suppliers must comply with Norva24's guidelines, local legislation and other industry standards as regards, for example, the environment, work environment, anti-corruption, human rights, and business ethics. The suppliers are almost exclusively based in our geographical areas of operations in Northern Europe.

FINANCIAL REPORTING AND TAXATION

Norva24 adheres to all local laws and regulations related to financial reporting. We use independent auditors to verify all but the very smallest entities, also the ones not requiring audit by law. Tax compliance requires both adhering to the letter of the law, but also the spirit of the law. Norva24 believes that the tax should be paid in the country where the profits are earned. The group utilizes planes to responsibly minimize the tax cost within each tax jurisdiction. International tax planning is limited to avoiding double taxation and transfer pricing principles for the group follows the rules and guidelines set by OECD.

DATA PROTECTION AND PRIVACY

Data privacy and data protection are of the utmost importance to Norva24. To operate its business, Norva24 processes and stores a variety of personal data. We recognize that data privacy and data protection is an ongoing project that demands continuous improvement. Our processes have been designed to safeguard confidentiality, privacy and access to information and data. We are continuously striving to maintain the high standards of security and put resources to comply with all applicable legislations and rules, including GDPR.

IT- AND CYBER-SECURITY

IT and digitalization within Norva24 shall support Norva24's business strategy, directly or indirectly, in managing information and be an integrated part to meet the business goals. Norva24 maintains and operates an information technology platform to ensure business continuity, operational effectiveness, and business development.

The Group's IT department is centralized and provides IT services to most subsidiaries and branches to ensure the IT environment is developed and maintained according to group-specific IT policies and guidelines. Solutions are developed with data integrity, confidentiality based on industry standards ensuring applicable protection against cyber threats.

CERTIFICATION – QUALITY MANAGEMENT SYSTEMS – ISO 9001:2015

ISO 9001 specifies requirements for a quality management system when an organization:

- needs to demonstrate its ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements, and
- aims to enhance customer satisfaction through the effective application of the system, including processes for improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.

Norva24 have currently ISO 9001 certification of all entities in Norway, all entities in Sweden except one, and Denmark is currently in the process of getting this certification.



Case: IoT to improve performance of sewers

Sewer networks are built to separate clean water from sanitary wastewater. All water that comes from the inside of the house is called sanitary wastewater and is transported to treatment plants for cleaning through sanitary sewers. Water that comes from the outside of houses is considered clean and called stormwater. Stormwater is typically transported back to the environment through Stormwater sewers, often to the closest river or lake. All water that enters the sanitary sewer pipes that is not consumed wastewater from the inside of buildings is called excess water. This would typically be stormwater, groundwater, melted ice and snow or floodings from rivers and lakes that incorrectly enter the sanitary sewer systems due to faults such as cracks, faulty connections, and bad joints.

Excess water is a big problem because it takes up valuable space and capacity in the sanitary sewer systems. This leads to increased energy consumption and wear and tear on pumps when the excess water needs to be pumped to treatment plants for purification together with the sanitary wastewater. This would in turn increase the need for chemicals used for treating the excess water that mixes with the wastewater. Strained capacity in the sewer networks can also lead to overflow of polluted wastewater to the environment or cause flooded streets and houses due to lacking capacity to drain stormwater.

Climate change is leading to more heavy rains, something that is putting a strain on the sewer networks. Combined with increasing urbanization and underinvested aging infrastructure not scaled for the increasing population, this results in an increased need for innovative solutions to maximize the performance of the sewer networks. Norva24, through its subsidiary IRG Rörinspektion,

provides such a service where IoT sensors are used to measure the flow in the sewer networks to identify where excess water is entering the sewer systems.

IRG has developed a method to find and prevent sources of excess water in sewer networks. The first step is to install IoT flow measuring sensors in the sanitary sewers. The flowmeter is used to measure the flow in the relevant areas of the sewer over time. Combined with measurements of rainfall, the data collected is then used to identify sources of excess water. Areas with increased flow during rainfalls are typically indicating that something is broken in the sewer network of that area. All instruments are connected online and are monitored remotely from any computer with access to internet. The data is collected and analyzed, and a report with findings and suggested areas for more detailed field investigations is created for the customer.

The flow measurement is typically followed by the other UIM Pipe Services that Norva24 provides. Areas in the sewer where the data is indicating problems with excess water are typically inspected on site with a camera robot.

After the TV inspection, the customer is provided with comprehensive documentation of all the sanitary sewers and manholes belonging to the municipality, as well as on the related private properties. With these documents, the customer knows exactly what parts of the sewer that are broken. If the customer is a municipality, this documentation is typically sent to house owners with a due date for remediation of the damages. The damage is usually repaired using relining, a service provided by Norva24 to repair the damages and prevent excess water from entering the sanitary sewer system.



Regulatory frameworks

The Group operates through a decentralized local branch-based business model. The Group has three levels of organization: Group level, country level and branch level. At the Group level, Norva24 Group Management provides strategic direction, coordination and goals and targets for all local branches and national subsidiaries.

The responsibility for managing the day-to-day operations of each branch lies with the local branch managers. While branch managers are given relative autonomy over decision making at the local level, every branch follows an agreed set of common KPIs which apply consistently across the Group. The Norva24 Model allows for decisions to be made in proximity to customers and employees, while maintaining consistency through Group-wide corporate governance and management systems.

Norva24 Code of Conduct clarifies the values and principles that govern our relationships with our employees, suppliers, customers business partners, investors and other relevant stakeholders such as public authorities. It serves as a starting point for all of the Group's relevant policies and rules. A number of policies are summarized in the Code, including Corporate governance, IT, Information security, Data protection, HR, Information, Finance, Insider and Sustainability.

REGULATORY LANDSCAPE

Norva24 operates within a complex regulatory network that includes EU-level, national law and national technical standards, with regulations largely being set at the municipal level, rather than at the national or European level.

The EU regulations with the most impact on UIM service providers' daily operations is the "EU Water Framework Directive 2000/60/EC" which stipulates the quest for continual improvement and ban on water deterioration and the "EU Drinking Water Directive (98/83/EC)" which is a corresponding directive for drinking water. These directives are to a large extent supplemented by national legislation as well as technical standards and recommendations giving more detailed directions to service providers.

PERMITS AND CERTIFICATIONS

The Group and its operations and facilities are subject to water, waste, environmental, health and safety laws and regulations, including those governing: water supply, use and discharges; the use, handling, treatment, recycling, release, management, storage and disposal of and exposure to hazardous substances; air emissions, greenhouse gas emissions and energy efficiency; and safety of workers, plants, sites and products.

Norva24 obtains the appropriate and necessary permits and certifications required to provide services within the UIM services industry. Most of the Group's entities are certified according to ISO standards, specifically ISO 9001:2015 and ISO 14001:2015, including all entities in Norway.





EU Taxonomy notes

Turnover			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')					Taxonomy-aligned proportion of turnover, year N-1 (19) Taxonomy-aligned proportion, 2022		Category (enabling activity or transitional activity)
			Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Per-cent			
Code(s)	Absolute	Proportion	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Per-cent	Per-cent	E/T
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Pipe services	5.2 & 5.4	268.0	11	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Emptying services	5.5	768.9	31	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Environmental composting	5.8	37.2	2	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,074.1	44														
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0														
B. TAXONOMY-NON-ELIGIBLE																	
Taxonomy-non-eligible activities (B)		1,368.8	56														
Total (A+B)		2,442.9	100														



Capex			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')					Taxonomy-aligned proportion of turnover, year N-1 (19) Taxonomy-aligned proportion, 2022		Category (enabling activity or transitional activity)
			Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Per-cent			
Code(s)	Absolute	Proportion	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Per-cent	Per-cent	E/T
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Pipe services	5.2 & 5.4	38.8	11	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Emptying services	5.5	111.4	31	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Environmental composting	5.8	5.4	1	100	-	-	-	-	-	Y	Y	Y	Y	Y			E
Environmentally sustainable activities (Taxonomy-aligned) (A.1)		155.6	43														
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0														
B. TAXONOMY-NON-ELIGIBLE																	
Taxonomy-non-eligible activities (B)		205.2	57														
Total (A+B)		360.8	100														



Contribution to the UN's Global Goals

Opex			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Category (enabling activity or transitional activity)		
	Code(s)	Absolute	Proportion	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards		Taxonomy-aligned proportion of turnover, year N-1 (19)	Taxonomy-aligned proportion, 2022
			NOK million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Per-cent	Per-cent	E/T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Pipe services	5.2 & 5.4	2.8	10	100	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y			E
Emptying services	5.5	8.0	29	100	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y			E
Environmental composting	5.8	0.4	1	100	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y			E
Environmentally sustainable activities (Taxonomy-aligned) (A.1)		11.2	41																
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0																
B. TAXONOMY-NON-ELIGIBLE																			
Taxonomy-non-eligible activities (B)		16.4	59																
Total (A+B)		27.7	100																

Topic	Strategic focus/target	Result 2022	Contribution to the SDGs
Environmental	<p>Strategic focus Greener services for maintenance of the underground infrastructure (sewerage systems) to ensure water quality, cope with increasing urbanization and capacity demand, and adapting to extreme weather events created by climate change.</p> <p>Target Increase the share of green services.</p> <p>Revenue from EU taxonomy aligned green activities/Total operating revenue.</p>	<p>Group total 44%</p> <p>Norway 53% Germany 36% Sweden 54% Denmark 27%</p>	<p>SDG 6: Ensure availability, and sustainable management of water and sanitation for all.</p> <p>SDG 11: Make cities and human settlements inclusive, safe, resilient, and sustainable.</p> <p>SDG 13: Take urgent action to combat climate change and its impacts.</p>
Environmental	<p>Strategic focus Actively reduce the energy consumption from own operations.</p> <p>Target Reduce the relative energy consumption (kWh/Total operating income x 100).</p>	<p>Group total 4.12</p> <p>Norway 4.63 (4.90) Germany 2.73 (N/A) Sweden 5.21 (N/A) Denmark 5.01 (6.22)</p>	<p>SDG 7.3: Double the global rate of improvement in energy efficiency.</p>
Social	<p>Strategic focus Prevent accidents and other work-related illness.</p> <p>Target Zero vision: No incidents leading to a leave of absence.</p>	<p>28 incidents leading to a leave of absence (34).</p> <p>Sick leave of 8.8% (9.7%) Short-term sick leave: 5.6% (6.0%) Long-term sick leave: 3.2% (3.6%)</p>	<p>SDG 8: Decent work for all.</p>
Social	<p>Sick-leave percentage</p> <p>Strategic focus Promote diversity, inclusion, and equal opportunities in workplace.</p> <p>Target Zero tolerance against any form of discrimination or harassment.</p> <p>Female share BoD.</p> <p>Female share employees.</p>	<p>No reported incidents in 2022.</p> <p>Female share of 22% in BoD.</p> <p>Female share of 13% of total employees in the Group.</p>	<p>SDG 5: Gender equality and empower all women and girls.</p> <p>SDG 10: Inclusion of all.</p>
Ethical business	<p>Strategic focus Trusted partner to our customers, business partners, suppliers, and the communities where Norva24 operates.</p> <p>Target Zero tolerance against any form of corruption.</p>	<p>No reported incidents in 2022</p> <p>A whistle blower system was implemented in the beginning of 2022.</p>	<p>SDG 16: Accountability and actions against any form of corruption.</p>



Why invest in Norva24?

From its Norwegian base in 2015 Norva24 has the last 6 years evolved from a local player with three branches and NOK 150 million in revenues to a clear market leader in Northern Europe with 76 branches and NOK 2.2 billion in revenues through successful consolidation of smaller players in a very fragmented market.

With Northern Europe as a base "Norva24's long-term vision is to build a European market leader and lighthouse in Underground Infrastructure Maintenance (UIM) through continued consolidation in a market worth approx. NOK 140 billion

The pipeline is rich with approx. 1,900 players in the industry in our current four countries.

The services from Norva24 are mission critical and essential for society and are considered to be non-cyclical and part of the general base infrastructure. The revenues from its operations are to a high degree recurring with good stable margin and high cash conversion. The group's decentralized setup and branch-based business model also provide a loyal customer base and relatively high barriers to entry due to the nature of the tenders.

The services of Norva24 is distributed between emptying services, pressure washing and pipe services and are to a higher and higher degree based on advanced technology and digital solutions as well as a focused approach on ESG. Norva24 is targeting an organic growth in line with market and target to achieve revenue of around NOK 4.5 billion by 2025. The EBITA margin is targeted to be around 14-15% in the medium term.

Come join us in our journey to become a leader in the European market for UIM!

- 1 Attractive, large and non-cyclical growth market (UIM)
- 2 Category leader in Northern Europe benefiting from barriers to entry
- 3 Attractive combination of strong growth, expanding margins and high cash conversion
- 4 Decentralized route and branch-based business model serving a fragmented and loyal customer base with recurring revenues
- 5 Proven consolidation engine with rich M&A pipeline
- 6 ESG early mover and digital disruptor





Share price information and ownership

DEVELOPMENT OF THE SHARE

Norva24's share was listed on 9 December 2021 at an introductory price of SEK 36 per share. The market capitalization at the time of listing amounted to approximately SEK 6.9 billion. The share experienced a strong development in the first half of 2022 but was a bit weaker in the second half due to weak market sentiment. The highest price was noted on August 22 at 39.99. By the end of the year, it had fallen by 6.1 percent vs the IPO price. On the final trading day on 30 December, the year's closing price of SEK 33,80 was noted.

TRADING AND TURNOVER

Norva24's share trades on the Nasdaq Stockholm exchange's Mid Cap under the ticker NORVA. In 2022, approximately 54,542,760 shares were traded at Nasdaq at an average value of approximately SEK 45,573. The average turnover per trading day amounted to approximately SEK 6.7 million.

Average daily turnover compared with market cap was 0.12% compared with 0.19% at Nasdaq mid cap average.

SHARE CAPITAL

According to the articles of association, the share capital shall be not less than SEK 608,246 and not more than SEK 2,432,984. The number of shares shall be not less than 182,474,021 and not more than 729,896,084. On 31 December 2022, the share capital amounted to SEK 608,246.74, divided into 182,682,740 shares.

DIVIDEND AND DIVIDEND POLICY

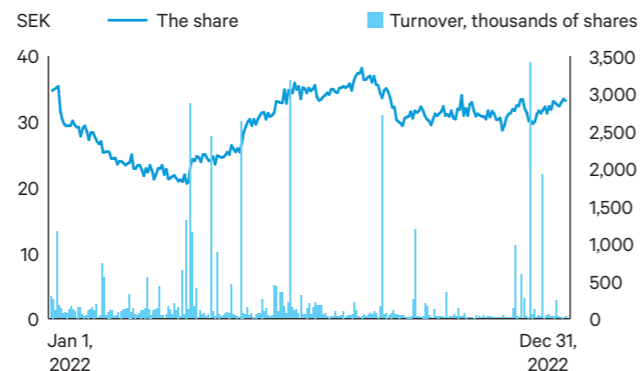
As part of Norva24's vision and strategy, it intends to reinvest cash flows into growth and expansion initiatives, including acquisitions, and as such does not expect to pay annual dividends to its shareholders in the medium term.

LOCK-UP COMMITMENT AND SHAREHOLDER AGREEMENT

On the date of the prospectus, 30 November 2021, all shareholders in Norva24 have undertaken not to sell their shares for a certain period after trading in the Company's share has commenced. The so-called lock-up period was 360 days for Board Members and senior executives and 360 days for shareholders prior to IPO. The lock-up commitments ended on December 6, 2022.

As far as the Board is aware, there are no shareholder agreements between the shareholders in Norva24.

Share price performance



TOP 20 OWNERSHIP STRUCTURE DECEMBER 31, 2022

Shareholder	Total shares	Ownership, %
Valedo Partners Fund II AB	60,346,567	33.03
Swedbank Robur Funds	17,043,040	9.33
Nordstjernan	15,570,698	8.52
Invest24 AS	12,519,326	6.85
Life Insurance Skandia	3,647,763	2.00
Capital Group	3,527,969	1.93
AQP Holding AS	3,446,536	1.89
JKT Birkeland Invest AS	3,140,574	1.72
Carnegie Funds	3,098,802	1.70
Royce & Associates LLC	3,064,679	1.68
Skandia Funds	2,847,490	1.56
Fallang Holding AS	2,829,394	1.55
Isco AS	2,405,604	1.32
Arild Bødal	2,079,095	1.14
Jens Backhaus	1,704,943	0.93
Voß, Andreas	1,700,851	0.93
Flagstad Invest AS	1,695,613	0.93
Nordnet Pension Insurance	1,236,569	0.68
Mats Lönnqvist	1,202,962	0.66
Futur Pension	1,142,885	0.63
Other	38,431,380	21.04
Total	182,682,740	100.0

CONCENTRATION OF OWNERSHIP

Concentration	Capital, %	Votes, %
The 10 largest owners	64.57	64.57
The 25 largest owners	79.25	79.25
The 30 largest owners	81.63	81.63



SHARE CAPITAL DEVELOPMENT

The following table sets forth the changes in the share capital during the period from the incorporation of the group up until today.

Time	Action	Change			Total	
		Ordinary shares	Preference shares	Share capital (SEK)	Shares (ordinary and preference shares)	Share capital (SEK)
11/11 2019	Incorporation of parent company	50,000	-	50,000	50,000	50,000
1/1 2020	Start of the year	-	-	-	50,000	50,000
1/1 2021	Start of the year	-	-	-	50,000	50,000
8/9 2021	Offset issue	10,915	32,743	43,658	93,658	93,658
8/9 2021	Issue in kind	2,679,509	7,738,064	10,417,573	10,511,231	10,511,231
8/9 2021	Reduction	(50,000)	-	(50,000)	10,461,231	10,461,231
8/9 2021	Reduction	-	-	9,938,169.4	10,461,231	523,061,55
25/10 2021	Share split	37,665,936	108,791,298	-	156,918,465	523,061,55
19/11 2021	Conversion	116,562,105	(116,562,105)	-	156,918,465	523,061,55
10/11 2021	New share issue, as part of the offering	25,555,556	-	85,185	182,474,021	608,246.74
5/4 2022	Direct share issue	208,719	-	696	182,682,740	608,942.47

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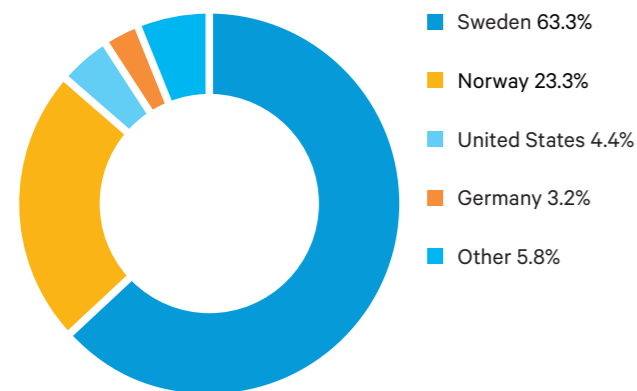
OWNER DISTRIBUTION BY HOLDINGS

Owner distribution by holdings	Number of shares	Capital, %	Votes, %
1-100	17,050	0.01	0.01
101-200	22,460	0.01	0.01
201-300	142,964	0.08	0.08
301-400	68,871	0.04	0.04
401-500	56,043	0.03	0.03
501-1,000	187,452	0.10	0.10
1,001-2,000	206,888	0.11	0.11
2,001-5,000	418,926	0.23	0.23
5,001-10,000	418,075	0.23	0.23
10,001-20,000	652,838	0.36	0.36
20,001-50,000	2,009,655	1.10	1.10
50,001-100,000	2,420,396	1.32	1.32
100,001-500,000	9,120,286	4.99	4.99
500,001-1,000,000	16,066,908	8.79	8.79
1,000,001-5,000,000	38,771,729	21.22	21.22
5,000,001-10,000,000	0	0.00	0.00
10,000,001-50,000,000	45,133,064	24.71	24.71
50,000,001 -	60,346,567	33.03	33.03
Anonymous ownership	6,622,568	3.63	3.63
Total	182,682,740	100.0	100.0

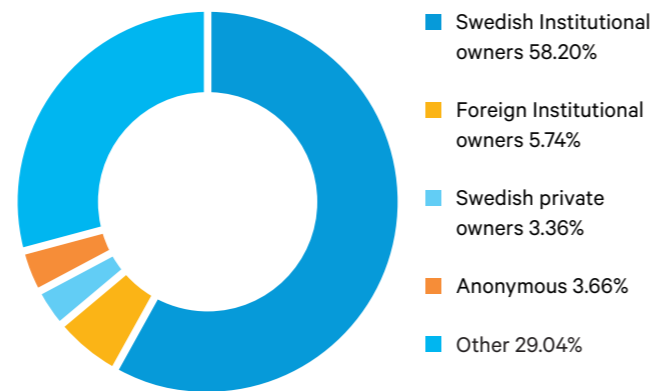
OWNER TYPE DISTRIBUTION, DETAILED

Owner type detailed	Number of shares	Capital, %	Votes, %
Investment & PE	75,917,265	41.56	41.56
Other	47,648,999	26.08	26.08
Fund company	35,496,020	19.43	19.43
Private Individuals	11,542,447	6.32	6.32
Pension & insurance	5,283,697	2.89	2.89
State, municipal & county	99,718	0.05	0.05
Foundation	8,200	0.00	0.00
Unknown	6,686,394	3.66	3.66

Ownership by country



Type of owners





Risks

RISK MATRIX

Risk description	Risk management
EXTERNAL RISKS	
Norva24 is exposed to macroeconomic and geopolitical risks. The UIM industry is affected by global and domestic macroeconomic, environment and geopolitical factors, which are subject to uncertainty and volatility. Ageing sewerage systems, climate change, increasing regulation, increasing outsourcing and increasing system capacity needs due to urbanization and population growth are important factors driving demand for UIM services	Norva24 analyses the UIM market continuously, internally as well together with external experts to anticipate changes in customer demand and market conditions as early as possible.
Norva24 is exposed to risks relating to seasonal weather conditions and climate change. To a large extent, Norva24's work is conducted outdoors, meaning it can be affected by adverse weather conditions. In the long term, work may be affected by extreme weather caused by global climate change.	Norva24 is coping with extreme weather that imposes demands on workplace safety, among other things, weather protection. Extreme weather may increase the need for services provided by Norva24.
OPERATIONAL AND INDUSTRY RELATED RISKS	
Norva24 is exposed to risks related to the execution and integration of acquisitions. An important element of Norva24's business and growth strategy is to carry out acquisitions to expand Norva24's density and geographic footprint. The Group is therefore exposed to risks associated with opportunities to identify and implement acquisitions, and to integrate them following implementation. Integration is the most significant risk in connection with acquisitions.	Norva24 has completed 41 acquisitions since Norva24 was established, and is continuously developing its acquisition strategy. Once a company has been acquired, integration commences immediately, focusing on efficient processes, without exposing the day-to-day operations to disruptions.
Norva24 is exposed to occupational health- and safety-related risks. Norva24 conducts operations in potentially hazardous environments and situations and the work is, accordingly, associated with certain risks, such as working with complex equipment in work environments with inherent risks. Such risks can result in personal injuries and fatalities, as well as in serious damage to properties, equipment and the environment.	Norva24 is subject to extensive laws and regulations aiming at keeping a safe working environment. Norva24 also has policies and other measures in place to reduce the risk of workplace accidents. The zero harm vision has the ultimate goal that no injuries or work-related illness will occur. Norva24 has established a common structured approach in the organization to guide and follow up the health and safety work carried out in the group. Common routines and systems that include reporting and warnings if serious accidents or incidents occur are in place within the Group.
Norva24 is dependent on attracting and retaining key employees throughout its organization. The Group's service offerings require skilled operators (employees who deliver day-to-day services for Norva24). These employees must be able to perform maintenance services as well as occasionally safely handle potentially hazardous materials. Norva24's ability to retain key employees of any acquired business is key. During the integration process, dissatisfaction may arise among personnel of the acquired business, which could ultimately result in key employees leaving Norva24.	Norva24 acknowledge the great importance of having a good reputation as an employer. Norva24 offers competitive employment conditions, opportunities for trainings and personal development, competent managers, and safe and secure workplaces. Norva24 also works to attract future operators to the profession by offering apprenticeship programmes.
Norva24 is exposed to risks related to suppliers and other third parties. Norva24 collaborates with several suppliers, subcontractors and other third parties within the scope of its daily operations, in particular in relation to the purchase of UIM service materials, personal protective equipment and vehicle financing or purchasing.	Consistent with the Norva24 Model, the Group follows a decentralized approach in sourcing supplies. Supplies are generally sourced at the national or branch levels, which diversifies the base of the Group's suppliers and reduces reliance on specific suppliers for the Group's operations. Some Group-wide procurement are arranged through a formalized process through country and Group-level management. All suppliers must comply with Norva24's guidelines, local legislation and other industry standards as regards, for example, the environment, work environment, anti-corruption, human rights, and business ethics.



RISK MATRIX

Risk description	Risk management
Norva24 is exposed to risks related to IT and cyber-security as well as risks related to processing of personal data. Norva24 needs to maintain a well-functioning information technology infrastructure to ensure business continuity and ensure the effectiveness of its operations and to interface with its customers, as well as to maintain financial accuracy and efficiency.	Norva24 maintains and operates an information technology platform to ensure business continuity, operational effectiveness, and business development. The Group's IT department is centralized and provides IT services to most subsidiaries and branches to ensure the IT environment is developed and maintained according to group-specific IT policies and guidelines. Solutions are developed with data integrity, confidentiality based on industry standards ensuring applicable protection against cyber threats.
Norva24 is exposed to risks relating to product and service development, innovation, and the adaptation of its services to take account of market trends and legislative changes. Norva24 needs to continuously adapt its UIM services to an evolving market landscape and legislative environment.	Norva24 strives to make it easy for its customers to make green choices, by supporting them in making more environmentally friendly decisions. A central part is to continually develop new green services, which is defined as services that are more environmentally sustainable than current alternatives on the market. Norva24 invests in developing and testing new solutions, often in collaboration with students and the research community, and aspires to always keep up to date with the latest technology.
LEGAL AND REGULATORY RISKS	
Norva24 is exposed to risks related to compliance with laws and regulations. Norva24 must comply and is dependent on the compliance by its employees and other partners with laws and regulations, as well as internal governance documents and policies. Breaches of, or non-compliance with applicable laws and regulations, may adversely affect Norva24's business and reputation.	Norva24 follows changes regarding laws, ordinances and other rules. When significant changes occur, Norva24 continuously adapts its processes. Business management for each individual market ensures compliance with national and local requirements.



Norva24 by the numbers





Board of Directors' report

The Board of Directors and CEO of Norva24 Group AB (publ), company registration number 559226-2553, hereby present the Annual Report and consolidated financial statements for the financial year 1 January 2022– 31 December 2022. Unless otherwise stated, the information refers to the Group (the "Group" or "Norva24").

THE GROUP'S OPERATIONS

Norva24 is a leading Northern European player in the UIM industry as measured by revenue as well as by market share. The history of the Group dates to 1919, although Norva24 was established in its current form in 2015 and has grown its business both organically and through acquisitions over the years since. As of 31 December 2022, the Group operated 76 branches across four European countries, Norway, Germany, Sweden and Denmark, through a clear strategy of consolidation and geographical expansion. The Group provides a wide range of UIM route-based services, which it broadly categorizes into emptying services, pressure washing and pipe services, though there is a significant overlap between the services as assignments in general involve more than one service.

The vision to build a European market leader and lighthouse in Underground Infrastructure Maintenance industry.

Norva24 has a decentralized operating model with a branch-based structure that delegates decision-making to individual branches. Through its operating model and acquisition strategy, Norva24 aims to achieve the benefits of scale to support its local branches, while promoting local entrepreneurial leadership.

This system is designed to achieve decentralized decision-making with centralized support, a performance-oriented culture and increased growth. Decentralized decision-making means that operational decisions are made by those individuals at the branch level who have local relationships, expertise, and knowledge. Centralized support is provided through the benefits of the Group's overall scale, large corporate IT support, capital and institutionalized best practices. The performance-oriented culture is affected through league table benchmarking across branches of margin levels and revenue growth, as well as training, measuring, and reviewing local branch managers and business units based on such benchmarking. Growth is promoted through financial and business plan responsibility throughout the organization, specifically through full profit and loss account responsibility across all levels of the Group, which drives top and bottom-line growth, as well as sourcing and evaluating new potential M&A targets through local positioning and communication.

As of 31 December 2022, the Group had approximately 1,600 employees and a fleet of about 1,000 operating vehicles. In 2022, Norva24 completed approximately 300,000 job assignments. Since Norva24's inception, the Group's sales have multiplied several times over, driven by acquisitions and organic growth. During 2022 Norva24 has completed a total of six acquisitions. Acquisitions are an important part of the Group's growth strategy and candidates are carefully chosen based on selected criteria with requirements for, among other things, favorable profitability, geographical locations and long-term management. These acquisitions have strengthened the Group's revenues by NOK 168 million in 2022.

Furthermore, several positive effects because of the ongoing consolidation of the market have been observed. Such effects consist of both commercial synergies and cost synergies. As examples on such effects derived by Norva24 are reduced purchasing costs for newly acquired companies benefiting from the Group's purchasing agreements, common IT platform across the group's branches, centralized support functions such as Key account management, bid management, finance & controlling, IT etc.

Norva24 Group comprises the Parent Company and its subsidiaries, all of which have a solid local awareness and geographical responsibility.

SUMMARY OF KEY DEVELOPMENT OF THE BUSINESSES IN 2022

Significant events during the January-December 2022 period

- Norva24 acquired the German company Zimmerbeutel, a leading provider of underground infrastructure maintenance (UIM) services in the Rhein/Ruhr area.
- Norva24 Group acquired the Swedish company IRG Rörinspektion. The acquisition is strategically important for Norva24's efforts to develop new technological solutions within sensor technology and digital monitoring in addition to regular UIM services.
- Norva24 strengthened its market position in Jutland Denmark through the acquisition of Thornvig Jensen – a company that has been operating for more than 100 years.
- Norva24 strengthened its position within pipe relining in the Swedish market through the acquisition of Stockholm Relining.
- Norva24 acquired Jutzey Haustechnik und Service. The acquisition strengthened Norva24's market leading position in UIM in Germany and makes Norva24 the clear UIM leader in the greater Berlin area.
- Norva24 acquired CKS Express Baumanagement GmbH and CKS Rohr Express e.K. (CKS), further strengthening Norva24's market leading position in UIM in the Greater Berlin area.

Significant events after the reporting period

- Norva24 acquired NRC Gravco in Oslo adding NOK 90 million in revenues and further consolidating Norva24's position in the Greater Oslo and surrounding area.
- To strengthen Norva24's Group Management Team and prepare for further expansion, as per 1 February 2023, Stein Yndestad assumed the position as Group Chief Corporate Development Officer, reporting to the Group CEO and Dean Zuzic assumed the position as Group CFO
- CEO of Sweden Håkan Wessel decided to step down in April 2023. Norva24 have appointed Mikael Smedborn as new CEO of Sweden and he will assume his position from April 1, 2023.
- Henrik Damgaard has accepted a new job as CEO for a company in another non-competing industry, and he has therefore decided to step down as Group CEO in July 2023. The board has started the process of finding the new CEO of Norva24.

FINANCIAL DEVELOPMENT

Total operating revenue amounted to NOK 2,466.5 million (2,025.2), an increase of 21.8%. Currency-adjusted organic growth was 8.9%. The growth was driven by high activity levels in



Sweden, and Denmark combined with price adjustments in all markets. Acquisition growth was 14.1%, driven primarily by the acquisitions in Sweden and Germany.

Adjusted EBITA (January-December)

Adjusted EBITA increased by 8.1% to NOK 278.6 million (257.7), with an adjusted EBITA margin of 11.3% (12.7%). The decrease in adjusted EBITA margin is mainly attributable to generally softer margins in Germany due to increased sick leave related to Covid-19 in the beginning of 2022 and slightly weaker margins in acquired companies in Germany and Denmark and by the winter weather conditions experienced in Q4.

Depreciation, amortization and impairment (January-December)

Depreciation and amortization of tangible and intangible assets for the period amounted to NOK 275.7 million (237.5). The increase was primarily attributable to vehicles and equipment in the companies acquired, while amortization of intangible assets relate to brands and customer relationships in acquired companies. Amortizations during the period amounted to NOK –34.3 million (–28.0), primarily related to amortization of customer relationships.

Financial items (January-December)

Net financial items amounted to NOK –15.5 million (–113.4) and consisted primarily of lower interest expenses on loans and positive currency effects. The reduction in interest expenses was mainly due to debts repaid in connection with the growth capital raised in the IPO, resulting in lower interest margins on the debt.

Earnings (January-December)

Profits before income tax were NOK 196.3 million (80.2). Profit for the period was NOK 139.5 million (86.0). Basic and diluted earnings per share amounted to NOK 0.76 (0.81).

Income tax expense (January-December)

Income tax expense for the period amounted to NOK –56.8 million (5.8). The effective tax rate for the year is 29% (–7).

Cash flow and capital expenditures (January-December)

The net cash flow from operating activities is highly seasonal, with a lower cash flow in the first half of the year, and a stronger cash flow in the second half. Net cash flow from operating activities for the full year amounted to NOK 343.3 million (337.4). Net cash flow from operating activities for the second half of 2022 was NOK 273.0 million, improved from NOK 66.6 million in the first half of 2022.

Net cash inflow from operating activities in 2021 and 2022 combined of NOK 680.7 million and have been sufficient to fund the Net cash outflow from investing activities of NOK –634.7 million, covering acquisitions, earnouts and payments for fixed assets. Cash flow from financing activities is almost neutral at NOK –6.7 million in 2021 and 2022 combined, leading to a total cash inflow of NOK 39.2 million. This shows the strength of our buy and build strategy and is further proof that we have the capacity to meet the mid-term targets in our strategy.

Cash flow from investing activities was NOK –362.5 million (–272.3), of which payments of earn-outs from acquisitions of

subsidiaries amounted to NOK –49.8 million (0). Cash flow from financing activities amounted to NOK –25.8 million (19.1), mainly attributable to the repayment of sellers' credit related to acquisitions totaling NOK 48.1 million and an increase in the drawdown of the revolving credit facility of NOK 487 million.

Cash conversion was 66.0% during the period December 31, 2021, to December 31, 2022, compared with 73.1% for the same period for 2021.

Financial position and liquidity (January-December)

Norva24's net debt amounted to NOK 1,074.1 million (763.6), corresponding to a net debt/adjusted EBITDA LTM of 2.1 (1.7). The Group's cash and cash equivalents amounted to NOK 204.7 million (260.4).

Non-current and current interest-bearing liabilities amounted to NOK 1,278.8 million (1,024.0), of which NOK 544.9 million (325.3) was loans and NOK 733.8 million (698.7) was lease liabilities. The loans have customary terms and conditions. During the period, the Group repaid NOK 160.4 million (1,235.3) of its existing loans.

At the end of the period, equity amounted to NOK 1,729.2 million (1,619.6). The equity/assets ratio was 47.9% (50.2).

Net debt and leasing (December 31, 2022)

Total net interest bearing debt (NIBD) amounted to NOK 1,074.1 as per 31 December 2022.

According to IFRS 16, all leases are capitalized. Lease liabilities amounted to NOK 733.7 as per 31 December 2022. NOK 279.3 million of the lease liabilities is related to properties and building and 454.4 is related to vehicles and other assets. Leasing payments for the next 12 months as of December 31, 2022, are NOK 185.8 million.

Depreciation of the leased assets is included in the total depreciation in the statement of income.

IFRS Depreciation of buildings and property leasing amounted to NOK 53.7 million as of 31 dec 2022.

Net Interest-Bearing Debt excluding lease liabilities amounted to NOK 340.2 million as per 31 December 2022.

BREAKDOWN OF LEASE LIABILITIES (DECEMBER 31, 2022)

NOK million	Current portion	Non-current	Total debt
Buildings and property	64.3	215.0	279.3
Vehicles and equipment	111.0	336.5	447.5
Furniture, fixtures & other	4.2	2.8	6.9
Total lease liabilities IFRS 16	179.5	554.3	733.8

Acquisitions

Six acquisitions were completed during 2022. The acquired companies operate in Germany, Sweden and Denmark and strengthen the Group's market position in these markets. The acquisitions were conducted in line with the Group's strategy of growth through business combinations. The acquisitions strengthen the Group's position in specific product areas and markets. The acquisitions had an impact on the Group's total operating revenue in an amount of NOK 168 million and earnings



in an amount of NOK 14 million. These acquisitions would have had an impact on total operating revenues of NOK 347 million and profit of NOK 27 million in 2022 on an annualized basis.

The total purchase consideration for the acquisitions amounted to NOK 352 million, of which NOK 59 million is earn-outs contingent to the respective companies' future performance.

COVID-19

Covid-19 has since 2020 affected the UIM industry in many respects but did not result in any negative market growth. As an industry, the UIM market has experienced similar challenges and obstacles as the rest of the economy and society – restrictions, greater absence due to sick leave and social distancing – during this extraordinary period. Maintenance of underground infrastructure, however, is essential to society, which means that the underlying need for UIM services remains unchanged and neither increased nor decreased during the pandemic, thereby demonstrating the UIM industry's resilience. The UIM industry in Norva24's current markets have, however, been resilient and displayed limited economic sensitivity.

The spread of the Omicron variant of Covid-19 had an impact on sick leave in the first half of 2022, especially in Germany, which in turn had a negative impact on production capacity.

SEASONAL VARIATIONS

The Group has a certain amount of seasonal variation, and the first quarter has historically been the weakest, due to colder weather and vacation periods. The fourth quarter can also be affected by winter weather in certain years. Over the short term, seasonal variations are expected to remain in line with prior variations, but this may change somewhat over the long term as the Group grows in other parts of Europe where the winter season has less of an impact.

RISK AND UNCERTAINTY FACTORS

Currency risks, interest risks, credit risks, liquidity risks and operational risks are the most significant risks for the Group. These risks are managed continually in the operations.

Group management monitors financial risk in accordance with the description of financial risk management in Note 21. The review in conjunction with the full year 2022 found no material changes or negative effects compared with the analysis on 31 December 2021.

When an acquisition is completed, purchase considerations, assets and liabilities are recognized at estimated fair value and amounts exceeding the value of net assets are included in goodwill. In Norva24's operation, the fair values of individual assets and liabilities are normally not readily observable in active markets. Estimation of fair values requires the use of valuation models for acquired assets and liabilities as well as ownership interests. Such valuations are subject to numerous assumptions and are thus uncertain.

The fair value of brands and customer relationships on the acquisition date is based on a value-in-use model and an allocated percentage of the consideration paid less the net assets acquired. Estimates of the useful life of acquired brands are based on management's market knowledge and marketing plans. Recognized earn-outs are based on the probability that an acquired company will achieve its financial goals.

A stable underlying need for Norva24's services is expected to persist in the markets in Northern Europe despite the uncertain geopolitical situation. Norva24 has no exposure to Ukraine or Russia. Underlying driving forces such as low renewal levels in the water and sewage systems are expected to generate demand for Norva24's services.

LISTING AND SHAREHOLDERS

Norva24's share was listed on Nasdaq Stockholm's Mid Cap list on 9 December 2021. The listing included a new issue of shares in the company for a gross proceed of SEK 920 million and a sale of shares offered by existing shareholders for a gross proceed of SEK 1,393.3 million. At the end of 2022, the company's three largest shareholders were Valedo Partners, Swedbank Robur funds and Nordstjernan. For detailed information and top 20 shareholders see page 64.

SHARES AND SHARE CAPITAL

According to the Articles of Association, the share capital shall be not less than SEK 608,246 and not more than SEK 2,432,984. The number of shares shall be not less than 182,474,021 and not more than 729,896,084.

SHARE CAPITAL

The Company's registered share capital on the balance sheet date of 31 December 2022 amounted to 182,682,740 shares with a quota value of SEK 0.003333. each. The shares are issued in accordance with Swedish law and are denominated in SEK. The shares are fully paid and freely transferable. There is one class of shares in the company, each share entitles the holder to one vote at the Annual General Meeting and each shareholder is entitled to vote for all shares in the Company held by that shareholder. All shares convey an equal right to dividends and to the Company's assets, as well as to any surpluses in the event of liquidation.

LONG-TERM INCENTIVE PROGRAM

The Group has a long-term incentive program for selected parts of management. The program is equity settled where a maximum of 6,207,880 new shares can be issued three years after the IPO. The numbers of shares to be issued are calculated as the difference between the share price after three years and the strike of the program that is 44.3 SEK per share, and the share price. The stock options are acquired by management at fair value and the proceeds are included in other paid in capital.

CORPORATE SUSTAINABILITY

The Board of Directors determines Norva24's sustainability agenda and overarching Group sustainability targets and presents the Sustainability Report. Sustainability is an integral part of Norva24's operations and strategy and, accordingly, it is also an integral part of the Annual Report. In accordance with Chapter 6, Section 11 of the Annual Accounts Act, the Group has chosen to prepare the Sustainability Report as separate from the Administration Report. The statutory Sustainability Report is integrated into the Annual Report on pages 42-61. The risk analysis regarding sustainability issues is included in the overall risk section on pages 68-69.



EMPLOYEES

Norva24 is a decentralized and dedicated organization to drive the business forward. As of 31 December 2022, the Group had 1,632 employees (1,450), of whom 13% were women. The average number of employees for the period January-December 2022 was 1,430 (1,270).

For further information, see Note 8 Remuneration of employees. Norva24 fosters workplaces that value gender equality and diversity. The nature of Norva24's business is however male oriented.

The Group's Code of Conduct and Diversity Policy set the framework for the Group's work for inclusion and equal treatment. Employee interviews are conducted to map and safeguard skills and expertise, development, and well-being. Norva24 conducts solid health and safety work throughout the organization in accordance with systematic work environment processes.

GUIDELINES FOR THE REMUNERATION OF SENIOR EXECUTIVES

At the extraordinary general meeting held on 30 June 2021, it was resolved to adopt guidelines for remuneration to senior executives in Norva24. The guidelines also include board members of Norva24, to the extent remuneration is received outside of their board duties. Remuneration to senior executives shall consist of fixed cash salary, variable cash salary, pension, as well as other benefits. The basic principle is that the remuneration and other employment conditions should be in line with market terms and be competitive. The adopted guidelines are included below:

THE GUIDELINES' PROMOTION OF THE COMPANY'S BUSINESS STRATEGY AND LONG-TERM INTERESTS, INCLUDING SUSTAINABILITY

The purpose of the guidelines is to provide a structure that adapts the remuneration to the Company's business strategy and long-term interests, including sustainability. The Company's business strategy requires that the Company can continue to attract, motivate and retain key employees. The guidelines must therefore enable appropriate and competitive remuneration in line with market terms to senior executives.

For more information about the Company's business strategy, please visit www.norva24.com.

FORMS OF REMUNERATION

The remuneration shall be in accordance with market terms and consist of the following components:

- Fixed cash salary
- Variable cash salary
- Pension
- Other benefits

In addition, the General Meeting may – without regard to the remuneration guidelines – decide on, for example, share- and share-related remuneration.

Fixed cash salary

Fixed cash salary shall be the basis for the total remuneration. The salary shall reflect the individual's role, experience and contribution to the Company and be based on market terms.

Variable cash salary

The variable cash salary for the CEO and other senior executives may amount to a maximum of 75 percent of the annual fixed cash salary.

The variable cash salary shall be linked to pre-determined and measurable criteria that may be financial or non-financial. The criteria can vary from year to year, to reflect business priorities, typically with a balance of criteria relating to the Group's financial performance (for example profitability and cash flow) and to non-financial performance (for example important strategic, or other sustainability related measures). By applying pre-determined financial and non-financial performance measures that reflect the Company's business priorities in this manner, the Company believes that it improves its ability to attract, motivate and retain key employees, which contributes to the Company's business strategy and long-term interests, including sustainability.

Fulfillment of criteria for payment of variable cash salary shall be measured during an evaluation period of at least 12 months. At the end of the evaluation period for meeting criteria for payment of variable cash salary, an assessment shall be made to determine to what extent the criteria have been met. The Remuneration Committee is responsible for conducting such assessment with respect to variable cash salary for the CEO and other senior executives.

Before payment of variable remuneration is made, the Remuneration Committee shall determine whether the results of the assessment are reasonable, taking into account the Company's financial results and financial position. The Company reserves the right to reclaim any variable remuneration paid out based on incorrect data and assumptions.

Pension

For the CEO and other senior executives, pension benefits shall be determined based on a premium. Pension premiums for premium based pension shall amount to a maximum of 30 percent of the fixed cash salary.

Other benefits

Other benefits can include, among other things, life insurance, health insurance and a company car. For the CEO, such other benefits may not exceed 15 percent of the fixed cash salary and for other senior executives, other benefits may not exceed 15 percent of the fixed cash salary.

Additional benefits and other types of remuneration can be offered under certain circumstances, e.g., in case of re-location or in connection with assignments in other countries, in which case benefits and remuneration is determined according to local practice.

With regards to conditions for employment concerning pension benefits and other benefits, appropriate adjustments may be made to comply with compulsory rules or local practice, whereupon the overall purposes of the guidelines shall be satisfied to the extent possible.

Long-term incentive plan

With the aim of aligning the interests of senior executives with those of shareholders, to encourage senior executives' acquisition of equity in the Company, and in addition to the annual variable remuneration described above, the Company has established a long-term incentive program offered to the Company's senior



executives ("LTIP"). The LTIP is approved by the general meeting of shareholders of the Company and, thus, is not covered by these guidelines. Further information about the Company's LTIP is available on the Company's website.

Notice of termination and severance pay

In the event of termination by the Company, the notice period shall not exceed 12 months. In the event of termination by the Company, fixed cash salary during the notice period and severance pay shall, combined, not exceed an amount equivalent to 12 months fixed cash salary for the CEO and other senior executives. In the case of termination by the employee, the notice period may amount to a maximum of 6 months, with no right to severance payment. The CEO and other senior executives may have a right to accrue variable cash salary, however not for a period exceeding the remainder of the employment.

Consultancy fees

The Board of Directors may decide that market term consultancy fees shall be paid to members of the Board of Directors performing services for the Company outside the scope of the directorship, provided that such services contribute to the Company's business strategy and long-term interests, including sustainability.

DECISION-MAKING PROCESS FOR ESTABLISHING, REVIEWING AND APPLYING THE GUIDELINES

The Board of Directors has established a Remuneration Committee consisting of members of the Board of Directors appointed by the General Meeting. The Committee is tasked with the preparation of the Board of Directors' proposal for remuneration guidelines for senior executives. The Board of Directors shall prepare proposals for new remuneration guidelines when material changes are required or, at least, every fourth year and present the guidelines for the General Meeting to resolve on. The guidelines shall apply from the approval by the General Meeting, until new guidelines have been resolved upon by the General Meeting (and for a maximum of four years). The Remuneration Committee may seek approval of new guidelines at an earlier point in time if significant modifications to the guidelines become necessary.

The Remuneration Committee shall also follow up and evaluate programs for variable remuneration for senior executives, the application of remuneration guidelines and current remuneration structures and levels within the Company.

The Remuneration Committee's members are independent in relation to the Company and the Group management.

CONSIDERATION OF SALARY AND EMPLOYMENT TERMS FOR EMPLOYEES

In the Remuneration Committee's preparation of the Board of Directors' proposal for remuneration guidelines, information on total remuneration for employees, the components of the remuneration and increases of the remuneration, as well as the rate of increases over time, has been considered and forms a part of the basis for the Remuneration Committee's and the Board of Directors' decisions when preparing and evaluating the fairness of the guidelines and the limitations they impose. The difference between the remuneration for the CEO, and, where applicable, the deputy CEO and the Board of Directors, and the remuneration for other employees will be disclosed in the yearly remuneration report.

DEVIATION FROM THE GUIDELINES

The Board of Directors may decide to temporarily, wholly or partially, deviate from the guidelines if there are special circumstances in an individual case and deviation is necessary in order to support the Company's business strategy and long-term interests, including sustainability, or to secure the Company's financial capacity. As stated above, the Remuneration Committee is responsible for the preparation of the Board of Directors resolutions on matters relating to remuneration, which includes resolutions on deviation from the remuneration guidelines.

Corporate governance report

The Corporate Governance Report is available as a separate part of Norva24's 2022 Annual Report and does not form part of the formal Annual Report documents. See pages 78-81.

Significant events after the end of the year

Significant events after the end of the financial year are shown in Note 26 Events after the balance sheet date.

Future projections

Stable underlying needs for Norva24's services are expected to persist in the markets in Northern Europe despite the uncertain geopolitical situation. Underlying driving forces such as low renewal levels in the water and sewage systems are expected to provide demand for Norva24's services. The Group has a well-developed acquisition strategy and future acquisition pipeline are assessed as continuing to be favorable. Business operations in the rest of the northern European regions are under development and talks on acquisitions are being held with several candidates. The Group's financial strength creates the stability that aids both investments and acquisitions.

As communicated in the IPO prospectus, Norva24 expects the total market growth to return to pre-covid levels at approximately 5.5% in 2022 and onwards.

Proposed distribution of profit

The Board's proposal is that no dividend is to be paid in accordance with the dividend policy.



Internal control

Norva24's internal control framework is governed by the Swedish Companies Act and the Code of Corporate Governance. Control activities such as segregation of duties, reconciliations, approvals, safeguarding of assets and control over information systems, Norva24's internal control framework is intended to provide a reasonable assurance that Norva24's objectives are met with respect to effective and efficient operations, reliable and timely internal and external reporting and compliance with applicable laws and regulations.

The Board of Directors are responsible for Norva24's internal control on an overall level and is formally executed through written rules of procedure which define the responsibilities of the Board of Directors and the division of these responsibilities between the members of the Board of Directors, the board committees, and the CEO.

The audit committee has a particular responsibility for the quality and the supervision and control of Norva24's internal control and risk management in relation to matters regarding compliance and financial reporting. For more information on the tasks of the audit committee, see Corporate Governance pages 78-81.

INTERNAL CONTROL FRAMEWORK

Norva24's internal control procedures oversee management, business, and support processes and is intended to secure awareness and action of the Board of Directors and management.

The control environment is a defensive model intended to prevent the Company from overlooking risk factors that could ultimately lead to Norva24 not achieving its business objectives. This includes a process for risk assessment. Norva24's risk management work shall follow a defined process, consisting of the three steps below:

- Risk identification and assessment
- Internal control requirements
- Self-assessments and reporting

These steps are to be carried out on an annual basis. The first step in the risk identification and assessment, which shall be initiated annually by the CEO and performed by the management teams, is to ensure that Norva24 is aware of the key risks affecting its business. The purpose is to identify new risks and update Norva24's view on already identified risks. Based on the risk identification and assessment performed, internal controls shall be designed to cover the risks where applicable. The internal controls shall be phrased as requirements to describe the minimum level of efforts expected to establish an effective

internal control environment throughout the different business processes. The effectiveness of the controls is to be assessed by defined employees throughout the organization. The results are to be compiled by the CFO and presented to the audit committee and the Board of Directors annually.

INTERNAL CONTROL OVER FINANCIAL AND OTHER REPORTING

Norva24's internal control over financial reporting is designed to promote reliability of internal and external financial and non-financial reporting. This is to ensure timely and reliable external reporting, external non-financial reporting, internal financial reporting, and internal non-financial reporting. Risks relating to financial reporting are evaluated annually.

Underlying risks are documented in a risk and control matrix, which is also used for self-assessment for evaluation of the internal control relating to financial reporting in each country where Norva24 operates. Risks relating to financial reporting are further evaluated by Investor Relations and communications function as part of Norva24's internal control framework. Further, risks relating to financial reporting are also discussed with the Company's external auditors on a regular basis.

INFORMATION TECHNOLOGY

Norva24 needs to maintain a well-functioning IT infrastructure to ensure business continuity and ensure the effectiveness of its operations and interface with its customers, as well as to maintain financial accuracy and efficiency. The general controls utilized by Norva24 to achieve this include policies and procedures that relate to critical applications and support the effective functioning of application controls and are intended to ensure the integrity of the data and processes that the systems support. Four domains make up the IT general controls:

- *General entity level IT controls:* To ensure that IT is managed in a structured way to secure the stability and integrity of business processes and their supporting applications.
- *Access to programs and data:* To ensure that only authorized access is granted to systems and data upon authentication of a user's identity.
- *Change management:* To ensure the changes to critical programs and related infrastructure components are requested, authorized, performed, tested and implemented.
- *Computer operations:* To ensure that production systems are processed completely and accurately and that processing problems are identified and resolved completely and accurately to maintain the integrity of financial data.



Corporate governance report

Norva24 strives to apply strict standards and effective corporate governance processes to ensure that the operations generate long-term value for shareholders and other stakeholders. This includes maintaining an efficient organizational structure, processes for internal control and risk management, and transparent internal and external reporting.

There is only one class of shares in Norva24. The share register of Norva24 is maintained by Euroclear Sweden AB. On 31 December 2022, Norva24 had 2,262 shareholders according to the share register. The largest shareholder on that date was Valedo Partners, with 33 percent of the shares and votes in Norva24. At the Annual General Meeting held on 31 May 2022, it was resolved to authorize the Board of Directors to decide on issuing shares on one or more occasions, by no later than the following the next Annual General Meeting. Share issue is possible in accordance with, or waiving, shareholders' preferential rights, and in accordance with, or without, decisions on issues in kind, set-off, or subject to other terms & conditions.

PRINCIPLES OF CORPORATE GOVERNANCE

Norva24 Group AB ("Norva24", the "Group" or the "Company") is a Swedish public limited company whose shares have been listed on Nasdaq Stockholm since December 2021. Norva24's corporate governance is based upon Swedish law, mainly the *Swedish Companies Act (Sw. aktiebolagslagen (2005:551))* and the *Swedish Annual Accounts Act (Sw. Årsredovisningslagen (1995:1554))*. As a company listed on Nasdaq Stockholm, the Company must also comply with *Nasdaq Main Market Rulebook for Issuers of Shares* and the *Swedish Code of Corporate Governance (the "Code")* as well as statements by the *Swedish Securities Council (Sw. Aktiemarknadsnämnden)* regarding good stock market practice on the Swedish securities market and other applicable laws and regulations. Companies are not obliged to comply with every rule in the Code as the Code itself provides for the possibility to deviate from the rules, provided that any such deviations and the chosen alternative solutions are described, and the reasons therefore are explained in the corporate governance report (the so-called "comply or explain principle"). Central internal control instruments include Norva24's articles of association, the Board of Directors' rules of procedure and other internal policies and instructions.

Deviations from the Code

The Code establishes a standard for good corporate governance that is more ambitious than the minimum requirements of the *Swedish Companies Act* and other rules. Norva24 does not intend to deviate from any of the rules set out in the Code.

Norva24 did not deviate from the Code in 2022.

SHARES, SHARE CAPITAL AND SHAREHOLDERS

According to the articles of association, the share capital shall be not less than SEK 608,246 and not more than SEK 2,432,984. The number of shares shall be not less than 182,474,021 and not more than 729,896,084. On 31 December 2022, the share capital amounted to SEK 608,942.47, divided into 182,682,740 shares.

GENERAL MEETINGS

According to the Swedish Companies Act, the general meeting is the Company's supreme decision-making body and shareholders exercise their voting rights at such meetings.

The annual general meeting must be held within six months of the end of each preceding financial year to consider, among other things, statutory accounts and reports, disposition of profit or loss and discharging the Board of Directors from liability.

The Company's articles of association stipulate those notices convening the annual general meeting shall be published in the *Official Swedish Gazette (Sw. Post- och Inrikes Tidningar)* and be made available on the Company's website. In addition, the publication of such notice must be announced in the Swedish daily newspaper Dagens Industri. The notice convening the annual general meeting must be published no earlier than six weeks and no later than four weeks prior to the meeting.

Extraordinary general meetings are held when the Board of Directors considers such meetings appropriate or when either the auditor or shareholders representing at least one-tenth of all issued shares request such a meeting in writing for a specified purpose. A notice convening an extraordinary general meeting will be announced in the same manner as the notice to the annual general meeting described above. Pursuant to the *Swedish Companies Act*, a notice convening an extraordinary general meeting must be made no earlier than six weeks and no later than four weeks prior to the date of the extraordinary general meeting if the general meeting will decide on a proposed amendment of the articles of association. To any other extraordinary general meeting the notice convening the meeting must be announced no earlier than six weeks and no later than three weeks prior to the date of the meeting.

Pursuant to the *Swedish Companies Act*, a general meeting may not adopt any resolution that is likely to give undue advantage to a shareholder or a third party to the detriment of the Company or another shareholder of the Company.

Right to participate in meetings

Shareholders who wish to participate in a general meeting must be included in the share register maintained by Euroclear Sweden as of six banking days prior to the meeting and notify the Company of their participation no later than the date stipulated in the notice convening the meeting.

Shareholders may attend a general meeting in person or by proxy and may be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the general meeting in several different ways as indicated in the notice of the general meeting.

A shareholder may vote for all shares owned or represented by the shareholder.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the Board of Directors. Such a request must normally be received by the Board of Directors no later than seven weeks prior to the general meeting.

Notices, communiqués and minutes, as well as other materials associated with general meetings are kept available on Norva24's website.

NOMINATION COMMITTEE

Pursuant to the Code, the Company must have a Nomination Committee. The purpose of the Nomination Committee is to make proposals in respect of the Chairman at annual general meetings, board member candidates, including the position of Chairman, and



other remuneration for each member of the Board of Directors as well as remuneration for committee work, and election of and remuneration for the external auditor.

The Nomination Committee will be composed of representatives of the four largest shareholders or shareholder groups (this includes directly registered and trustee-registered shareholders) who are registered in the share register maintained by Euroclear Sweden as of 31 August each year and the Chairman of the Board of Directors. The member representing the largest shareholder will be appointed Chairman of the Nomination Committee. If a change in the Company's ownership structure occurs after 31 August, but before the date which occurs three months ahead of the next annual general meeting, and if a shareholder that after this change has become one of the four largest shareholders in terms of votes, who are registered in the share register of the Company, makes a request to the Chairman of the Nomination Committee to be part of the Nomination Committee, the shareholder shall have the right, in the discretion of the Nomination Committee, either to appoint an additional member of the Nomination Committee or to appoint a member who has been appointed by the shareholder who, after the change in the ownership structure, is no longer among the three largest shareholders in the Company in terms of votes. Should a member resign from the Nomination Committee before its work is completed and the Nomination Committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the four largest shareholders, the largest shareholder in turn. Changes to the composition of the Nomination Committee shall be announced as soon as they occur.

The composition of the Nomination Committee will be announced not later than six months prior to the annual general meeting. No remuneration is payable to the members of the Nomination Committee. The Nomination Committee has the right to charge the Company for reasonable expenses that are required for the Nomination Committee to complete its assignment. The mandate period of the Nomination Committee will extend until such time as a new Nomination Committee is announced.

The Nomination Committee for the Annual General Meeting 2023 consists of the following persons:

- Nils Forsberg, elected by Valedo Partners, Chairman of the Nomination Committee
- Jan Andersson elected by Swedbank Robur Fonder
- Arild Bødal, elected by Invest 24 AS
- Peter Hofvenstam, elected by Nordstjernan
- Vidar Meum, Chairman of Norva24 Group AB

The Nomination Committee represents 58 percent of the votes in Norva24 as of 31 December 2022.

BOARD OF DIRECTORS

Pursuant to the Swedish Companies Act, the Board of Directors is responsible for the organization of the company and the management of the Company's affairs, which means that the Board of Directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of established targets, continuously assessing the financial position and profits, and evaluating the operating management.

According to the Company's articles of association, the Board of Directors shall consist of no less than three ordinary members and no more than ten ordinary members, each of whom is elected at the annual general meeting until the end of the next annual general meeting.

The Chairman of the Board of Directors shall, pursuant to the Code, be appointed by the annual general meeting and has responsibility for the management of the work of the Board of Directors and ensuring that such work is well organized and conducted effectively. The Chairman of the Board of Directors does not participate in the operating management of the Company.

The Board's work is regulated by the rules of procedure established by the Board of Directors each year, and by applicable laws and regulations. Every year the Board of Directors decides on instructions for the CEO and for the Board committees, as well as

COMPOSITION OF THE BOARD OF DIRECTORS

Elected by the AGM	Elected, year ¹	Independence of shareholders	Independent in relation to the Company and Management	Attendance at Board Meetings	Attendance Audit Committee	Attendance Remuneration Committee
Vidar Meum (Chairman)	2017	Yes	Yes	18/18		2/2
Arild Bødal	2015	Yes	Yes	18/18	5/5	
Terje Bøvelstad	2015	Yes	Yes	18/18		
Allan Engström	2015	No	Yes	18/18		2/2
Linus Lundmark	2015	No	Yes	18/18	5/5	
Mats Lönnqvist	2015	Yes	Yes	18/18	5/5	
Monica Reib	2021	Yes	Yes	18/18		
Ulrika Östlund	2021	Yes	Yes	18/18		2/2
Einar Nornes	2017	Yes	No	18/18		

¹ Refers to year of appointment as member of Board of Directors in Norva24 Holding AS, the former parent company of the Group.



other policy documents. The Board of Directors held 18 meetings in 2022. Ahead of each Board meeting documents are distributed to the Board members.

Diversity on the Board of Directors

The Nomination Committee applies Rule 4.1 of the Code as a diversity policy when preparing the proposal to the Board of Directors. This means that the Nomination Committee bases its proposal on ensuring that the composition of the Board of Directors is adapted to the purposes of Norva24, regarding Norva24's business, its state of development and other circumstances. The Nomination Committee also considered the fact that the composition of the members of the Board of Directors appointed by the Annual General Meeting shall be characterized by diversity and breadth in terms of competence, experience, and background.

Evaluation of Board of Directors.

Once a year, the Board of Directors carries out an evaluation in which members are given the opportunity to offer their views on working methods, Board material and their own and other members' contributions to the work of the Board. The aim is to develop the work of the Board of Directors and provide the Nomination Committee with a relevant basis for decisions ahead of the annual general meeting. An internal evaluation was conducted in February 2022 through a written questionnaire to Board members. The results of the individual evaluation were reported at the Board meeting in February 2022. The result of the common evaluation was discussed within the Board of Directors. The result of the evaluation was reported to the Nomination Committee.

Board committees

To streamline and increase the efficiency of the Board of Directors on remuneration and audit matters, the Board of Directors annually appoints a Remuneration Committee and an Audit Committee. The committees are appointed for a maximum of one year and are appointed among the members of the Board of Directors itself. The primary objective of the committees is to provide preparatory and administrative support to the Board of Directors.

Remuneration committee

The Remuneration Committee shall prepare decisions on issues concerning remuneration principles, remuneration and other employment terms for the CEO and the executive management. The Remuneration Committee's tasks are governed by the Company's instructions for the Remuneration Committee. The committee is also tasked with following up and evaluating the Company's remuneration policy, remuneration programs and remuneration structure.

Vidar Meum is the Chairman of the Remuneration Committee and Allan Engström and Ulrika Östlund are members of the Remuneration Committee. The Remuneration Committee held two meetings in 2022.

Audit committee

The Audit Committee shall, without affecting the other responsibilities and duties of the board of directors, monitor the Company's financial reporting and make recommendations and proposals to

safeguarding the reliability of the reporting in relation to the reporting, monitor the efficiency of the Company's internal controls and risk management, keep itself informed about the audit of the annual report and Group accounts and about the conclusions of the quality controls performed by the competent Inspectorate of Auditors, inform the board of directors about the result of the audit and the way the audit contributed to the reliability of the financial reporting, and also about the function of the Audit Committee, review and monitor the impartiality and independence of the auditor, paying particular attention to whether the auditor provides the Company with services other than auditing services, and assist in preparing draft resolutions for election of auditors to be passed at a general meeting.

Mats Lönnqvist is the Chairman of the Audit Committee and Arild Bødal and Linus Lundmark are members of the Audit Committee. The Audit Committee held five meetings in 2022.

AUDITORS

The Company's auditors are elected at the annual general meeting. At the Annual General Meeting 2022 Öhrlings Pricewaterhouse-Coopers AB, were re-elected as auditors of the Company for a period until the end of the 2022 annual general meeting, with Nicklas Kullberg as the auditor in charge. Norva24's articles of association do not contain a mandate period for the auditor, meaning that the auditor is elected pursuant to the Swedish Companies Act yearly at the annual general meeting.

Board of Directors

The amount of remuneration granted to the Board of Directors, including the Chairman, is determined by resolution at the annual general meeting. For the 2022 financial year, the Chairman of the Board of Directors, Vidar Meum, remuneration was NOK 600,000 and the remuneration for other members of the Board of Directors who were not salaried by Norva24 was NOK 300,000, respectively. Allan Engström and Linus Lundmark did not receive any remuneration for their assignments as members of the Board of Directors.

Furthermore, the remuneration for work in the Audit Committee or in the Remuneration Committee was NOK 100,000 to the Chairman of the Audit Committee and NOK 50,000 to ordinary members of the Audit Committee with the exception of Linus Lundmark who did not receive any remuneration. Remuneration was NOK 70,000 to the Chairman of the Remuneration Committee and with NOK 40,000 to ordinary members of the Remuneration Committee excluding Allan Engström who did not receive any remuneration. The members of the Board of Directors are not entitled to any benefits upon ceasing to serve as a member of the Board of Directors.

Auditing

The Company's statutory auditor is appointed at the general meeting. The auditor shall review the Company's accounts and consolidated accounts, applied accounting principles as well as the management of the Board of Directors and the CEO. Following each financial year, the auditor shall submit an audit report to the shareholders at the annual general meeting.

Pursuant to the Company's articles of association, the Company shall have not less than one and not more than two auditors, and not more than two deputy auditors.



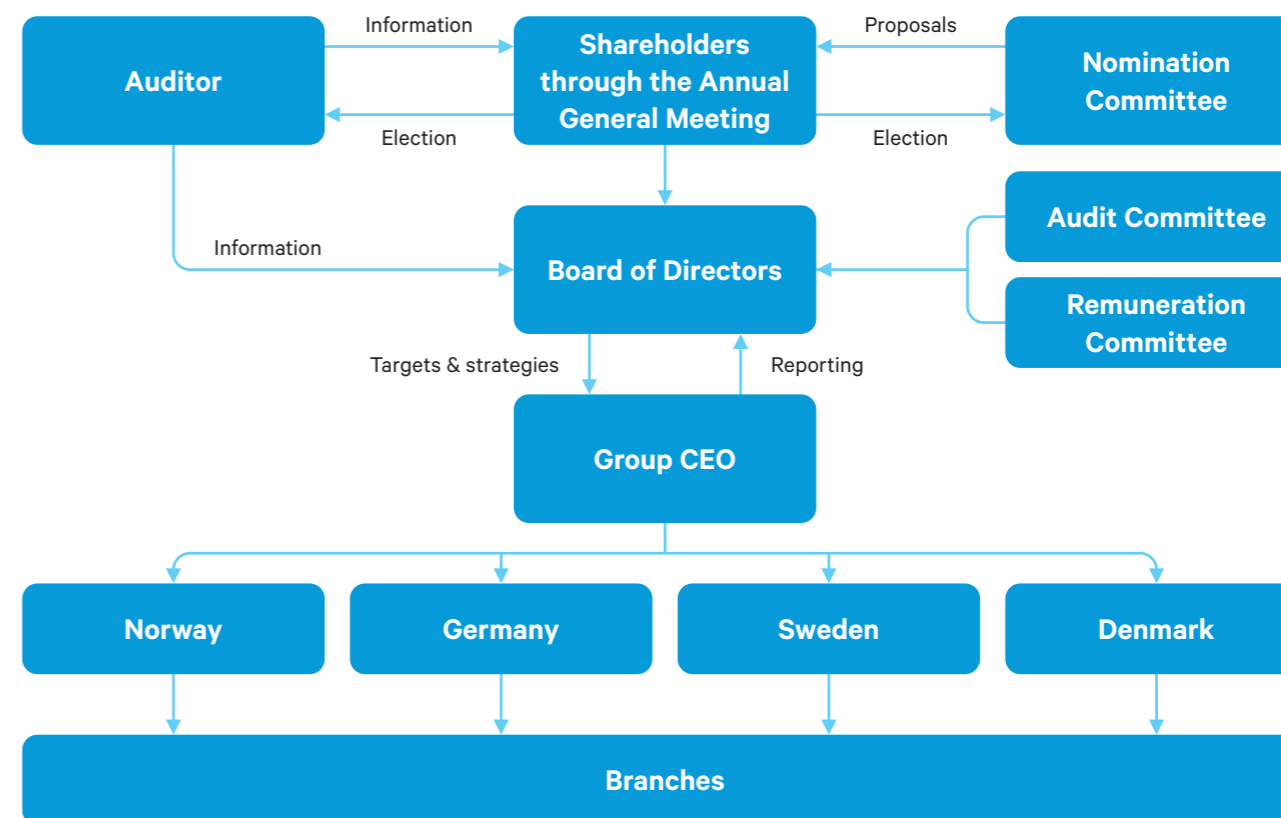
REMUNERATION TO AUDITORS

Fees to the auditor for the fiscal year 2022 are included in note 8 in the annual report 2022.

INTERNAL CONTROL

Norva24's internal control framework is governed by the Swedish Companies Act and the Code. Utilizing control activities such as segregation of duties, reconciliations, approvals, safeguarding of assets and control over information systems. Internal control framework is intended to provide a reasonable assurance that Norva24's objectives are met with respect to effective and efficient operations, reliable and timely internal and external reporting and compliance with applicable laws and regulations. This is described on page 77.

Control structure





Our Board of Directors

**Vidar Meum**

Born: 1955

Position: Chairman of the Board of Directors (since 2017).

Nationality: Norwegian.

Education: High School Education and different Leadership College educations.
Current engagements: Owner and Chairman of the board of directors of Giggen AS. Member of the board of directors of Scantrade Holding AS, SEFBO Holding AS, SEFBO AS, Proteria Holding AS, Proteria Group AS and Proteria AS.

Previous engagements/experience: Partner at Mentor Partner AS, Director Distribution at Posten Norge and CEO and COO at Braathens ASA. Chairman of the board of directors of Sørmiljø Holding AS, Brandsdal Holding AS, Reinhartsen Holding AS and board member of Kristiansands Skruer-fabrik & Mek Verksted AS.

Shareholding in the Company: 933,103 shares.

**Arild Bødal**

Born: 1965

Position: Board member (since 2015).

Nationality: Norwegian.

Education: Certified Public Accountant, Business Administration degree from Inland Norway University of Applied Sciences, and Part of MBA from Herriot-Watt University. Continuing education from BI Norwegian Business School, Norwegian School of Economics and Norwegian University of Science and Technology.

Current engagements: Chairman of the board of directors and chairman of the risk committee, member of the audit committee and the remuneration committee of Sparebanken Vest. Chairman of the board of directors of Nomek AS, NSM Bygginvest AS, Grandevegen Invest AS, FL Eigedom AS, Ivarshølen Næringspark AS and Stryvo AS. CEO and chairman of the board of Invest24 AS and AHB Invest AB. Member of the board of directors of Sefbo Holding AS, Eltera Gruppen AS and Eltera Gruppen Norge AS.

Previous engagements/experience: Chairman of the board of directors of Grønn Vekst AS and Septik24 Group AS. Member of the board of directors of Sogn og Fjordane Næringsråd, Cordel AS/ Smartcraft, Høst verdien i Avfall AS and Hyperthermics AS. Member of the audit committee of Sparebanken Vest. Consultant at Norva24 AS.

Shareholding in the Company: 14,598,421 shares (of which 2,079,095 shares via AHB Invest AS and 12,519,326 via Invest24 AS).

**Monica Reib**

Born: 1972

Position: Board member (since 2021).

Nationality: Danish.

Education: Masters of Law (Commercial) from University of California, Davis – School of Law and Masters of Law from Aarhus University.

Current engagements: Member of the board of directors of EET Group Holdings ApS, FPF-North East Holding A/S, Aller Aqua Group A/S, Rud Pedersen AB, NMS Group A/S (including Nordic Medical Solutions ApS, Direct Derma Supplies ApS, Nordic Medical Solutions Scandinavia ApS), Careturner A/S, SMYKBAR ApS, Inviocare ApS, Tons ApS, DBA-ONE ApS, and a:gain ApS. CEO at monrei.dk ApS.

Previous engagements/experience: Partner and lawyer at Bech-Bruun Law Firm. Vice Chairman of the board of directors of Henning Larsen Architects A/S. Advisory board member of Elements ApS (today Scandinavian Cosmetics Denmark ApS).

Shareholding in the Company: 37,854 shares.

**Terje Bøvelstad**

Born: 1948

Position: Board member (since 2015).

Nationality: Norwegian.

Education: Bachelor's degree in Heating, Ventilation, Air Conditioning and Refrigeration Engineering [Technology/ Technician] from Oslo Ingeniør Skole and Bachelor Degree from Bedriftsøkonomisk Institutt, Oslo.

Current engagements: CEO and Chairman of the Board of directors of AVAKO AS and Bøvelstad Holding AS. Consultant at Trelleborg Seals GmbH and consulting engineer for municipal and private entities.

Previous engagements/experience: CEO at TT-Teknikk AS, Engineer at Lamerud VVS AS, Sales Manager at Termo Teknikk AS and Consulting engineer at Brødrene Dahl AS, Plumbing engineer at Tor Veiteberg AS.

Shareholding in the Company: 476,929 shares.

**Allan Engström**

Born: 1980

Position: Board member (since 2015).

Nationality: Swedish.

Education: Master of Science in Finance from Stockholm School of Economics.

Current engagements: Member of the board of directors and member of the remuneration committee in SmartCraft ASA. Member of the board of directors of Sefbo Holding AS, Eltera Gruppen AS, Proteria Group AS and Valedo Partners IV AB. Partner at Valedo.

Previous engagements/experience: Member of the board of directors of OJ Holding Sweden AB and Becksöndergaard ApS. Chairman of the board of directors of A Söderlindh i Sverige AB. Previous experience from investment banking at Merrill Lynch.

Shareholding in the Company: –.

**Ulrika Östlund**

Born: 1968

Position: Board member (since 2021).

Nationality: Swedish.

Education: Bachelor of Arts in System Science from Mid Sweden University.

Current engagements: CEO at Cereb Holding AB.

Previous engagements/experience: Chairman of the board of directors of Vårdföretagarna. Board member and CEO of INOM. Board member of Humana and Qit AB.

Shareholding in the Company: 46,018 shares.

**Linus Lundmark**

Born: 1990

Position: Board member (since 2015).

Nationality: Swedish.

Education: BSc in Business and Economics from Stockholm School of Economics.

Current engagements: Member of the board of directors of Compusoft Holding ApS. Deputy member of the board of directors of BRP Systems Holding AB and Nordward Seafood Holding AB. Director at Valedo.

Previous engagements/experience: Deputy board member of Aditro Logistics Holding AB. Previous experience from investment banking at UBS.

Shareholding in the Company: -.

**Mats Lönnqvist**

Born: 1954

Position: Board member (since 2015).

Nationality: Swedish.

Education: BSc in Business Administration from Stockholm School of Economics.

Current engagements: CEO of Resolvator AB. Chairman of the board of directors of Hydrosand Group AB, Ovacon AB, Spendrup Holding AB, Thunderful Group AB and Östra Bostäder AB. Member of the board of directors of aylima group AB, BAM Intressenter AB, Bordsjö Skogar AB, Förvaltnings AB Värde Invest, Liljedahl Group AB, Porall AB, Prosero Security Holding AB, Solhem Property AB and Tagehus Holding AB. Deputy board member of Skerry Crow AB.

Previous engagements/experience: CFO and Deputy CEO at Biacore, Esselte, SAS and Postnord. CFO at Securum, Eniro, Bisnode and Addtech. Chairman of the board of directors of 21 Grams Holding AB, ECT Holding AB, Spendrups Bryggeri AB and VI-Plast AB. Member of the board of directors of AEVS Sverige 1 AB, Aviator Airport Alliance AB, Best Transport Holding AB, Biolin Scientific Holding AB, Camfil AB, Hydroforming Design Light AB, Polyprojekt Environment AB, Solkompaniet Sverige AB, Sveafastigheter Fund II AB, Sveafastigheter Fund III AB and Uppsala Bostadsproduktion AB..

Shareholding in the Company: 1,202,962 shares.

**Einar Nornes**

Born: 1966

Position: Board member (since 2017).

Nationality: Norwegian.

Education: One year of studies at Business School and Trade Certificates in Logistics.

Current engagements: Operations Coordinator at Norva24 Grenland.

Previous engagements/experience: -.

Shareholding in the Company: 43,965 shares.

All shareholdings as of year-end 2022.



Our Group Management



Henrik Damgaard

Born: 1977

Position: Group CEO.

Nationality: Danish.

Education: Master of Science in Economics and Business Administration), University of Southern Denmark.

Current engagements: –

Previous engagements/experience: COO ISS Facility Services A/S, Director at JFM, CEO/Head of division of Nordic, Swedish and Finnish at Nestlé and Market analyst at European Rating Agency.

Shareholding in the Company:
798,750 shares in the Company and 100,000 shares in the MipCo.



Dean Zuzic

Born: 1963

Position: Group CFO (from February 2023).

Nationality: Norwegian.

Education: Master of Science in Economics from BI Norwegian Business School.

Current engagements: Chairman of the Board of Aquaeductus Fund Partners AS.

Previous engagements/experience: TGS-NOPEC Geophysical Company ASA and Spectrum ASA. CFO Norsk Gjennvinning, Kid Interior and Plattasjen.

Shareholding in the Company: –



Stein Yndestad

Born: 1968

Position: Chief Corporate Development Officer, Group CFO (until February 2023).

Nationality: Norwegian.

Education: Master of Science in Economics from BI Norwegian Business School and Certified Financial Analyst from Norwegian School of Economics.

Current engagements: Chairman of the board of directors of CS8 Invest AS.

Previous engagements/experience: Senior Project Manager M&A at Schibsted Media Group, Senior Vice President and COO/ CFO at Schibsted Classified Media.

Shareholding in the Company:
506,795 shares in the Company and 50,000 shares in the MipCo.



Tore Hansen

Born: 1963

Position: CEO Norway.

Nationality: Norwegian.

Education: Studies in Economics at BI Norwegian Business School, Engineer (Electro) from Sofienberg Tekniske Fagskole.

Current engagements: –

Previous engagements/experience: Regional Director at Bravida AS and Chief Technician at ISS Facility Services A/S. Chairman of the board of directors of VVS Engineering AS.

Shareholding in the Company:
245,432 shares in the Company and 80,000 shares in the MipCo.



Bertolt Gärtner

Born: 1967

Position: CEO Germany.

Nationality: German.

Education: First legal state exam from University of Tübingen, Doctorate on financing of public companies from University of Tübingen, Second legal state exam from Stuttgart and Master of Business Administration from City University of Seattle.

Current engagements: –

Previous engagements/experience: Staff and line functions in international companies in Siemens, DB Schenker. CEO and member of the board of directors of TÜV SÜD ATISAE S.A.U.

Shareholding in the Company:
122,381 shares in the the Company and 2,530 shares in the MipCo.



Mikael Smedborn

Born: 1971
Position: CEO Sweden.
Nationality: Swedish.
Education: Studies in Economic and Business Administration at IHM Business School, Building Construction Engineer.
Current engagements: Board member at CK Finance & staff.
Previous engagements/experience: Head of Managed Services at Caverion Sverige AB 2012-2023, CEO at S-Post Sverige AB 2000-2012. Regional Manager ISS Facility Services 1996-2000.
Shareholding in the Company: –.



Tim Normann

Born: 1964
Position: CEO Denmark.
Nationality: Danish.
Education: MBA from Henley Business School and Army Captain from Royal Danish Defence College.
Current engagements: –.
Previous engagements/experience: COO at Danske Fragtmænd A/S and CEO HB-Care A/S.
Shareholding in the Company: 51,244 shares in the MipCo.

All shareholdings as of year-end 2022.





Consolidated financial reporting

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

NOK million	Note	2022	2021
Revenue from customer contracts		2,445.3	2,006.3
Other operating revenue		21.1	19.0
Total operating revenue	5	2,466.5	2,025.2
Operating expenses			
Operational service expenses		-320.7	-220.4
Personnel expenses	6, 7	-1,040.8	-879.3
Vehicle operating expenses		-390.4	-288.1
Other operating expenses	8	-232.1	-246.7
Other gains/losses		5.0	40.3
Total operating expenses		-1,979.0	-1,594.2
Earnings before interest, taxes, depreciation and amortization (EBITDA)		487.5	431.0
Total depreciation	11, 12	-241.4	-209.6
Earnings before interest, taxes and amortization (EBITA)		246.0	221.5
Total amortization	10	-34.3	-28.0
Earnings before interest and taxes (EBIT)		211.7	193.5
Financial items			
Financial income		42.8	9.6
Financial expenses		-58.3	-123.0
Net financial items	9	-15.5	-113.4
Profit before income tax (EBT)		196.3	80.2
Income tax expense	19	-56.8	5.8
Profit for the period		139.5	86.0
Profit attributable to			
Owners of the parent company		139.5	86.0
Non-controlling interests		-	-
Total		139.5	86.0
Earnings per share:			
Basic earnings per share, NOK	23	0.76	0.81
Diluted earnings per share, NOK	23	0.76	0.81
Average numbers of outstanding ordinary shares, before and after dilution	23	182,584,957	64,165,959

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

NOK million	2022	2021
Profit for the period	139.5	86.0
Other comprehensive income: Items that may be reclassified to profit or loss		
Translation differences	-34.3	-34.6
Other comprehensive income for the period	-34.3	-34.6
Total comprehensive income for the period	105.1	51.4
Total comprehensive income attributable to:		
Owners of the parent company	105.1	51.4
Non-controlling interests	-	-
Total	105.1	51.4

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

NOK million	Note	Dec 31, 2022	Dec 31, 2021
ASSETS			
<i>Non-current assets</i>			
Intangible assets	10	1,661.1	1,343.0
Right-of-use assets	11	752.3	724.3
Property, plant and equipment	12	483.9	429.3
Financial assets at amortized cost		5.3	4.7
Total non-current assets		2,902.5	2,501.3
<i>Current assets</i>			
Inventories		12.7	10.8
Accounts receivable	13	340.1	281.4
Other current receivables	13	147.8	171.2
Cash and cash-equivalents	14	204.7	260.4
Total current assets		705.3	723.8
Total assets		3,607.8	3,225.1
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	15	0.6	0.5
Share capital (not yet registered)		0.0	0.1
Additional paid in capital	15	1,437.1	1,432.9
Other reserves		-58.4	-24.1
Retained earnings		350.0	210.2
Total equity		1,729.2	1,619.6
<i>Non-current liabilities</i>			
Deferred tax liability	19	80.5	21.2
Non-current lease liabilities	11	554.3	543.1
Non-current loans	16	533.5	264.1
Provisions	18	49.0	12.2
Total non-current liabilities		1,217.3	840.7
<i>Current liabilities</i>			
Accounts payable		135.8	144.2
Taxes payable	19	21.3	25.3
Current portion of lease liabilities	11	179.5	155.5
Current portion of loans	16	11.5	61.2
Provisions	18	52.0	50.0
Other current liabilities	18	261.1	328.6
Total current liabilities		661.2	764.8
Total liabilities		1,878.5	1,605.5
Total equity and liabilities		3,607.8	3,225.1



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK million	Note	Share capital	Share capital (not yet registered)	Additional paid in capital	Other reserves	Retained earnings	Total equity
Equity at January 1, 2022		0.5	0.1	1,432.9	-24.1	210.2	1,619.6
<i>Total comprehensive income for the period:</i>							
Profit/loss for the period		-	-	-	-	139.5	139.5
<i>Other comprehensive income:</i>							
Translation differences		-	-	-	-34.3	-	-34.3
Total comprehensive income for the period		-	-	-	-34.3	139.5	105.1
<i>Transactions with owners in their capacity as owners:</i>							
Reclassification		0.1	-0.1	-	-	-	-
New share issue	15	0.0	-	4.2	-	-	4.2
Over-allotment option (net of transaction costs)		-	-	-	-	0.3	0.3
Equity at December 31, 2022		0.6	-	1,437.1	-58.4	350.0	1,729.2
Equity at January 1, 2021		10.4	-	575.9	10.5	91.2	688.0
<i>Total comprehensive income for the period:</i>							
Profit/loss for the period		-	-	-	-	86.0	86.0
<i>Other comprehensive income:</i>							
Translation differences		-	-	-	-34.6	-	-34.6
Total comprehensive income for the period		-	-	-	-34.6	86.0	51.4
<i>Transactions with owners in their capacity as owners:</i>							
New parent company share swap		-10.4	0.5	9.9	-	-	-
Capital increase (net of transactions costs)	15	0.5	-0.5	15.4	-	-	15.4
IPO (net of transaction costs)	15	0.0	0.1	817.9	-	-	818.0
Over-allotment option (net of transaction costs)		-	-	-	-	33.1	33.1
Long-term incentive program	6	-	-	13.8	-	-	13.8
Equity at December 31, 2021		0.5	0.1	1,432.9	-24.1	210.2	1,619.6

The Group has no non-controlling interest.

CONSOLIDATED STATEMENT OF CASH FLOWS

NOK million	Note	2022	2021
Cash flows from operating activities			
Profit before income tax		196.3	80.2
<i>Adjustments for:</i>			
Depreciation and amortization expenses	10, 11, 12	275.7	237.5
Taxes paid		-56.6	-31.3
Net gain/loss on sale of non-current assets		-17.9	-5.3
Items included in financing activities	9	15.5	113.4
Change in net working capital		-113.0	7.8
Changes in other items*		43.3	-64.9
Net cash inflow from operating activities		343.3	337.4
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	20	-268.9	-214.1
Payment of earnouts	18	-49.8	-
Payment for fixed and intangible assets	10, 12	-83.9	-70.8
Proceeds from sale of fixed assets		40.1	12.6
Net cash outflow from investing activities		-362.5	-272.3
Cash flows from financing activities			
Proceeds from issuance of shares		0.0	914.9
Proceeds from borrowings	14	331.1	547.1
Repayment of borrowings	14	-160.4	-1,235.3
Principal element of lease payments	11	-144.2	-134.5
Interest paid, loans		-14.7	-50.3
Interest paid, lease	11	-32.6	-28.9
Other financial payments		-5.0	6.2
Cash flows from financing activities		-25.8	19.1
Change in cash and cash equivalents		-45.0	84.3
Cash and cash equivalents at the start of the period		260.4	180.9
Effects of exchange rate changes on cash and cash equivalents		-10.6	-4.8
Cash and cash equivalents at the end of the period		204.7	260.4

* Includes changes in provisions and effects from business combinations on working capital.



Parent Company financial reporting

PARENT COMPANY STATEMENT OF PROFIT OR LOSS

SEK million	Note	2022 Jan 1, 2022- Dec 31, 2022	2021 Sep 1, 2020- Dec 31, 2021
Total operating revenue		2,8	-
Other operating expenses	5	-8,7	-31,2
Earnings before interest and taxes (EBIT)		-5,9	-31,2
Financial income		21,2	0,9
Financial expenses		-6,0	-0,0
Net financial items	6	15,2	0,9
Loss before income tax		9,2	-30,3
Income tax expenses	7	-0,3	16,7
Loss for the period		8,9	-13,6

Total comprehensive income for the period is equal to profit for the period.



PARENT COMPANY BALANCE SHEET

SEK million	Note	Dec 31, 2022	Dec 31, 2021
ASSETS			
<i>Non-current assets</i>			
Investment in subsidiaries	4	2,875.6	2,881.7
Deferred tax asset	7	16.4	16.7
Non-current intercompany receivables	3	866.7	879.8
Total non-current assets		3,758.7	3,778.2
<i>Current assets</i>			
Current receivables		9.8	52.3
Current intercompany receivables		2.8	11.3
Cash and cash-equivalents		1.3	0.1
Total current assets		13.9	63.7
Total assets		3,772.5	3,841.9
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		0.6	0.6
Share premium		3,736.1	3,731.6
Retained earnings		29.5	20.3
Total equity		3,766.2	3,752.5
<i>Current liabilities</i>			
Accounts payable		0.9	32.9
Other current liabilities	8	5.4	56.5
Total current liabilities		6.3	89.4
Total equity and liabilities		3,772.5	3,841.9



PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	Note	Share capital	Share premium	Retained earnings	Total equity
Equity at January 1, 2022		0.6	3,731.6	20.3	3,752.5
Profit/loss for the period		-	-	8.9	8.9
Total comprehensive income for the period		-	-	8.9	8.9
<i>Transactions with owners in their capacity as owners:</i>					
Capital increase (net of transactions costs)		0.0	4.4	-	4.4
Over-allotment option (net of transaction costs)		-	-	0.3	0.3
Equity at December 31, 2022		0.6	3,736.1	29.5	3,766.2
Equity at September 1, 2020		0.1	-	-	0.1
Profit/loss for the period		-	-	-13.6	-13.6
Total comprehensive income for the period		-	-	-13.6	-13.6
<i>Transactions with owners in their capacity as owners:</i>					
New parent company share swap		0.4	2,881.3	-	2,881.7
Capital increase (net of transactions costs)		0.0	11.0	-	11.1
IPO (net of transaction costs)		0.1	839.3	-	839.4
Over-allotment option (net of transaction costs)		-	-	33.9	33.9
Equity at December 31, 2021		0.6	3,731.6	20.3	3,752.5



PARENT COMPANY CASH FLOW STATEMENT

SEK million	Note	2022 Jan 1, 2022- Dec 31, 2022	2021 Sep 1, 2020- Dec 31, 2021
Cash flows from operating activities			
Profit before income tax		9.2	-30.3
<i>Adjustments for:</i>			
Items included in financing activities	6	-15.2	-0.9
Change in net working capital		-18.1	25.8
Change in other items		-11.0	-
Cash flows from operating activities		-35.1	-5.4
Cash flows from investing activities			
Loans to subsidiaries		-	-879.0
Cash receipt from loans to subsidiaries	3	41.9	-
Cash flows from investing activities		41.9	-879.0
Cash flows from financing activities			
Proceeds from issuance of shares		-	884.4
Interest paid		-0.3	0.0
Interest received		0.0	-
Other financial items		-5.3	-
Cash flows from financing activities		-5.7	884.4
Change in cash and cash equivalents		1.2	0.1
Cash and cash equivalents at the start of the period		0.1	-
Cash and cash equivalents at the end of the period		1.3	0.1



Notes to the consolidated financial statements

NOTE 1 REPORTING ENTITY

Norva24 Group AB (publ), previously Goldcup 19376 AB (company registration number 559226-2553) is a public limited liability company, domiciled in Stockholm, Sweden and listed on Nasdaq Stockholm. The share became publicly traded with the initial public offering December 9 2021. Norva24 Group AB (publ) and its subsidiaries operates in the underground infrastructure industry, and is present in Norway, Germany, Sweden and Denmark. The official company address is Grandeveien 13, 6783 Stryn, Norway.

NOTE 2 BASIS OF PREPARATION

The consolidated financial statements of Norva24 Group AB (publ) and its subsidiaries are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union (EU). Norva24 Group also provides disclosures as specified under the Swedish Annual Accounts Act.

The Parent Company accounts have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities.

The financial statements are prepared on a historical cost basis, except for certain assets, liabilities and financial instruments, which are measured at fair value. Preparation of the financial statements, including the note disclosures, requires management to make estimates and assumptions that affect amounts reported. Actual results may differ.

The amounts are rounded to the nearest million (NOK m) with one decimal place unless otherwise stated. As a consequence of rounding, figures presented in the financial reports may not add up to the exact total in certain cases and percentage figures can differ from the exact percentage figures. Amounts in brackets concern the comparison period.

Items included in the financial statements of each of the Norva24 Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Norwegian Kroner (NOK) which is Norva24 Group's presentation currency. The Parent Company Norva24 Group AB (publ)'s functional currency is Swedish Kroner (SEK).

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

BASIS OF CONSOLIDATION

The consolidated financial statements include Norva24 Group AB (publ) and subsidiaries, which are entities in which Norva24 Group

AB (publ) has the power to govern the financial and operating policies of the entity, exposure or rights to variable returns and the ability to use the power to affect the returns (control). Control is normally achieved through ownership, directly or indirectly, of more than 50 percent of the voting power. Subsidiaries are included from the date control commences until the date control ceases.

Intercompany transactions and balances have been eliminated. Profit and loss resulting from intercompany transactions have been eliminated.

BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 Business Combinations. Consideration is the sum of the fair values, as of the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued in exchange for control of the acquiree.

The acquiree's identifiable assets, liabilities and contingent liabilities are recognized separately at the acquisition date at their fair value irrespective of any non-controlling interest, and goodwill recognized to the extent the consideration exceeds identified net assets.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are initially recorded in the functional currency of the transacting entity by applying the rate of exchange as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity at the rate of exchange at the balance sheet date. Currency gains or losses are included in financial income or financial expense.

FOREIGN CURRENCY TRANSLATION

For consolidation purposes, the financial statements of subsidiaries with a functional currency other than the presentation currency of the Norwegian krone (NOK) are translated into NOK. Assets and liabilities, including goodwill, are translated using the rate of exchange as of the balance sheet date. Income, expenses and cash flows are translated using the average exchange rate for the reported period. Goodwill is recognized in the predominant functional currencies in the acquired businesses.

Translation adjustments are recognized in other comprehensive income and accumulated in currency translation differences in other reserves. On disposal of such subsidiary the cumulative translation adjustment of the disposed entity is recognized in the Statement of profit or loss as part of the gain or loss on disposal.

STATEMENT OF CASH FLOWS

Norva24 Group uses the indirect method to present cash flows from operating activities. Interest, dividends and other financial items paid or received are included in cash flows from financing activities.

MEASUREMENT OF FAIR VALUE

Norva24 Group measures certain assets and liabilities at fair value for the purposes of recognition or disclosure. Non-recurring fair value measurement is used for transactions, such as business combinations, contingent consideration and other non-routine transactions.

REVENUE

Norva24 Group accounts for revenue in accordance with IFRS 15 Revenue from Contracts with Customers. IFRS 15 requires the



NOTE 3 SIGNIFICANT ACCOUNTING POLICIES, continued.

reporting entity, for each contract with a customer, to identify the performance obligations, determine the transaction price, allocate the transaction price to performance obligations to the extent the contract covers more than one performance obligation, determine whether revenue should be recognized over time or at a point in time, and, finally, recognize revenue when or as performance obligations are satisfied.

A performance obligation is satisfied when the customer obtains control of the goods or as services are delivered. The Norva24 Group earns revenue via the delivery of services related to Underground Infrastructure Maintenance. Services include pipe service, pressure washing and emptying services. Pipe services consist of inspections of pipes, pressure testing, leak detection, cleaning and opening of clogged pipes as well as re-lining. Pressure washing consists of tank cleaning, high- and ultra-high pressure washing. Emptying services consist of emptying fat- and sand traps, oil separators, sludge- and septic tank as well as transportation of such fractions to approved delivery sites.

All revenue in Norva24 is recognized over time, as the customer simultaneously receives and consumes the benefits provided as the services are performed. Each contract for services are considered a performance obligation that is delivered over time. The majority of performance obligations are delivered within a short time period, usually within the same day.

For performance obligations that are satisfied over a longer duration, the input method is used to recognize revenue over time. Using the input method, revenue is recognized based on the total number of work hours used at the reporting period close in fulfilling the performance obligation in relation to the total expected number of work hours to fulfil the performance obligation.

The transaction price for all contracts is the price agreed in each individual contract, and there are no material elements of variable consideration, financing component or non-cash consideration. There are no circumstances where Norva24 is acting as an agent.

The Group disaggregates revenue recognized from customer contracts into categories based on geographical region (country/segment) as the services are UIM services often is interlinked and difficult to measure separately. Disaggregated revenue by geography/segments is the information regularly reviewed by the chief operating decision maker. Norva24's operating segments are Norway, Germany, Sweden and Denmark after IFRS 8.

VEHICLE OPERATING EXPENSES

Vehicle operating expenses are recognized as incurred and consist of the direct costs related to operating the service delivery vehicles, for example fuel, maintenance, repairs and cleaning.

PERSONNEL EXPENSES

Payments to employees, such as wages, salaries, social security contributions, paid annual leave and bonus agreements are accrued in the period in which the associated services are rendered by the employee. Post-employment benefits are recognized in accordance with IAS 19 Employee Benefits. Contributions to defined contribution plans are recognized in the statement of profit or loss in the period in which they accrue.

FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial income includes interest earned on bank accounts and other interest-bearing financial assets, as well as foreign currency

exchange gains. Financial expense includes interest expense related to lease liabilities and interest expense on bank loans. Financial expense also includes foreign currency exchange losses.

DEPRECIATION AND AMORTIZATION

Depreciation in the statement of profit or loss includes the reporting period's depreciation expense on property, plant and equipment as well as the depreciation for the period on right-of-use assets and any impairment charges that have been recognized on these asset classes. Amortization in the statement of profit or loss relates only to the definite lived intangible assets.

EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent company less the annual allocated dividend to the preference shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent company less the annual allocated dividend to the preference shareholders by the weighted average number of ordinary shares outstanding during the year including any dilutive share effects.

GOODWILL

Goodwill is recognized as a part of business combinations. Goodwill is initially measured either as the excess of the consideration over Norva24 Group's interest or the fair value of 100 percent of the acquiree in excess of the acquiree's identifiable net assets (full goodwill). Goodwill is not amortized, but is tested for impairment annually, and more frequently if indicators of possible impairment are observed, in accordance with IAS 36 Impairment of Assets. Goodwill is allocated to the cash generating units or groups of cash generating units expected to benefit from the synergies of the combination and that are monitored for internal management purposes.

INTANGIBLE ASSETS

Intangible assets acquired individually or as a group are recognized at fair value when acquired. Intangible assets acquired in a business combination are recognized at fair value separately from goodwill when they arise from contractual or legal rights or can be separated from the acquired entity and sold or transferred.

At each financial year-end Norva24 Group reviews the residual value and useful life of its assets, with any estimate changes accounted for prospectively over the remaining useful life of the asset.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of buildings, vehicles and office equipment and is recognized at acquisition cost. Acquisition cost is the amount of cash paid or the fair value of other consideration given to acquire the asset and includes any import duties less any trade discounts or rebates. The carrying value is comprised of the historical cost less accumulated depreciation and any accumulated impairment losses (if any). Depreciation expenses are measured on a straight-line basis over the estimated useful life of the asset, commencing when the asset is ready for its intended use. At each financial year-end Norva24 Group reviews the residual value and useful life of its assets, with any estimate changes accounted for prospectively over the remaining useful life of the asset.

**NOTE 3 SIGNIFICANT ACCOUNTING POLICIES, continued.****INVENTORY**

Inventory consists of finished goods used in delivering services to customers, and consists primarily of consumable parts and components for relining (pipe renewal and point repair of old sewage pipes). Inventory is measured at the lower of cost and net realizable value. Net realizable value is the net amount Norva24 Group expects to realize from the sale of the inventory in the ordinary course of business. The cost of inventories includes all costs of purchase incurred to bring the inventory to its location for use in delivery to customers.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized and measured in accordance with IFRS 9 Financial Instruments.

Financial assets

Financial assets represent a contractual right by Norva24 Group to receive cash or another financial asset in the future. Financial assets include cash and cash equivalents, accounts receivable and other current and non-current receivables as well as investments in shares. On initial recognition, a financial asset is measured at fair value, and classified for subsequent measurement at amortized cost or at fair value through profit or loss (FVTPL). Classification depends on the business model and, for some instruments, the entity's choice. Financial assets are derecognized when the rights to receive cash from the asset have expired or when Norva24 Group has transferred the asset.

Financial liabilities

Financial liabilities represent a contractual obligation by Norva24 Group to deliver cash in the future and are classified as either current or non-current. Financial liabilities include the accounts payable, current and non-current loans and current and non-current lease liabilities. Financial liabilities are initially recognized at fair value, including transaction costs directly attributable to the transaction, and are subsequently measured at amortized cost. Financial liabilities are derecognized when the obligation is discharged through payment or when Norva24 Group is legally released from the primary responsibility for the liability.

ACCOUNTS RECEIVABLE

Accounts receivable is a financial asset initially recognized at transaction price, subsequently accounted for at amortized cost and are reviewed for impairment on an ongoing basis based on a lifetime expected credit loss model (ECL). Individual accounts are assessed for impairment taking into consideration indicators of financial difficulty and management assessment. Norva24 Group's business model for accounts receivable is to hold the receivables to collect the contractual cash flows.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash, bank deposits and all other monetary instruments with a maturity of less than three months from the date of acquisition. Bank deposits earn interest at floating rates based on the different bank agreements. Material balances of restricted cash are deducted from cash and cash equivalents when preparing the statement of cash flows.

INVESTMENTS IN SHARES

Investments in shares are originally recognized at fair value at the amount of the purchase price paid to acquire the shares and are

subsequently recognized at fair value over profit or loss. Investments in shares is a financial asset comprised of minimal percentage holdings in non-listed inactive entities.

LEASING

Leases are contracts that convey the right to control the use of an identified asset for a period of time in exchange for consideration. Norva24 Group leases various offices, storage facilities, equipment and vehicles.

Short-term and low-value leases are excluded from the lease accounting. When measuring leases, Norva24 Group includes fixed lease payments for extension periods reasonably certain to be used. Judgment is applied in assessing whether renewal options are reasonably certain to be utilized.

Current lease liabilities are the portion of the total lease liability falling due within twelve months of the reporting date. Norva24 Group measures the current portion of the lease liability as the discounted lease payments for the next twelve-month period.

Lease liabilities are a financial liability and include the net present value of the following lease payments: fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable by the group under residual value guarantees, the exercise price of a purchase option if the group is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option, and lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments, primarily as related to vehicle leases, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for non-vehicle leases, Norva24 Group's incremental borrowing rate is used, being the rate that the individual entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, Norva24 Group: where possible, uses recent third-party financing received by the entity with the lease as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Norva24 Group, which does not have recent third-party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then Norva24 Group entities use that rate as a starting point to determine the incremental borrowing rate.

Norva24 Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. These adjustments are primarily rate increases linked to NIBOR + margin or LIBOR + margin based lease agreements. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease

**NOTE 3 SIGNIFICANT ACCOUNTING POLICIES, continued.**

period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are leased assets recognized in the statement of financial position in accordance with IFRS 16, and are primarily vehicles, buildings and personal cars. Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. When Norva24 is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life, which is greater than the lease term. Right-of-use assets related to vehicle leases have a useful life based on the expectation that the purchase option will be exercised.

When a right-of-use (leased) asset is purchased during or at the end of the lease term, the asset is transferred from the right-of-use asset classification in the statement of financial position to classification as property, plant and equipment.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Payments associated with low-value leases and short term leases recognized on a straight-line basis as an operating expense in profit or loss.

DEFERRED TAXES AND TAX EXPENSE

Taxes payable is based on taxable profit for the year, which excludes items of income or expense that are taxable or deductible in other years. Taxable profit also excludes items that are never taxable or deductible. Norva24 Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted as of the balance sheet date.

Deferred income tax expense is calculated using the liability method in accordance with IAS 12 Income Taxes. Deferred tax assets and liabilities are classified as non-current in the balance sheet and are measured based on the difference between the carrying value of assets and liabilities for financial reporting and their tax basis when such differences are considered temporary in nature. For items recognized as an asset and a liability at inception, such as a lease, temporary differences related to the asset and liability are considered in combination, and deferred tax assets and liabilities are recognized on changes to the temporary differences through the life of the items.

Deferred tax assets are reviewed for recoverability every balance sheet date, and the amount probable of recovery is recognized.

Deferred income tax expense represents the change in deferred tax asset and liability balances during the year, except for the deferred tax related to items recognized in Other comprehensive income or resulting from a business combination or disposal. Changes resulting from amendments and revisions in tax laws and tax rates are recognized when the new tax laws or rates become effective or are substantively enacted. Uncertain tax positions are recognized in the financial statements when probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against

current tax liabilities, when they relate to income taxes levied by the same taxation authority, and when the Group intends to settle its current tax assets and liabilities on a net basis. Allowed offsetting of deferred tax asset and liabilities has resulted in a net deferred tax liability position for the Norva24 Group in both 2021 and 2020.

Deferred taxes are not provided on undistributed earnings of subsidiaries when the timing of the reversal of this temporary difference is controlled by Norva24 Group and is not expected to happen in the foreseeable future.

PROVISIONS

Provisions are liabilities of uncertain timing or amount. Norva24 Group recognizes provisions in the statement of financial position when there is a present obligation (legal or constructive) as a result of a past event that can be estimated in amount and it is probable that a payment will be required to settle the obligation. When the effect of the time value of money is material, the provision is recognized at the present value of the expected expenditure, using a pre-tax discount rate reflecting the risks specific to the liability. Norva24 Group reviews all provisions at the end of each reporting period and updates the provision to reflect the current best estimate. Provisions are reversed when the obligating event is no longer valid.

EMPLOYEE BENEFITS**Share-based payments**

Share-based payments relate to employee benefits in accordance with the long-term incentive programmes (LTIP) approved by the AGM. The fair value is established at the date of assignment, i.e. when Norva24 Group and the employees entered into an agreement on the terms and conditions of the program. The program means that the participants need to purchase and retain shares in Norva24 MipCo AB. At the end of the program period, participants will receive newly issued shares in Norva24 Group AB (publ) as settlement for the sale of shares in Norva24 MipCo AB. The number of shares to be issued is dependent on the share price of Norva24 Group AB at the end of the program period. The stock options is acquired by management at fair value and the proceeds is included in other paid in capital.

NEW PARENT COMPANY

The Parent Company of the Group was changed from Norva24 Holding AS to Norva24 Group AB (publ) on June 30, 2021, through a share swap, where the shareholders of the Group remained unchanged.

The share swap was classified as a common control reorganization and this transaction was not covered by the IFRS standards.

In these financial statements, all historical figures up to June 30, when the share swap was performed, comprise of Norva24 Holding AS Group. From this date, Norva24 Holding AS and its subsidiaries are including Norva24 Group AB (publ). The financial statements are combined of the financial information for Norva24 Group AB (publ) and the Norva24 Holding AS Group. The financial statements are presented as if Norva24 Holding AS had been part of the Group in all periods presented, based on the values and periods, since these were integrated in the Norva24 Group. The subsidiaries are included in the consolidated financial statements from the date of their acquisition from an external party.

For this reason, the Group has chosen to recognize the historical consolidated financial statements for the former Parent

**NOTE 3 SIGNIFICANT ACCOUNTING POLICIES, continued.**

Company of the Group, Norva24 Holding AS, as an appropriate application in accordance with IAS 8. Accordingly, the assets and liabilities in the former Group were not restated.

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16, effective from 1 January 2022.
- Reference to the Conceptual Framework – Amendments to IFRS 3, effective from 1 January 2022.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37, effective from 1 January 2022).
- Annual Improvements to IFRS Standards 2018–2020, effective from 1 January 2022

NEW PRONOUNCEMENTS NOT YET ADOPTED

The following standards and interpretations most relevant for Norva24 have been issued by the IASB but were not mandatory for annual reporting periods ending on 31 December 2022:

- Classification of Liabilities as Current or Non-current – Amendments to IAS 1, effective from 1 January 2022 with possible deferral to 1 January 2023.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2), effective from 1 January 2023.
- Definition of Accounting Estimates (Amendments to IAS 8), effective from 1 January 2023.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12), effective from 1 January 2023

None of the issued, not yet effective, accounting standards or amendments to such standards are expected to have significant effects for Norva24 Group's financial reporting. Further, none of the recently issued IFRS Interpretations Committee agenda decisions are expected to significantly change Norva24 Group's accounting policies or practices.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements involves the use of accounting estimates which, by definition, will seldom equal the actual results. Management is required to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

SIGNIFICANT JUDGEMENT IN ACQUISITION FOR BUSINESS COMBINATIONS

In a business combination, consideration, assets and liabilities are recognized at estimated fair value, and any excess purchase price included in goodwill. In the businesses Norva24 operates, fair values of individual assets and liabilities are normally not readily

observable in active markets. Estimation of fair values requires the use of valuation models for acquired assets and liabilities as well as ownership interests. Such valuations are subject to numerous assumptions and are thus uncertain. The quality of fair value estimates may impact periodic depreciation and amortization of fixed assets, and assessment of possible impairment of assets and/or goodwill in future periods. The specific significant judgement for Norva24 during 2020 and 2021 is the identification and fair value of the acquired intangible assets.

The brand and customer relationships have been specifically identified by management as acquired intangible assets for all of the acquisitions conducted in 2020 and 2021. Management places significant value on the Norva24 Brand and on the acquired brand's (e.g. ExRohr and Turpe) existing value in their respective markets where the acquired companies operate.

Business plans and budgets for the next 5-10 years are based on the Group operating with these brands in the local markets. Additionally, management has ascertained a value for the customer relationships that have been developed in these market areas, based on the contractual agreements with customers for ongoing delivery of service, as well as the existing customer base.

The fair value at acquisition date of the brands and customer relationships is based on a value-in-use model and an allocated percentage of the consideration paid less the net assets acquired. Estimates of the useful life of the brands' acquired is based on management's market knowledge and marketing plans. Customer relationship estimated useful life is based on market estimates of customer turnover.

See note 20 for details on business combinations.

SIGNIFICANT JUDGMENT IN VALUATION OF GOODWILL

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include acquisition activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant for the valuation of goodwill that is subject to yearly impairment test.

See note 10 for details on valuation of goodwill.

SIGNIFICANT JUDGEMENT IN EARN-OUT CONSIDERATIONS

Earn-out is recognized at fair value at time of an acquisition, and contingent of the future performance of the acquired business. The future performance of acquired businesses is in its nature uncertain, and management have to use significant judgement in estimating the probability that an acquired company will achieve its financial goals. The Group monitors the past performance and uses budgets and business plans to follow all subsidiaries with earn-out in their share purchase agreements.

See note 18 for details on earn-outs considerations.

SIGNIFICANT JUDGEMENT IN LEASING

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of

**NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, continued.**

six months to eight years but may have extension options. Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally

the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. For vehicles the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

See note 11 for details on right of use assets and lease liability.

NOTE 5 SEGMENT INFORMATION**OPERATING SEGMENTS**

The Norva24 Group organizes its operations based on the geographical location of the businesses. The segments are the underground infrastructure maintenance business in Norway, Germany, Sweden Denmark, and Corporate. Corporate segments consist of corporate expenses is presented with group eliminations.

The CEO for the Norva24 Group is the chief operating decision maker (CODM) for the entire Group within the framework of the CEO instructions from the Board of Directors and the annual operational budget and investment frames approved by the Board of Directors. The Norva24 Group executive management consists of CEO, CFO, Chief development officer and the four country CEOs.

The Norva24 Group CEO and executive management monitor and follow up the business in the four major segments, Norway, Germany, Sweden, and Denmark, where each segment is organized as an entity where the country CEO is responsible for the segment profitability and enabled to make decisions about resource allocation within the segment and within the framework of the approved budgets and investments for the segment.

REVENUE

The Group's disaggregates revenue based on the operational segments that are by geographical areas. The customers are based in the same geographical area as the segment. The Group has no single customer accounting for more than 10 percent of total revenue.

OPERATING SEGMENTS FINANCIALS JANUARY-DECEMBER 2022

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Total operating revenue	904.9	812.9	426.9	323.0	-1.3	2,466.5
Adjusted EBITDA	221.5	192.4	99.6	48.8	-42.3	520.0
Depreciation	-84.1	-67.5	-48.7	-41.2	-0.0	-241.4
Adjusted EBITA	137.5	124.9	50.9	7.6	-42.3	278.6
Non-recurring items	-3.3	-29.4	-2.2	2.5	-0.2	-32.5
EBITA	134.2	95.5	48.8	10.1	-42.5	246.0

OPERATING SEGMENTS FINANCIALS JANUARY-DECEMBER 2021

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Total operating revenue	801.5	646.3	306.6	270.8	-	2,025.2
Adjusted EBITDA	204.7	174.0	72.2	31.9	-20.9	461.8
Adjusted depreciation	-78.5	-54.9	-32.6	-38.2	-	-204.2
Adjusted EBITA	126.2	119.1	39.6	-6.3	-20.9	257.7
Non-recurring items	-3.8	-10.9	-3.3	38.6	-56.8	-36.2
EBITA	122.4	108.2	36.3	32.3	-77.8	221.5

**NOTE 5 SEGMENT INFORMATION**, continued.**RECONCILIATION OF SEGMENT INFORMATION AND EARNINGS BEFORE INCOME TAX (EBT)**

NOK million	2022	2021
EBITA	246.0	221.5
Amortization of intangible assets	-34.3	-28.0
Net financial items	-15.5	-113.4
Profit before income tax	196.3	80.2

RECONCILIATION OF NON-RECURRING ITEMS JANUARY-DECEMBER 2022

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Restructuring cost and other provisions	-3.3	-22.7	-	-	-0.2	-26.2
M&A Cost	-	-6.7	-2.2	-2.2	-	-11.1
Other gains/losses	-	-	-	4.7	-	4.7
Non-recurring items	-3.3	-29.4	-2.2	2.5	-0.2	-32.2

RECONCILIATION OF NON-RECURRING ITEMS JANUARY-DECEMBER 2021

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Settlement	-	-	-	40.2	-	40.2
M&A Cost	-1.3	-4.9	-2.8	-	-	-8.9
IFRS implementation	-	-	-	-	-8.2	-8.2
IPO cost	-	-5.2	-	-	-48.6	-53.8
Depreciation	-2.5	-0.9	-0.5	-1.6	-	-5.4
Non-recurring items	-3.8	-10.9	-3.3	38.6	-56.8	-36.2

OTHER SEGMENT INFORMATION JANUARY-DECEMBER 2022

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Segment investments intangible assets	0.7	207.0	85.3	21.7	-	314.8
Segment investments property plant and equipment	19.7	101.5	23.9	11.0	-	156.1
Segment assets	1,085.3	1,156.3	605.9	198.9	561.4	3,607.8
Segment liabilities	607.0	369.4	339.9	184.3	377.9	1,878.5

OTHER SEGMENT INFORMATION JANUARY-DECEMBER 2021

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Segment investments intangible assets	43.0	102.4	90.2	0.0	0.0	235.6
Segment investments property plant and equipment	72.0	73.8	90.9	1.4	0.0	238.1
Segment assets	839.4	1,111.3	599.2	132.4	542.8	3,225.2
Segment liabilities	515.9	649.0	322.4	164.3	-46.0	1,605.5

**NOTE 6 PERSONNEL EXPENSES****Specification of personnel expenses**

NOK million	2022	2021
Wages and salaries	845.9	718.0
Social security tax	138.0	103.8
Pension cost	32.5	36.6
Other employee-related expenses	24.4	20.9
Total	1,040.8	879.3

Norva24 Group has pension plans covering all employees. All group pension plans are in accordance with local laws and regulations.

The majority of the group pension plans are contribution plans, where an amount is deposited annually in the pension contribution fund on behalf of the individual employees. This contribution is expensed as part of personnel expenses. The companies have no further pension obligation after the payment of the pension contribution.

One of the group companies also has a defined-benefit contribution plan, where the net pension liability is measured at the present value of the future payment obligation and recognized in the statement of financial position. Measurement of the pension liability is based on a linear accrual of the service benefit and estimated salary levels at the date of retirement. This plan was considered immaterial and thus not disclosed separately.

LONG TERM INCENTIVE PROGRAM

The Group have a share based long term incentive program for certain member of the management and key employees in the Group. The purpose of the program is among other to encourage a widespread ownership of shares among the Company's employees, retain competent employees, achieve increased alignment of interests between the employees and the Group, as well as increase the motivation to achieve or exceed the Groups financial targets. The participants have acquired shares in Norva24 MipCo AB at fair value. Three years after the IPO of the Group, December 2024, the participants can sell their shares in Norva24 MipCo to Norva24 Group AB (publ), and shall be settled with a maximum of 6 207 880 new shares in Norva24 Group AB. Norva24 Group AB has retained the right to repurchase the shares in Norva24 MipCo AB, e.g. if the participant's employment in the Company is terminated. The right to obtain full value of the MipCo shares is dependent on for how long the Participants have been employed during the three year period as well as the reason for the termination of the employment.

The numbers of shares to be issued is calculated as the difference between the share price after three years and the strike of the program that is 44.3 SEK pr share and the share price. There is 696 356 shares in Norva24 MipCo AB owned by Group management and key employees, with the right to acquire a maximum of 5 849 534 shares in Norva24 Group AB (publ). The rest is owned by Norva24 Group AB (publ).

2022

Number of employees	Total	Women, %	Men, %
Norway	464	12	88
Germany	702	14	86
Sweden	285	11	89
Denmark	169	16	84
Corporate	12	8	92
Total	1,632	13	87
Board of Directors	9	22	78
Group Management	7	0	100

2021

Number of employees	Total	Women, %	Men, %
Norway	512	7	93
Germany	546	17	83
Sweden	232	9	91
Denmark	149	15	85
Corporate	11	9	91
Total	1,450	12	88
Board of Directors	9	22	78
Group Management	6	0	100


NOTE 7 REMUNERATION AND FEES FOR BOARD OF DIRECTORS AND GROUP MANAGEMENT
Remuneration and fees recognized in the Statement of Profit and Loss
 NOK thousand

	2022	2021
Total remuneration of the Board of Directors	2,360	1,455
Base salary to the CEO	4,490	4,385
Bonus to the CEO	1,104	591
Pension costs to the CEO	79	72
Other remuneration to the CEO	9	5
Base salary to other members of Group Management (5 people)	9,724	9,763
Bonus to other members of Group Management	736	472
Pension costs to other members of Group Management	560	560
Other remuneration to other members of Group Management	270	277
Total	19,321	17,581

Specification of remuneration to Board of Directors

NOK thousand	2022	2021
Vidar Meum	670	410
Allan Engström	-	-
Arild Bødal	350	225
Einar Nordnes	-	-
Linus Lundmark	-	-
Mats Lönqvist	400	250
Terje Bøvelstad	300	200
Monica Reib	300	150
Ulrika Östlund	340	170
Thorbjørn Graarud	-	50
Total - Board of Directors	2,360	1,455

Board remuneration includes both board and committee fees.

NOTE 8 OTHER OPERATING EXPENSES AND REMUNERATION TO AUDITOR
Specification of other operating expenses

NOK million	2022	2021
Facility costs	-52,8	-65,9
IT costs	-30,3	-25,6
Marketing costs	-21,7	-23,0
Legal, audit and consultancy fees	-34,8	-92,3
Travel costs	-32,1	-26,8
Restructuring cost	-26,2	-
M&A cost	-11,1	-8,9
Other	-23,1	-4,2
Total	-232,1	-246,7

Specification of fees paid to PwC

NOK thousands	2022	2021
Audit	4,188	2,595
Other audit-related services	-	1,253
Tax consultancy services	319	8,319
Other consultancy services	884	18,687
Total	5,391	30,855

Specification of fees paid to other auditors

NOK thousands	2022	2021
Audit	1,042	1,000
Other audit-related services	-	29
Tax consultancy services	-	196
Other consultancy services	-	-
Total	1,042	1,225


NOTE 9 FINANCIAL ITEMS
Specification of financial items

NOK million	2022	2021
Interest income	1.5	0.6
Currency exchange gain	35.8	-
Gain earnout	1.7	-
Other financial income	3.9	9.0
Financial income	42.8	9.6
Interest expenses, leases	-33.2	-28.9
Amortized interest expense loans	-13.1	-71.2
Currency exchange loss	-	-13.8
Loss earnout	-3.9	-6.0
Other financial expenses	-8.0	-3.1
Financial expenses	-58.3	-123.0
Net financial items	-15.5	-113.4

The Group have derecognized NOK 20.9 million as part of amortized interest expense in 2021 due to refinancing of the Group. The effect is the difference between book value of the existing debt measured at amortized cost and nominal value of the debt repaid.

NOTE 10 INTANGIBLE ASSETS AND GOODWILL

NOK million	Goodwill	Brand	Customer relationships	Other intangible assets	Total
Cost	1,402.1	55.1	110.4	8.5	1,576.1
Accumulated amortization	-179.5	-9.7	-39.7	-4.1	-233.1
Net book value at 1 January 2022	1,222.6	45.4	70.6	4.3	1,343.0
Acquisition cost at 1 January 2022	1,402.1	55.1	110.4	8.5	1,576.1
Acquired in business combinations (see Note 20)	252.7	20.4	40.8	0.1	313.9
Additions	-	-	-	0.9	0.9
Disposals accumulated cost	-	-	-	-	-
Translation differences	23.5	2.3	4.4	7.1	37.2
Acquisition costs at 31 December 2022	1,678.3	77.8	155.5	16.6	1,928.1
Accumulated amortization at 1 January 2022	-179.5	-9.7	-39.7	-4.1	-233.1
Amortization	-	-6.6	-26.4	-1.3	-34.3
Disposals accumulated amortization	-	-	-	-	-
Translation differences	9.9	-0.6	-2.0	-6.9	0.4
Accumulated amortization at 31 December 2022	-169.6	-16.9	-68.1	-12.4	-267.0
Cost	1,678.3	77.8	155.5	16.6	1,928.1
Accumulated amortization	-169.6	-16.9	-68.1	-12.4	-267.0
Net book value at 31 December 2022	1,508.7	60.8	87.4	4.2	1,661.1

**NOTE 10 INTANGIBLE ASSETS AND GOODWILL, continued.**

NOK million	Goodwill	Brand	Customer relationships	Other intangible assets	Total
Cost	1,252.4	43.3	86.2	6.7	1,388.5
Accumulated amortization	-181.6	-4.9	-20.0	-2.4	-208.8
Net book value at 1 January 2021	1,070.8	38.4	66.2	4.3	1,179.7
Acquisition cost at 1 January 2021	1,252.4	43.3	86.2	6.7	1,388.5
Acquired in business combinations (see Note 20)	190.5	14.4	28.9	1.2	235.0
Additions	-	-	-	0.6	0.6
Disposals accumulated cost	-	-	-	-	-
Translation differences	-40.8	-2.6	-4.7	0.0	-48.1
Acquisition costs at 31 December 2021	1,402.1	55.1	110.4	8.5	1,576.1
Accumulated amortization at 1 January 2021	-181.6	-4.9	-20.0	-2.4	-208.8
Amortization	-	-5.2	-20.9	-1.9	-28.0
Disposals accumulated amortization	-	-	-	-	-
Translation differences	2.1	0.3	1.1	0.1	3.7
Accumulated amortization at 31 December 2021	-179.5	-9.7	-39.7	-4.1	-233.1
Cost	1,402.1	55.1	110.4	8.5	1,576.1
Accumulated amortization	-179.5	-9.7	-39.7	-4.1	-233.1
Net book value at 31 December 2021	1,222.6	45.4	70.6	4.3	1,343.0
Useful life in years	Indefinite	10	3-5	3-5	
Amortization plan	n.m	Linear	Linear	Linear	

GOODWILL ALLOCATION AT SEGMENT LEVEL

NOK million	Dec 31, 2022	Dec 31, 2021	Reclassification	Dec 31, 2021
Norway	416.5	416.5	-39.5	456.0
Germany	685.5	487.6		487.6
Sweden	317.9	256.2		256.2
Denmark	88.8	62.3	39.5	22.8
Carrying amount	1,508.7	1,222.6		1,222.6

IMPAIRMENT TEST OF TANGIBLE AND INTANGIBLE ASSETS INCLUDING GOODWILL

The Group reviews assets for impairment whenever there are indication of impairment and at least at each year end.

The test is performed at the cash-generating unit ("CGU") level for the total of all tangible and intangible assets, including goodwill in each unit. The CGUs have been identified to be each separate country the Group operate which is considered to be the smallest identifiable group of assets that generate cash flow that are largely independent of cash inflows from other assets or group of assets. Acquired intangible assets, including goodwill are allocated to the Group's CGUs based upon the location of the acquired company.

The recoverable amount for a CGU is the higher of the fair value less cost of disposal and its value in use. Value in use is calculated using estimated future cash flows based on five-year financial forecasts that have been approved by Group management. Cash flows beyond the five-year period have been extrapolated using an estimated terminal growth rate.

The calculated recoverable amount exceeds the total assets for each CGU, therefore no impairment has been identified.

KEY VARIABLES IN FUTURE CASHFLOW

- Sales: Historic performance, competitiveness of the business, expected market growth, central and local government investment plans, and local market conditions.
- EBITA margin: Historical profitability levels and efficiency in the business, access to key individuals and qualified labor, skills in dealing with customers/customer relationships trends in expenses for salaries, and subcontractors.
- Working capital requirements: Long term assumption is that working capital will track sales growth.
- Investment needs: Investment needs in the businesses are assessed based on the investments required to achieve the forecast cash flows from the baseline, i.e. without investments for expansion and M&A. Normally, the level of investment has corresponded to the rate of depreciation of vehicles and equipment.

KEY ASSUMPTIONS IN THE DISCOUNTED CASH FLOW MODELS

The rate of return was calculated based on the Weighted Average Cost of Capital (WACC) method, derived from the Capital Asset Pricing Model (CAPM) methodology. The input to the WACC was chosen by an individual assessment of each parameter. The WACC was calculated to 8,4-9,6% (4,3%-6,0%). The main differences is risk-free interest rate on government bonds between the segments and small stock premium in Denmark. The key parameters were set to reflect the underlying long-term period of the assets and time horizon of the forecast period of the business cases.

**NOTE 10 INTANGIBLE ASSETS AND GOODWILL, continued.****KEY WACC PARAMETERS:**

- Risk-free interest rate: 2.1%-3.3% (0%-1.7%). Based on 10-year government bonds.
- Equity Beta: 1.0 (1.0) based on industry average, adjusted for the capital structure.
- Market Risk Premium: 6% (post tax) (5%) based on market sources.
- Cost of Debt: Risk-free interest rate plus a margin on group debt.
- Capital structure: equity ratio of 80.5% (80.5%) based on industry average.
- Small stock premium: 1.5% (2.0%).
- Terminal growth rate: 2.0% (2.0%).
- Tax rate: Nominal tax rate in each segment.

SENSITIVITY ANALYSIS

The value in use for the assets depends on the estimated cash flows and discount rate assumptions used in the model. The cash flows will be effected in relation to change in assumptions related to revenue growth and discount rate used. No impairment would be recognized if either of the following changes took place: A discount rate increase of 2 percentage point or a growth rate decrease by 2.

NOTE 11 LEASING**2022**

Right-of-use assets NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
Carrying amount at January 1, 2022	251.3	464.0	9.0	724.3
Acquired in business combinations	7.7	14.7	0.1	22.5
Additions	35.8	83.5	1.7	121.0
Depreciation	-53.7	-76.1	-4.4	-134.1
Transfer to property, plant and equipment	0.0	-17.5	-0.1	-17.6
Adjustments and changes to contracts	21.8	6.7	0.2	28.7
Translation differences	2.5	4.7	0.3	7.6
Carrying amount at December 31, 2022	265.4	480.1	6.8	752.3
Useful life in years	3-30	7-10	3-7	
Depreciation plan	Linear	Linear	Linear	

Lease liabilities NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
Carrying amount at January 1, 2022	260.9	428.6	9.2	698.7
Acquired in business combinations	7.7	14.7	0.1	22.5
Additions	35.8	83.5	1.6	120.9
Lease payments	-64.0	-108.2	-4.7	-176.9
Interest on the lease liability	14.5	17.8	0.3	32.6
Adjustments and changes to contracts	21.8	6.7	0.1	28.6
Translation differences	2.7	4.2	0.3	7.2
Carrying amount at December 31, 2022	279.3	447.5	6.9	733.7
Current lease liabilities	64.3	111.0	4.2	179.5
Non-current lease liabilities	215.0	336.5	2.8	554.3

Lease payments equals total cash outflows for leases

**NOTE 11 LEASING**, continued.

Undiscounted lease liabilities and maturity of cash outflows		Total
NOK million		
Less than 1 year		185.8
1-2 years		164.7
2-3 years		136.5
3-4 years		107.2
4-5 years		87.8
More than 5 years		177.2
Total undiscounted lease liabilities at 31 December 2022		859.2

Summary of other lease expenses recognized in profit or loss in 2022		Total
NOK million		
Variable lease payments expensed in the period		–
Operating expenses in the period related to short-term leases		1.0
Operating expenses in the period related to low value assets		1.0
Total lease expenses included in other operating expenses in 2022		2.0

2021				
Right-of-use assets	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
NOK million				
Carrying amount at January 1, 2021	181.5	410.1	7.9	599.4
Acquired in business combinations	42.2	41.0	3.3	86.4
Additions	65.1	125.1	2.4	192.6
Depreciation	–37.8	–69.2	–4.7	–111.7
Transfer to property, plant and equipment	–0.1	–28.7	–0.0	–28.8
Adjustments and changes to contracts	6.0	–2.2	0.6	4.3
Translation differences	–5.5	–12.1	–0.4	–18.0
Carrying amount at December 31, 2021	251.3	464.0	9.0	724.3
Useful life in years	3-30	7-10	3-7	
Depreciation plan	Linear	Linear	Linear	

Lease liabilities	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
NOK million				
Carrying amount at January 1, 2021	186.5	361.9	8.0	556.4
Acquired in business combinations	42.2	41.0	3.3	86.4
Additions	65.1	125.1	2.4	192.6
Lease payments	–48.5	–109.8	–5.0	–163.4
Interest on the lease liability	12.3	16.2	0.4	28.9
Adjustments and changes to contracts	8.7	5.5	0.6	14.8
Translation differences	–5.4	–11.2	–0.4	–17.0
Carrying amount at December 31, 2021	260.9	428.6	9.2	698.7
Current lease liabilities	52.9	98.3	4.3	155.5
Non-current lease liabilities	207.9	330.3	4.9	543.1

Lease payments equals total cash outflows for leases

**NOTE 11 LEASING**, continued.

Undiscounted lease liabilities and maturity of cash outflows		Total
NOK million		
Less than 1 year		160.6
1-2 years		150.4
2-3 years		132.0
3-4 years		109.9
4-5 years		84.4
More than 5 years		186.8
Total undiscounted lease liabilities at 31 December 2021		824.1

Summary of other lease expenses recognized in profit or loss in 2021		Total
NOK million		
Variable lease payments expensed in the period		–
Operating expenses in the period related to short-term leases		0.2
Operating expenses in the period related to low value assets		1.0
Total lease expenses included in other operating expenses in 2021		1.2

The leases recognized in 2022 and 2021 do not contain any restrictions on the Group's dividend policy or financing. The Group does not have significant residual value guarantees related to its leases to disclose.

OPTIONS TO EXTEND A LEASE AND PURCHASE OPTIONS

As of 31 December 2022 and 31 December 2021, there are no significant future potential lease payments that are not included in the lease obligations as a result of extension or purchase options.

**NOTE 12 PROPERTY, PLANT AND EQUIPMENT****2022**

NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
Acquisition cost	82.1	702.7	50.5	835.3
Accumulated depreciation	-18.2	-361.0	-26.8	-406.0
Net book value at 1 January 2022	63.9	341.6	23.8	429.3
Acquisition cost at 1 January 2022	82.1	702.7	50.5	835.3
Reclassification accumulated values	4.8	48.5	23.5	76.9
Acquired in business combinations	0.1	95.4	6.3	101.8
Additions	1.4	71.9	9.7	83.0
Transfer from right-of-use assets (see Note 11)	0.0	18.8	0.1	18.9
Disposals accumulated cost	-9.6	-54.5	-5.5	-69.6
Translation differences	1.2	-12.3	5.1	-6.1
Acquisition costs at 31 December 2022	80.1	870.5	89.8	1,040.4
Accumulated depreciation at 1 January 2022	-18.2	-361.0	-26.8	-406.0
Reclassification accumulated values	-7.8	-45.5	-23.6	-76.9
Acquired in business combinations	0.0	-25.7	-2.0	-27.8
Depreciation	-5.0	-93.8	-8.5	-107.3
Transfer from right-of-use assets (see Note 11)	0.0	-1.3	0.0	-1.3
Disposals accumulated depreciation	4.4	41.1	1.2	46.7
Translation differences	0.2	17.9	-1.9	16.2
Accumulated depreciation 31 December 2022	-26.4	-468.4	-61.9	-556.5
Acquisition cost	80.1	870.5	89.8	1,040.4
Accumulated depreciation	-26.4	468.4	-61.9	556.5
Net book value at 31 December 2022	53.7	402.3	27.9	483.9
Useful life in years	3-30	7-10	3-7	
Depreciation plan	Linear	Linear	Linear	

**NOTE 12 PROPERTY, PLANT AND EQUIPMENT, continued.****2021**

NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
Acquisition cost	77.1	509.7	45.0	631.8
Accumulated depreciation	-14.0	-319.9	-21.4	-355.3
Net book value at 1 January 2021	63.2	189.8	23.6	276.5
Acquisition cost at 1 January 2021	77.1	509.7	45.0	631.8
Acquired in business combinations	3.4	161.6	3.4	168.5
Additions	3.6	61.2	4.8	69.5
Transfer from right-of-use assets (see Note 11)	0.1	28.7	0.0	28.8
Disposals accumulated cost	-	-35.4	-1.3	-36.7
Translation differences	-2.1	-23.1	-1.4	-26.7
Acquisition costs at 31 December 2021	82.1	702.7	50.5	835.3
Accumulated depreciation at 1 January 2021	-14.0	-319.9	-21.4	-355.3
Depreciation	-4.8	-80.3	-7.2	-92.3
Opening balance correction*	-	-5.4	-	-5.4
Disposals accumulated depreciation	-	31.2	1.2	32.3
Translation differences	0.6	13.4	0.7	14.7
Accumulated depreciation 31 December 2021	-18.2	-361.0	-26.8	-406.0
Acquisition cost	82.1	702.7	50.5	835.3
Accumulated depreciation	-18.2	-361.0	-26.8	-406.0
Net book value at 31 December 2021	63.9	341.6	23.8	429.3
Useful life in years	3-30	7-10	3-7	
Depreciation plan	Linear	Linear	Linear	

* The correction of opening balance January 2021 relates to the transfer from leasing to PPE of bought out vehicles. The correction is recognized as depreciation.

NOTE 13 TRADE AND OTHER RECEIVABLES

Specification of trade and other receivables	Dec 31, 2022	Dec 31, 2021	Trade receivables maturity	Dec 31, 2022	%	Expected credit loss
Trade receivables	340.1	281.4	Not overdue	275.1	79%	1%
Other short-term receivables	128.6	142.8	Overdue 1-30 days	48.1	15%	1%
Receivables	468.7	424.2	Overdue 31-60 days	8.6	3%	1%
Prepayments	19.2	28.4	Overdue 61-90 days	5.0	1%	5%
Total	487.9	452.6	Overdue 91-180 days	5.2	1%	15%
			Overdue > 180 days	5.6	2%	80%
			Gross trade receivables	347.7	100%	
			Total provision for bad debt	-7.5	-2%	
			Net trade receivables	340.1		

**NOTE 13 TRADE AND OTHER RECEIVABLES, continued.**

Trade receivables maturity NOK million	Dec 31, 2021	%	Expected credit loss
Not overdue	227.7	80%	1%
Overdue 1-30 days	44.4	16%	1%
Overdue 31-60 days	5.9	2%	1%
Overdue 61-90 days	2.1	1%	1%
Overdue 91-180 days	2.2	1%	15%
Overdue > 180 days	2.9	1%	65%
Gross trade receivables	285.2	100%	
Total provision for bad debt	-3.9		
Net trade receivables	281.4		

Provision for bad debt NOK million	2022	2021
Opening balance	-3.9	-5.2
Increase in provision recognized in the year	-4.5	-1.3
Written of during the year as uncollectible	-2.7	-3.3
Unused amounts reversed	3.6	5.9
Closing balance	-7.5	-3.9

Trade receivables are subject to constant monitoring. Impaired receivables are reflected through provision for bad debt. Monthly assessments of loss risk are performed and corresponding provisions are made on entity level. The provision for bad debt reflects the total loss risk on groups trade receivables. The oldest trade receivables, overdue > 100 days, represent the highest risk level. Most of the impaired trade receivables are included in that category. The risk for losses on other receivables than trade receivables is assessed to be insignificant. For risk management see Note 21.

NOTE 14 CASH AND CASH EQUIVALENTS

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at 31 December:

Specification of trade and other receivables NOK million	Dec 31, 2022	Dec 31, 2021
Bank deposits	199.6	257.0
Restricted cash (employee withholding taxes)	5.1	3.4
Total cash and cash equivalents	204.7	260.4

Lease liabilities NOK million	2022	2021
Balance at the beginning of the period	698.7	556.4
<i>Cash changes</i>		
Payments to lessor	-176.9	-163.4
<i>Non-cash changes</i>		
Initial recognition	143.4	279.0
Accrued interest	32.6	28.9
Lease modifications	28.6	14.8
Foreign currency translation effect	7.2	-17.0
Balance at the end of the period	733.8	698.7

Borrowings NOK million	2022	2021
Balance at the beginning of the period	325.3	870.2
<i>Cash changes</i>		
Cash proceeds received from lender	331.1	547.1
Downpayments	-160.4	-1,235.3
<i>Non-cash changes</i>		
Changes from business combinations	44.5	127.3
Accrued interest	0.0	20.4
Foreign currency translation effect	4.5	-4.3
Balance at the end of the period	544.9	325.3

**NOTE 15 SHARE INFORMATION****2022**

	Ordinary shares	Preference shares	Share capital, NOK million	Additional paid in capital, NOK million
At January 1, 2022	182,474,021	-	0.6	1,432.9
New share issue	208,719	-	0.0	4.2
At December 31, 2022	182,682,740	-	0.6	1,437.1

2021

	Ordinary shares	Preference shares	Share capital, NOK million	Additional paid in capital, NOK million
At January 1, 2021	2,675,710	7,705,656	10.4	575.9
Capital increases	3,799	32,408	0.0	4.2
New parent share swap – Norva24 Holding AS (old parent company)	-2,679,509	-7,738,064	-10.4	9.9
New parent share swap – Norva24 Group AB (new parent company)	2,679,509	7,738,064	10.5	-
Capital reduction	-	-	-10.0	-
Capital increase	10,915	32,743	0.0	11.1
Share split	37,665,936	108,791,298	-	-
Conversion	116,562,105	-116,562,105	-	-
Long-term incentive program	-	-	-	13.8
New shares from IPO	25,555,556	-	0.1	817.9
At December 31, 2021	182,474,021	-	0.6	1,432.8

**NOTE 16 BORROWINGS**

Interest-bearing loans as presented in the statement of financial position NOK million	Dec 31, 2022	Dec 31, 2021
Non-current loans	533.5	264.1
Current portion of loans	11.5	61.2
Total interest-bearing loans	544.9	325.3

Specification of interest-bearing loans NOK million	Dec 31, 2022	Dec 31, 2021
Revolving credit facility	489.1	239.9
Seller's credit	–	46.1
Other bank loans	55.8	39.3
Total interest-bearing loans	544.9	325.3

REVOLVING CREDIT FACILITY

The Group have repaid existing loan facilities, replacing it with a new Revolving Facility Agreement securing the Group a total loan facility of NOK million 1.100. The Group are able to draw upon the facility as needed in any of the Groups currencies. The margin of the loan is 1,25% to 2,00% dependent on the leverage ratio. The facility is a three year agreement from the IPO 12 December 2021 with two one year extension options. Unused credit facility cost 35% of the margin of the loan.

The revolving credit facility is secured with a negative pledge that new credit lines must be approved by the existing bank, and that no assets can be used for security in new debt.

The revolving credit facility is subject to financial covenants where the proforma leverage ratio should not exceed 4,00:1 adjusted for exceptional items.

The Group is in compliance with all the covenants.

SELLERS CREDIT

Sellers credit was related to the acquisition of ExRohr GmbH. The debt is unsecured, and with a interest of 5%. There are no covenants on the debt.

OTHER BANK LOANS

Other bank loans consist of smaller bank loans and financing agreements not included in the Groups revolving credit facility. In addition, the Group has a overdraft and guarantee facility of NOK 50 million, where NOK 0,0 million (NOK 2,5 million) was utilized.

FAIR VALUE

The fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

NOTE 17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES**SPECIFICATION OF FINANCIAL ASSETS AND LIABILITIES**

The specification given below relates to financial statement line items containing financial instruments. Information is classified and measured in accordance with IFRS 9. Financial assets, classified as current and non-current, represent the maximum exposure Norva24 Group has towards credit risk as at the reporting date. All financial assets and financial liabilities measured at amortized cost (FAAC and FLAC) in the table have an amortized cost that approximates fair value at the balance sheet date.

NOK million	Category	Dec 31, 2022	Dec 31, 2021
<i>Financial assets</i>			
Investment in shares	FVTPL	0.6	1.3
Financial assets included in other non-current receivables	FAAC	4.6	1.1
Accounts receivable	FAAC	340.1	281.4
Financial assets included in other current receivables	FAAC	35.2	52.0
Cash and cash-equivalents	FAAC	204.7	260.4
Total financial assets		585.2	596.1

NOK million	Category	Dec 31, 2022	Dec 31, 2021
<i>Financial liabilities</i>			
Non-current lease liabilities	FLAC	554.3	543.1
Non-current loans	FLAC	533.5	264.1
Other non-current liabilities	FLAC	1.3	1.9
Earn-out provisions	FVTPL	76.0	60.3
Accounts payable	FLAC	135.8	144.2
Current portion of lease liabilities	FLAC	179.5	155.5
Current portion of loans	FLAC	11.5	61.2
Total financial liabilities		1,491.9	1,230.4

CATEGORIES

FAAC – Financial Assets at Amortized Cost

FVTPL – Fair Value Through P&L

FLAC – Financial Liabilities at Amortized Cost

**NOTE 18 OTHER CURRENT AND OTHER NON-CURRENT LIABILITIES**

Specification of other current liabilities NOK million	Dec 31, 2022	Dec 31, 2021
<i>Other current liabilities</i>		
Accrued expenses	30.0	142.4
Holiday pay payable	64.1	47.9
VAT payable	84.1	43.5
Social security taxes payable	24.2	18.9
Employee withholding taxes payable	22.3	24.7
Accrued salaries payable	29.6	19.1
Other	6.7	32.1
Total other current liabilities	261.1	378.6

NOK million	Other provision	Warrenty claim	Earnout	Total
Balance at the beginning of the period	1.9	0.0	60.4	62.2
Added with business combinations			59.1	59.1
Change in fair value recognized in profit or loss				
Additional provisions (loss)		23.7	3.9	27.6
Unused amounts reversed (profit)			1.7	1.7
Amounts used during the year	-0.6		-49.8	-50.4
Translation effect			0.7	0.7
Balance at the end of the period	1.3	23.7	76.0	101.0

Specification of provisions NOK million	Current	Non-cur- rent	Dec 31, 2022 Total
Earnout	28.3	47.7	76.0
Warranty claim	23.7	–	23.7
Other provisions	0.0	1.3	1.3
Total	52.0	49.0	101.0

Specification of provisions NOK million	Current	Non-cur- rent	Dec 31, 2021 Total
Earnout	50.0	10.4	60.4
Warranty claim	–	–	0.0
Other provisions	0.0	1.9	1.9
Total	50.0	12.2	62.2

**NOTE 19 TAXES**

Specification of deferred tax/deferred tax benefit NOK million	Deferred tax assets		Deferred tax liabilities	
	2022	2021	2022	2021
<i>Temporary differences</i>				
Intangible assets			43.1	29.0
Property, plant and equipment			29.0	5.3
Leasing			2.8	3.7
Liabilities		-0.0	34.6	
Other differences		-16.2	12.6	0.2
Tax losses carried forward	-41.6	-0.9		
Deferred tax (asset)	-41.6	-17.0	122.1	38.2

NOK million	2022	2021
Net deferred tax liability	80.5	21.2

Reconciliation of change in deferred tax 2022 NOK million	Recognized in profit and loss	Acquired in business combinations	Translation difference	Total change
Intangible assets	-2.2	16.6	-0.3	14.1
Property, plant and equipment	23.9	-	-0.2	23.7
Leasing	-0.9	-	-0.0	-0.9
Liabilities	34.9	-	-0.2	34.6
Other differences	21.9	6.7	-0.1	28.5
Tax losses carried forward	-40.7	-	-	-40.7
Change in deferred tax liability	36.8	23.3	-0.8	59.4

Reconciliation of change in deferred tax 2021 NOK million	Recognized in profit and loss	Acquired in business combinations	Translation difference	Total change
Intangible assets	-8.0	17.2	-0.2	9.0
Property, plant and equipment	-1.1	-	-0.1	-1.1
Leasing	1.2	-	-0.0	1.1
Liabilities	-14.7	-	-0.2	-14.8
Other differences	-20.5	-	-0.1	-20.6
Tax losses carried forward	-0.9	-	-	-0.9
Change in deferred tax liability	-43.9	17.2	-0.6	-27.1

Specification of income tax expense NOK million	2022	2021
Payable tax on profits for the year	-13.3	-34.0
Adjustments for current tax of prior periods	-6.7	-4.1
Change in deferred tax	-36.8	43.9
Income tax expense	-56.9	5.8

**NOTE 19 TAXES, continued.**

Reconciliation of income tax expense NOK million	2022	2021
Profit before income tax	196.3	80.2
Nominal tax rate of the group	24.1%	25.0%
Tax at nominal tax rate	-47.3	-20.0
Tax effect of permanent differences	-2.8	20.2
Other differences, including tax cost recognized in equity	-6.7	5.6
Income tax expense	-56.8	5.8
Effective tax rate	29%	-7%

Nominal tax rates in each country %	2022	2021
Norway	22.0	22.0
Germany	30.0	30.0
Sweden	20.6	20.6
Denmark	22.0	22.0
Weighted average group nominal tax rate	24.1	25.0

NOTE 20 BUSINESS COMBINATIONS

Acquired units during 2022	Country	Date	Ownership
IRG Rörinspektion AB	Sweden	April 5	100%
Rohr Frei Schnelldienst Axel Zimmerbeutel GmbH	Germany	April 13	100%
Thornvig Jensen A/S and J.S. Overfladebehandling ApS	Denmark	July 1	100%
Stockholm Relining AB	Sweden	July 7	100%
Jutzy Haustechnik und Service GmbH	Germany	September 1	100%
CKS Express Baumanagement GmbH and CKS Rohr Express e.K.	Germany	October 4	100%

Acquired units during 2021	Country	Date	Ownership
Kjelsberg Transport AS	Norway	February 1	100%
GJ & Son AB	Sweden	February 1	100%
Mayer and Krüger (consists of 2 companies)	Germany	April 1	100%
GR Avloppsrensning i Stockholm AB	Sweden	June 1	100%
Malmberg Miljöhantering AB	Sweden	June 1	100%
Ulvby Miljö AB (consists of 3 companies)	Sweden	June 30	100%
Decker Group (consists of 7 companies)	Germany	June 30	100%

Purchase consideration NOK million	2022	2021
Cash paid	288.3	262.5
Earn-out/Contingent consideration (Fair value estimate at date of acquisition)	59.1	31.0
Seller's credit	-	-
Shares issued	4.2	8.4
Total purchase consideration	351.6	301.9

**NOTE 20 BUSINESS COMBINATIONS, continued.**

Opening balance sheet – Fair value at acquisition date of acquired companies:		
NOK million	2022	2021
Cash	19.4	48.4
Other current assets	145.7	59.5
Other non-current assets	96.5	183.2
Brand	20.4	14.4
Customer relationships	40.8	28.9
Total assets	322.8	334.4
Other current liabilities	157.3	78.5
Other non-current liabilities	50.0	127.3
Deferred tax on excess values	16.6	17.2
Total Liabilities	223.8	223.0
Net identifiable assets	98.9	111.4
Goodwill	252.7	190.5
Total purchase consideration	351.6	301.0
Cash paid	288.3	262.5
Cash acquired	19.4	48.4
Net cash paid	268.9	214.1

The acquisitions will strengthen the Group's position in the existing segments and the operations of the acquired entities are similar to the existing operations. The Group considers them to be individually immaterial and therefore the acquisitions are shown jointly. Goodwill consists of synergies from cost savings and the increase in market share. The acquired businesses also include the assembled workforce. These items are not identifiable assets, and are subsumed into goodwill. Goodwill will not be deductible for tax purposes. All purchase price allocations in 2022 are preliminary. Transaction costs are shown as non-recurring items under note 5 as they impact comparability. Transaction cost are recognized under Other operating expenses in the statement of profit or loss.

Earn-outs are conditional on the acquired entities reaching certain future financial targets such as revenue, EBITDA and EBITA. The Group accounts for earn-outs at fair value and accrues for based on the likelihood of achieving these targets and the expected future pay-out. Gains and losses recognized are shown in note 9.

ADDITIONAL FINANCIAL INFORMATION AND PRO-FORMA REVENUE AND PROFIT (LOSS)

Related to the acquisitions presented above, for accounting purposes the Norva24 Group consolidated statements of comprehensive income only include the revenues (and related expenses) as from the date of the acquisition. The first table below presents the revenue and profit (loss) for the acquired companies since their respective acquisition dates in the consolidated accounts for the periods. The second table presents the revenue and loss of the combined Norva24 Group for the current reporting period as though the acquisition date for all combinations that occurred during the year had been as of the beginning of the annual reporting period.

Revenue and profit (loss) from acquisition date to 31 December in the acquisition year		
NOK million	2022	2021
Revenue	168.4	253.8
Profit/loss for the period	14.1	29.3
Revenue and profit (loss) from January 1 to December 31 in the acquisition year		
NOK million	2022	2021
Revenue	346.8	348.0
Profit/loss for the period	27.1	36.1

**NOTE 21 FINANCIAL RISK AND CAPITAL MANAGEMENT****FINANCIAL RISK MANAGEMENT POLICIES**

The Group's overall financial risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

OPERATIONAL RISKS

The Group has a customer base divided into three categories: multi-year contracted revenues, often with public customers, revenues from recurring customers, and other customers who use the services from time to time. The customer base is very large, and no customer accounts for more than 3% of revenues.

There are no business customer segments with a dominant share of revenues, and no industries with such either. This reduces the commercial risk and makes the Group more resilient to economic cycles.

The Group is not immune to economic cycles, but the long-term growth in the industry support the activity and revenues in situations with lower economic activity in our markets.

Competition

The Group has many competitors in each of its business areas and across the geographical markets in which the Group operates. The Group believes that competition in the business areas in which it operates will continue in the future. The Group continuously monitors its competitive environment.

Volatility in prices of input factors

The Group's largest cost element is personnel cost, making up close to half of the cost base. Other major cost elements are related to vehicles and machinery, both in purchasing vehicles, fuel and keeping them operative.

Uninsured losses

The Group maintains a number of separate insurance policies to protect its core businesses against loss and/or liability to third parties. Risks insured include general liability, business interruption, cyber crime, workers' compensation and employee liability, professional indemnity and material damage.

FOREIGN EXCHANGE RISK

The group's operations are segmented by geography and are exposed to NOK, EUR, SEK and DKK. The group's operational activities have limited currency risk as revenue and cost is denominated in the same currency. The Group has some risk related to purchase of production equipment largely denominated in EUR, to use in Norway and Sweden. As the Group reports its financial results in NOK, changes in the relative strength of NOK to the currencies in which the Group conducts business can adversely affect the Group's financial development.

Group management is monitoring the currency exposure on a group level. Foreign exchange risk is to a large extent balanced out by the cash generation of the operations in these currencies. The group uses the debt structure to actively match the net interest bearing debt to the group's profitability. Given a good balance between NIBD and profitability, the currency fluctuations will not have a major impact on the interest and debt serving ability of the Group.

The Group's treasury function regularly evaluates the use of hedging instruments but currently has a limited usage of such instruments. At the balance date, the Group has no derivative financial instruments in the risk management.

Translation risk sensitivity

For the financial year of 2022, if the currencies EUR, DKK and SEK had weakened/strengthened by 10% against the NOK with all other variables held constant, revenues would vary by around +/-6% or MNOK +/-150 (+/-3% or MNOK +/-60). EBITA would have been more impacted with a +/- of 6% changed.

INTEREST RATE RISKS

The Group's interest rate risk arises from long-term borrowings. The Group's debt is drawn up in NOK, SEK, DKK and EUR with the corresponding interest rates. The Group analyzes its interest rate exposure on a running basis in relation to the effect on the total profitability of the group, and the ability to service the debt. Currently no hedging instruments in relation to interest rates.

Sensitivity

Based on the simulations performed per 31.12.2021, the impact on pre-tax profit of a +/-1.0 percentage point shift in both the NOK, SEK, DKK and EUR interest would be a maximum increase or decrease of MNOK 11 (MNOK 3).

CREDIT RISK

Credit risk is managed on group and entity level. Credit risk arises mainly from trade with customers and outstanding receivables. The level of receivables and overdue are monitored on a monthly basis. The Group has a large number of customers with limited outstanding amounts, limiting the risk. Historically the Group have had limited loss on receivables.

FUNDING AND LIQUIDITY RISK

Cash-flow forecasting is performed by segment financial organization of the Group in the budget, and updated during the year. The Group keeps track of its liquidity requirements and monitors to ensure there is sufficient cash to meet both operational needs while maintaining financial capacity to continue the M&A activity so important to the Group. Surplus cash held by the operating entities is for most part included in the cash pool system of the Group, thereby reducing the overall working capital needs.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in the interest of customers, employees, shareholders and other stakeholders.

Profits are reinvested into growth and expansion initiatives, including acquisitions, and as such does not expect to pay annual dividends to its shareholders in the medium term.

The Group monitors capital on the basis of the gearing ratio and the level of equity. These ratios are calculated as net debt divided by proforma adjusted EBITDA and equity divided by total balance. The goal is to sustain a steady state net debt ratio (including IFRS16 liabilities) of 2.5x adjusted proforma EBITDA allowing for temporary increase to give room for M&A.

**NOTE 21 FINANCIAL RISK MANAGEMENT**, continued.

Specification of interest-bearing loans per currency NOK million	Dec 31, 2022	Dec 31, 2021
NOK	217.5	240.4
EUR	274.1	68.4
SEK	53.4	16.6
DKK	0.0	0.0
Total interest-bearing loans	544.9	325.3

LIQUIDITY RISK

Maturities of financial liabilities 31 December 2022 NOK million	Less than 6 months	6-12 months	1-5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
<i>Contractual maturities of financial liabilities</i>						
Accounts payable	135.8	–	–	–	135.8	135.8
Earn-out provisions	7.3	21.0	47.7	–	76.0	76.0
Other current liabilities	177.0	84.1	–	–	261.1	261.1
Lease liabilities	97.0	88.9	496.2	177.2	859.2	733.7
Revolving credit facility	–	–	539.2	–	539.2	489.1
Other bank loans	6.0	5.8	46.6	–	58.3	55.8
Total at 31 December 2022	423.1	199.7	1,129.7	177.2	1,929.6	1,751.5

LIQUIDITY RISK

Maturities of financial liabilities 31 December 2021 NOK million	Less than 6 months	6-12 months	1-5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
<i>Contractual maturities of financial liabilities</i>						
Accounts payable	144.2	–	–	–	144.2	144.2
Earn-out provisions	19.0	31.0	10.4	–	60.3	60.3
Other current liabilities	241.4	–	–	–	241.4	241.4
Lease liabilities	83.8	76.8	476.6	186.8	824.1	698.7
Revolving credit facility	–	–	244.4	–	244.4	239.9
Seller's credit	46.1	–	–	–	46.1	46.1
Other bank loans	7.6	7.5	22.7	1.5	39.3	39.3
Total at 31 December 2021	542.1	115.3	754.1	188.3	1,599.8	1,469.9

**NOTE 21 FINANCIAL RISK MANAGEMENT**, continued.**LIQUIDITY RESERVE**

The liquidity reserve of the Group consists of cash and cash equivalents in addition to undrawn credit facilities.

NOK million	2022	2021
Cash and cash equivalents	204.7	260.4
Restricted cash	–5.1	–3.4
Undrawn facility	610.9	855.6
Unused overdraft facility	50.0	47.5
Liquidity reserve	860.5	1,160.1

The major entities in the Group are members of the international multi-currency cash pool, where cash deficits in one entity are offset with surplus cash in another entity.

NOTE 22 GUARANTEES

The Norva24 Group has operational guarantees related to operational permits, supplier contracts and customer contracts.

Guarantee amounts at 31 December: NOK million	2022	2021
Operational guarantees	78.8	37.0
Employee withholding tax guarantees	44.3	15.9
Total	123.1	52.8

NOTE 23 EARNINGS PER SHARE

Earnings per share NOK million (except per share amounts)	2022	2021
Net income	139.5	86.0
Less preference shares annual dividend	–	31.3
Net income after preference share allocation	139.5	54.7
Weighted-average ordinary shares outstanding for the period	182,584,957	64,165,959
Basic earnings per share, NOK	0.76	0.81
Diluted earnings per share, NOK	0.76	0.81

As of December 31, 2022, Norva24 Group have one share class with all equal rights. The Group have a long term incentive program with potential dilutive effects, but as the program is out of the money, it has no dilutive effect.

At May 31, 2022, the group issued 208,719 new shares in connection with the acquisition of IRG Rörinspektion.

At December 9, 2021, the Group issued new shares as part of the IPO.

At November 19, 2021 all preference shares was converted into ordinary shares.

The preference shareholders receive a preference right to a 10% straight (no compounding over time) dividend on the subscribed NOK amount. The preference share dividend for 2020 is based on the number of outstanding preference shares as of January 1 and is 10% of the subscribed NOK amount. For 2021 it is calculated up to the conversion, where preference shares were converted into ordinary shares based on their fair value. The preference share dividend is a contingent liability and was therefore not recognized in the statement of financial position.

At October 25, 2021 the Group split their shares in preparation for the IPO, resulting in each ordinary share split into 15 new shares. This split has been implemented so that the proportionate change in numbers of shares outstanding have been adjusted as if the split was performed January 1, 2020.

NOTE 24 RELATED PARTY TRANSACTIONS

Related parties' relationships are defined to be entities outside the Norva24 Group that are under control (either directly or indirectly), joint control or significant influence by the owners, Board of Directors or management of Norva24 Group. Related parties are in a position to enter into transactions with group companies that would potentially not be undertaken between unrelated parties. The terms and conditions of the transactions with related parties are considered to be on an arm's length basis. Salaries and benefits received by senior management and board of directors are reported in Note 7.

**NOTE 25 SUBSIDIARIES**

Company name	Segment	Corporate ID	Country of Incorporation	Acquisition date	Ownership percentage
Norva24 Group AB (publ)	Corporate	559226-2553	Sweden	2021-06-30	ultimate parent
Norva24 Holding AS	Corporate	914 881 447	Norway	2021-06-30	99.8%
Norva24 MipCo AB	Corporate	559341-1886	Sweden	2021-12-08	92.5%
Norva24 AS	Corporate/Norway	914 881 463	Norway	2015-01-09	100%
Spyleteknikk AS	Norway	888 299 092	Norway	2015-04-01	100%
Norva24 Øst AS	Norway	951 141 836	Norway	2015-04-01	100%
Østfold Høytrykk AS	Norway	984 382 286	Norway	2015-09-01	100%
Norva24 Vest AS	Norway	971 057 440	Norway	2015-11-01	100%
Ringerike Septikservice AS	Norway	945 559 705	Norway	2016-05-01	100%
Flagstad AS	Norway	998 326 648	Norway	2016-10-01	100%
Norva24 Sørmiljø AS	Norway	915 684 092	Norway	2017-06-01	100%
Bergen Rørinspeksjon AS	Norway	989 068 156	Norway	2020-01-01	100%
Kjeldsberg Transport AS	Norway	925 704 458	Norway	2021-02-01	100%
Norva24 Deutschland GmbH	Germany	HRB 236395	Germany	2019-03-01	100%
ExRohr GmbH	Germany	HRB 6052 HL	Germany	2019-03-01	100%
Behne Entsorgungsservice GmbH	Germany	HRB 209237	Germany	2020-09-01	100%
Rohrreinigung Falkenhagen GmbH	Germany	HRB 20275 HL	Germany	2020-09-01	100%
Kommunaltechnik Segler GmbH	Germany	HRB 20412 HL	Germany	2020-09-01	100%
Norva24 Erwerbs GmbH	Germany	HRB 236185	Germany	2020-11-01	100%
Kanal-Türpe Gochsheim GmbH & Co. KG	Germany	HRB 895	Germany	2020-11-01	100%
Kanal-Türpe Gochsheim Verwaltungs GmbH	Germany	HRB 5302	Germany	2020-11-01	100%
Kanal-Türpe Blomberg GmbH	Germany	HRB 7822	Germany	2020-11-01	100%
Kanal-Türpe Rohrreinigung GmbH	Germany	HRB 7758	Germany	2020-11-01	100%
Kanal-Türpe Entsorgung GmbH & Co. KG	Germany	HRB 9850	Germany	2020-11-01	100%
Kanal-Türpe Entsorgung Verwaltungs GmbH	Germany	HRB 7558	Germany	2020-11-01	100%
Mayer Kanalmanagement GmbH	Germany	HRB 7054 FF	Germany	2021-04-01	100%
Krüger Wasserhochdrucktechnik GmbH	Germany	HRB 3274 FF	Germany	2021-04-01	100%
MBR Umwelttechnik + Rohrreinigung GmbH	Germany	HRB 111982	Germany	2021-06-30	100%
AWT Decker Hamburg GmbH	Germany	HRB 112557	Germany	2021-06-30	100%
AWT Decker Berlin GmbH	Germany	HRB 199804 B	Germany	2021-06-30	100%
Rohr Frei Schnelldienst Axel Zimmerbeutel GmbH	Germany	HRB 14724	Germany	2022-04-13	100%
Jutzy Haustechnik und Service GmbH	Germany	HRB 15932	Germany	2022-09-01	100%
CKS Express Baumanagement GmbH	Germany	HRB 15932 B	Germany	2022-10-04	100%
CKS Rohr Express e.K.	Germany	HRB 245639 B	Germany	2022-10-04	100%

**NOTE 25 SUBSIDIARIES, continued.**

Company name	Segment	Corporate ID	Country of Incorporation	Acquisition date	Ownership percentage
Norva24 AB	Sweden	559113-9653	Sweden	2017-08-01	100%
A Söderlindhs AB	Sweden	556700-5151	Sweden	2017-08-01	100%
Miljövision Per Göransson AB	Sweden	556360-0484	Sweden	2019-12-01	100%
LGT:s Högtryck AB	Sweden	556335-6285	Sweden	2020-01-01	100%
Solna Högtrycksspolning AB	Sweden	556229-5658	Sweden	2020-09-01	100%
GJ & Son AB	Sweden	556545-1159	Sweden	2021-02-01	100%
G R Avloppsrensning i Stockholm AB	Sweden	556502-5805	Sweden	2021-06-01	100%
Malmberg Miljöhantering AB	Sweden	556292-9322	Sweden	2021-06-01	100%
Ulvsby Miljö AB	Sweden	559235-2073	Sweden	2021-06-30	100%
FM Miljö Holding AB	Sweden	559301-9671	Sweden	2021-06-30	100%
Filipstad Miljösanering AB	Sweden	556520-2889	Sweden	2021-06-30	100%
IRG Rörinspektion AB	Sweden	556212-9345	Sweden	2022-04-05	100%
Stockholm Relining AB	Sweden	556779-2691	Sweden	2022-07-07	100%
Norva24 Danmark A/S	Denmark	10 206 987	Denmark	2017-01-01	100%
Thornvig Jensen A/S	Denmark	41 247 622	Denmark	2022-07-01	100%
J.S. Overfladebehandling ApS	Denmark	16 585 580	Denmark	2022-07-01	100%

NOTE 26 SUBSEQUENT EVENTS**ACQUISITIONS IN 2022**

- Norva24 has signed an agreement buying 100% of the shares and assets in NRC Gravco AS and its subsidiary Septik Tank AS together "Gravco". The acquisition of Gravco further strengthens Norva24's market position in Underground Infrastructure Maintenance (UIM) in the Greater Oslo and surrounding area. Gravco had a revenue of around NOK 90 million during 2022 with a high margin.

Initial accounting for the business combinations is incomplete at the time the financial statements are authorized for issue.

- To strengthen Norva24's Group Management Team and prepare for further expansion, as per 1 February 2023, Stein Yndestad assumes the position as Group Chief Corporate Development Officer, reporting to the Group CEO and Dean Zuzic assumed the position as Group CFO
- CEO of Sweden Håkan Wessel decided to step down in April 2023. Norva24 have appointed Mikael Smedborn as new CEO of Sweden and he will assume his position from April 1, 2023.
- Henrik Damgaard has accepted a new job as CEO for a company in another non-competing industry, and he has therefore decided to step down as Group CEO in July 2023. The board has started the process of finding the new CEO of Norva24.



Notes to the Parent Company financial statements

NOTE 1 GENERAL INFORMATION

The reporting entity reflected in these consolidated financial statements comprises Norva24 Group AB (publ), corporate registration number 559226-2553 is a Swedish entity domiciled in Stockholm, Sweden. The financial statements are presented in million Swedish Kronor (SEK million) unless otherwise stated. Information in parentheses refers to the comparison period. During 2021, the company have changed its financial year to harmonate with the rest of the Group, giving a financial year of 16 months from 1.9.2020 to 31.12.2021.

NOTE 2 SUMMARY OF IMPORTANT ACCOUNTING PRINCIPLES

This note contains a listing of the material accounting principles applied in the preparation of this historical financial information. These principles have been applied consistently for all periods presented, unless otherwise stated. The parent company applies the accounting principles of the group as described in note 3 of the consolidated financial statements. The most important accounting principles applied in the preparation of this historical financial information are listed below. The financial statements of Norva24 Group AB (publ) are prepared in accordance with RFR 2 Accounting for legal entities and the Annual Accounts Act. The historical information has been prepared according to the acquisition value method.

SHARES IN SUBSIDIARIES

Shares in subsidiaries are reported at acquisition value after deductions for any impairment. The acquisition value includes acquisition-related costs. When there is an indication that shares in subsidiaries have decreased in value, a calculation is made of the recoverable amount. If this is lower than the carrying amount, an impairment is made. Impairment losses are reported in the item "Profit from shares in Group companies".

SHARE CAPITAL

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new shares or options are reported, net after tax, in equity as a deduction from the issue proceeds.

PRESENTATION

The income statement and balance sheet follow the format of the Annual Accounts Act. The statement of changes in equity follows the presentation format of the Group but must contain the columns specified in the Annual Accounts Act. Furthermore, that means a difference in names, compared with the consolidated accounts, mainly regarding financial income, expenses and equity.

FINANCIAL INSTRUMENTS

IFRS 9 is not applied in Norva24 Group AB (publ). Norva24 Group AB (publ) instead applies the points specified in RFR 2 (IFRS 9 Financial Instruments, p. 3-10). Financial instruments are measured

based on acquisition value. In subsequent periods, financial assets acquired with the intention of being held in the short term will be reported at the lower of acquisition value and market value. When calculating the net sales value of receivables that are reported as current assets, the principles for impairment testing and loss risk reserve in IFRS 9 shall be applied. For a receivable that is reported at amortized cost at Group level, this means that the loss risk reserve that is reported in the Group in accordance with IFRS 9 will also be recognized in the Parent company.

NOTE 3 RELATED PARTY TRANSACTIONS

Loan to shareholders SEK million	2022	2021
At the beginning of the period	0.1	0.1
Repayment of loan	-0.1	-
Amortized amounts	-	-
Interest expenses	-	-
Paid interest	-	-
At the end of the period	-	0.1
Non-current loan to subsidiaries SEK million	2022	2021
At the beginning of the period	879.8	-
New loan issue	4.5	879.1
Repayment of loan	-41.9	-
Reclassification current to non-current loan	11.3	-
Amortized amounts	-	-
Interest expenses	12.9	0.7
Paid interest	-	-
At the end of the period	866.7	879.8
Current loan to subsidiaries SEK million	2022	2021
At the beginning of the period	11.3	-
New loan issue	-	11.1
Reclassification current to non-current loan	-11.3	-
Amortized amounts	-	-
Interest expenses	-	0.2
Paid interest	-	-
At the end of the period	-	11.3

The Parent company has no provisions for doubtful receivables attributable to related parties. The Parent company did not report any costs regarding doubtful receivables from related parties during the period. No security is provided for the receivables.



NOTE 4 SUBSIDIARIES

Subsidiaries Company name	Corporate registration number	Domicile and country of registration and operations	Ownership- and voting percentage	Number of shares	Carrying amount Dec 31, 2021	Carrying amount Dec 31, 2022
Norva24 Holding AS	914 881 447	Stryn, Norway	97.0%	10,417,573	2,881.7	2,795.7
Norva24 Mipco AB	559341-1886	Stockholm, Sweden	92.5%	9,853,597	0.0	80.0
Total					2,881.7	2,875.6

Norva24 Mipco AB owns 3% of the shares in Norva24 Holding AS, giving a total indirect ownership of 99,8% of the shares

NOTE 5 OTHER OPERATING EXPENSES

Specification of other operating expenses SEK million	2022	2021
Legal, audit and consultancy fees	-3.2	-30.1
Miscellaneous office expenses	-0.0	-1.1
Other	-5.4	-0.0
Total	-8.7	-31.2
Specification of fees paid to auditors SEK million	2022	2021
Audit	1.6	0.4
Other audit-related services	-	1.1
Tax consultancy services	0.1	8.1
Other consultancy services	-	9.5
Total	1.7	19.1

NOTE 6 FINANCIAL ITEMS

Specification of financial items SEK million	2022	2021
Interest income on loans to subsidiaries	13.0	0.9
Currency exchange gain	0.4	-
Gain sale of MipCo shares	7.8	-
Other financial income	0.0	-
Financial income	21.2	0.9
Interest cost on loans from subsidiaries	-0.3	-0.0
Currency exchange loss	-0.8	-0.0
Other financial expenses	-4.9	-0.0
Financial expenses	-6.0	-0.0
Net financial items	15.2	0.9



Signatures of the Board of Directors

The Board of Directors and the CEO certify that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and provide a true and fair view of the financial position and performance of the Group. The annual report was prepared in accordance with generally accepted accounting principles and provides a true and fair view of the Parent Company's financial position and performance. The Administration Report for the Group and Parent Company gives a true and fair view of the Parent Company's and the Group's operations, financial position and performance, and describes significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Board of Directors and CEO of Norva24 Group AB

Stockholm, April 20, 2023

Vidar Meum
Chairman

Allan Engström
Board member

Arild Bødal
Board member

Einar Nornes
Board member

Mats Lönnqvist
Board member

Linus Lundmark
Board member

Monica Reib
Board member

Terje Bøvelstad
Board member

Ulrika Östlund
Board member

Henrik Damgaard
Group CEO

Our audit report was submitted April 20, 2023

Öhrlings PricewaterhouseCoopers AB

Nicklas Kullberg
Authorized Public Accountant

NOTE 7 TAXES

Calculation of deferred tax/ deferred tax benefit SEK million	Dec 31, 2022	Dec 31, 2021
Tax losses carried forward	79.5	80.9
Basis for deferred tax (asset)	79.5	80.9
Deferred tax (asset)	-16.4	-16.7
Deferred tax in the balance sheet	16.4	16.7

Specification of income tax expense SEK million	2022	2021
Payable tax on profits for the year	-	0.0
Change in deferred tax	-0.3	16.7
Income tax expense	-0.3	16.7

Reconciliation of income tax expense SEK million	2022	2021
Profit before income tax	9.2	-30.3
Nominal tax rate of the group	20.6%	20.6%
Tax at nominal tax rate	1.9	-6.2
Tax effect of permanent differences	-2.2	22.9
Income tax expense	-0.3	16.7
Effective tax rate	3%	55%

NOTE 8 OTHER CURRENT LIABILITIES

Specification of other current liabilities SEK million	Dec 31, 2022	Dec 31, 2021
Accrued expenses	2.7	42.5
Other	2.7	13.9
Total	5.4	56.5



Four-year summary

FOUR-YEAR SUMMARY				
NOK million	2022	2021	2020	2019
Revenue from customer contracts	2,445.3	2,006.3	1,512.4	1,279.2
Other operating revenue	21.1	19.0	10.1	8.3
Total operating revenue	2,466.5	2,025.2	1,522.5	1,287.5
Operating expenses				
Operational service expenses	-320.7	-220.4	-173.7	155.4
Personnel expenses	-1,040.8	-879.3	-672.6	567.9
Vehicle operating expenses	-390.4	-288.1	-191.1	189.7
Other operating expenses	-232.1	-246.7	-143.3	130.4
Other gains	5.0	40.3	-	-
Total operating expenses	-1,979.0	-1,594.2	-1,180.8	1,043.5
Earnings before interest, taxes, depreciation and amortization (EBITDA)	487.5	431.0	341.8	244.0
Total depreciation	-241.4	-209.6	-145.6	-105.5
Earnings before interest, taxes and amortization (EBITA)	246.0	221.5	196.2	138.5
Total amortization	-34.3	-28.0	-17.0	-9.3
Earnings before interest and taxes (EBIT)	211.7	193.5	179.2	129.3
Financial items				
Financial income	42.8	9.6	23.6	9.4
Financial expenses	-58.3	-123.0	-57.4	-55.4
Net financial items	-15.5	-113.4	-33.9	-45.9
Profit before income tax (EBT)	196.3	80.2	145.3	83.2
Income tax expense	-56.8	5.8	-33.3	-25.0
Profit for the period	139.5	86.0	112.0	58.2
Adjusted EBITA	246.0	257.7	211.9	143.6
Adjusted EBITA margin	11.3%	12.7%	13.9%	11.2%



QUARTERLY DATA FOR THE CONSOLIDATED GROUP								
NOK million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Total operating revenue								
Norway	174.6	202.5	203.8	220.5	213.1	243.5	222.7	225.6
Germany	117.4	148.8	182.5	197.7	157.0	173.7	203.4	278.8
Sweden	51.8	67.7	87.3	99.8	85.5	114.0	103.2	124.2
Denmark	66.2	66.3	67.5	70.9	70.7	77.9	83.4	91.0
Corporate	-1.2	1.2	-	-	0.0	-0.6	-0.7	0.0
Group	408.9	486.5	541.0	588.9	526.4	608.5	612.0	719.5
EBITA								
Norway	13.5	46.7	28.6	33.7	29.1	44.8	40.4	19.9
Germany	24.8	19.5	34.9	29.0	19.0	25.3	31.2	20.0
Sweden	2.3	12.5	11.3	10.1	4.6	13.8	15.3	15.0
Denmark	-6.6	-8.3	3.3	43.9	-0.3	2.4	7.5	0.5
Corporate	-7.3	-20.3	-16.3	-33.9	-9.1	-14.4	-8.9	-10.1
Group	26.7	50.1	61.8	82.8	43.3	71.9	85.5	45.3
Adjusted EBITA								
Norway	16.0	47.4	28.6	34.2	29.1	47.5	40.6	20.2
Germany	25.7	22.5	34.9	36.0	19.0	27.4	33.3	45.2
Sweden	3.0	14.9	11.3	10.3	4.6	14.6	16.7	15.0
Denmark	-5.1	-8.3	3.3	3.7	-0.3	2.4	5.0	0.5
Corporate	-6.4	-6.6	-5.6	-2.3	-9.1	-14.4	-8.9	-9.9
Group	33.2	69.9	72.5	82.0	43.3	77.6	86.7	71.0
Adjusted EBITA margin								
Norway	9.2%	23.4%	14.0%	15.5%	13.6%	19.5%	18.2%	9.0%
Germany	21.9%	15.1%	19.1%	18.2%	12.1%	15.8%	16.4%	16.2%
Sweden	5.8%	22.0%	13.0%	10.4%	5.4%	12.8%	16.1%	12.1%
Denmark	-7.6%	-12.5%	4.9%	5.3%	-0.4%	3.1%	6.0%	0.5%
Corporate	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Group	8.1%	14.4%	13.4%	13.9%	8.2%	12.7%	14.2%	9.9%



Key performance indicators

KEY FIGURES

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES, NOT DEFINED UNDER IFRS

Line ID	NOK million	Source	Calculation	2022	2021
A	Total operating revenue	P&L		2,466.5	2,025.2
	Profit/(Loss) for the period	P&L		139.5	86.0
	Earnings per share (basic and diluted), NOK	P&L		0.76	0.81
	Average number of ordinary shares outstanding			182,584,957	64,165,959
	Growth in total revenue, %			21.8	33.0
	Organic growth in total revenue, %			7.7	0.9
	Organic growth in total revenue, currency adjusted %			8.9	3.3
	Acquired growth in total operating revenue, %			14.1	32.1
B	Total operating expenses	P&L		-1,979.0	-1,594.2
C	EBITDA (earnings before interest, taxes, depreciation and amortization)		C=A-B	487.5	431.0
	EBITDA margin, %		C/A	19.8	21.3
D	Depreciation of tangible assets (PPE and leasing right-of-use assets)	P&L		-241.4	-209.6
E	EBITA		E=C-D	246.0	221.5
	EBITA margin, %		E/A	10.0	10.9
F	Depreciation, amortization and impairment of tangible and intangible assets	P&L		-275.7	-237.5
G	EBIT		G=C-F	211.7	193.5
	EBIT margin, %		G/A	8.6	9.6
H	Non-recurring items, expenses			32.5	30.8
H2	Non-recurring items, depreciation and amortization	Note 5		-	5.4
I	Adjusted EBITDA		I=C+H	520.0	461.8
	Adjusted EBITDA margin, %		I/A	21.1	22.8
J	Adjusted EBITA		J=E+H+H2	278.6	257.7
	Adjusted EBITA margin, %		J/A	11.3	12.7
K	Adjusted EBIT		K=G+H+H2	244.3	229.7
	Adjusted EBIT margin, %		K/A	9.9	11.3
L	Leasing payments	Note 11		176.9	163.4
M	Capital expenditures (additions less disposals)	Note 10, 12		60.1	65.2
N	Cash capital expenditures		N=L+M	237.0	228.6
O	Cash EBITA		O=C-N	250.5	202.5
P	Adjusted cash EBITA		P=I-N	283.0	233.2
	Adjusted cash EBITA margin, %		P/A	11.5	11.5
Q	Net cash inflow from operating activities	Cash flow Statement		343.3	337.4
R	Cash conversion, %		Q/I	66.0	73.1



Balance sheet key financials

Line ID	NOK million	Source	Calculation	Dec 31, 2022	Dec 31, 2021
AA	Non-current and current loans	Financial position		544.9	325.3
AB	Non-current and current lease liabilities	Financial position		733.8	698.7
AC	Cash and cash equivalents	Financial position		204.7	260.4
AD	Net debt		AD=AA+AB-AC	1,074.1	763.6
AE	Net debt/adjusted EBITDA LTM*		AE=AD/I	2.07	1.7
BA	Inventories	Financial position		12.7	10.8
BB	Accounts receivable	Financial position		340.1	281.4
BC	Other current receivables	Financial position		147.8	171.2
BD	Accounts payable	Financial position		135.8	144.2
BE	Other current payables	Financial position		313.1	378.6
BF	Net working capital		BF=BA+BB+BC-BD-BE	51.7	-59.3
BG	Net working capital/LTM total revenue, %		BG=BF/A	2.1	-2.9
CA	Total assets	Financial position		3,607.8	3,225.1
CB	Current liabilities	Financial position		661.2	764.8
CC	Capital employed		CC=CA-CB	2,946.6	2,460.3
CD	Return on capital employed, %		CD=G(LTM)/CC	7.2	7.9

* LTM - Last twelve months



Segment key performance indicators

SEGMENT KEY PERFORMANCE INDICATORS

NOK million	2022	2021	Change, %
Norway			
Total operating revenue	904.9	801.5	12.9
EBITA	134.2	122.4	9.6
EBITA margin, %	14.8	15.3	-0.5 pp
Adjusted EBITA	137.5	126.2	8.9
Adjusted EBITA margin, %	15.2	15.7	-0.6 pp
Germany			
Total operating revenue	812.9	646.3	25.8
EBITA	95.5	108.2	-11.7
EBITA margin, %	11.7	16.7	-5.0 pp
Adjusted EBITA	124.9	119.1	4.9
Adjusted EBITA margin, %	15.4	18.4	-3.1 pp
Sweden			
Total operating revenue	426.9	306.6	39.2
EBITA	48.8	36.3	34.2
EBITA margin, %	11.4	11.9	-0.4 pp
Adjusted EBITA	50.9	39.6	28.6
Adjusted EBITA margin, %	11.9	12.9	-1.0 pp
Denmark			
Total operating revenue	323.0	270.8	19.3
EBITA	10.1	32.3	-22.2
EBITA margin, %	3.1	11.9	-8.8 pp
Adjusted EBITA	7.6	-6.3	13.9
Adjusted EBITA margin, %	2.4	-2.3	4.7 pp
Corporate & other			
Total operating revenue	-1.3	0	
EBITA	-42.5	-77.8	
EBITA margin, %	n.a.	n.a.	
Adjusted EBITA	-42.3	-20.9	
Adjusted EBITA margin, %	n.a.	n.a.	
Norva24 Group			
Total operating revenue	2,466.5	2,025.2	21.8
EBITA	268.8	221.5	21.4
EBITA margin, %	10.9	10.9	0.0 pp
Adjusted EBITA	278.6	257.7	8.1
Adjusted EBITA margin, %	11.3	12.7	-1.4 pp





Auditor's report

To the general meeting of the shareholders of Norva24 Group AB (publ), corporate identity number 559226-2553

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Norva24 Group AB (publ) for the year 2022 except for the corporate governance statement on pages 78-81. The annual accounts and consolidated accounts of the company are included on pages 91-131 in this document.

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 parent company and the group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with 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 financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 78-81. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and

considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition:

We refer to notes 3 Significant accounting principles.

The Group's recognised turnover amounted to approximately MNOK 2 445 in 2022. The sales consist of UIM services and are recognized as revenue over time.

The performance obligations are usually fulfilled on the same day as the service is performed. For longer commitments, successive profit recognition calculated on the number of working hours in relation to the total expected number of working hours is applied.

Revenue recognition is considered a key audit matter due to the entry's size and significance to the Group's stakeholders.

The identified risks are that revenue transactions do not exist or are recognized in the correct period in accordance with customer contracts.

Our audit approach includes but is not limited to:

- In our audit we have mapped the company's routines and processes relating to invoicing and revenue recognition in order to understand how they work and potential errors that might occur. This mapping was done so that we can determine appropriate audit procedures.
- Review compliance with the Group's accounting principles.



- Analysis of revenues and gross profit margins during the year compared to previous year.
- Obtain customer invoices and proof of payments through sample testing to ensure that revenues and accounts receivables exist and are recognized in the correct period.

The result of these procedures has not given rise to any significant observations in the audit.

Valuation of goodwill regarding Denmark

We refer to notes 3 Significant accounting principles and 10 Intangible assets and goodwill.

The management has conducted an impairment test on the Group's goodwill divided into the four geographical segments which constitute the cash-generating units as of 2022-12-31. The impairment tests are based on the budgets for year 2022 and a terminal growth rate of 2%, but with adapted discount rates for each cash-generating unit.

Management has prepared a sensitivity test per cash-generating unit with a -2% decreased terminal growth rate and a +2% increased WACC. No need for impairment was identified.

The valuation of goodwill is seen as a key matter since it is based on significant management assumptions.

Identified risks are as follows:

- that there is a need for impairment of goodwill related to the Danish segment if its performance does not correspond to expectations.
- that significant management assumptions and estimates used in the impairment are not reasonable.

Our audit approach includes but is not limited to:

- Involve PwC's valuation specialists to test management's assumptions and calculation of WACC as well as confirm the impairment tests' IFRS compliance.
- Test the sensitivity of the valuation for negative changes to significant parameters.
- Review the budgets in relation to forecasts and with our knowledge regarding Norva24 Group's growth and margins.

The result of these procedures has not given rise to any significant observations in the audit.

Acquisitions and purchase price allocation valuation

We refer to notes 3 Significant accounting principles and 20 Business combinations.

The company performed 6 acquisitions during 2022. Acquisitions in 2022 included companies in all segments, except for Norway. The company has a goal of growing through acquisitions, therefore, the acquisitions represent an area of significant importance.

Below are the identified risks of errors:

- The risk that necessary provisions, contingent liabilities or obligations are not considered.
- The risk that the opening balance at acquisition is not correct.
- The risk that the calculated goodwill and key assumptions in the purchase price allocations are not reasonable.

Our audit approach includes but is not limited to:

- Review of share purchase agreements to identify potential contingent liabilities, earnouts and similar.

- Review purchase price allocations from an accounting and valuation perspective. Significant assumptions made by management were discussed and challenged.
- Confirm acquisition value and earnouts to underlying supporting evidence.
- Review earnout calculation, including the effect of discounting.
- Confirm mathematical accuracy and reasonable currency rates used for currency revaluation as at 2022-12-31.

The result of these review stages has not led to any significant observations in the audit.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-71 and 132-137. The information in the remuneration report published on Norva24 Group AB (publ)'s website is also considered other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free



from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Norva24 Group AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing

Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Norva24 Group (publ) for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Norva24 Group (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my (our) ethical responsibilities in accordance with these requirements.

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



Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 78-81 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Norva24 Group AB (publ) by the general meeting of the shareholders on May 31, 2022 and has been the company's auditor since May 31, 2021.

Stockholm 20 April 2023

Öhrlings PricewaterhouseCoopers AB
Nicklas Kullberg
Authorized Public Accountant



Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Norva24 Group AB (publ), corporate identity number 559226-2553

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the statutory sustainability report for the year 2022 on pages 42-61 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

OPINION

A statutory sustainability report has been prepared.

Stockholm 20 April 2023

Öhrlings PricewaterhouseCoopers AB
Nicklas Kullberg
Authorized Public Accountant





Definitions

DEFINITIONS AND EXPLANATIONS OF KEY PERFORMANCE INDICATORS

Measure	Definition	Reason for use
Total operating revenue growth	Change in total operating revenue as a percentage of total operating revenue during the comparison period, i.e., the previous year or quarter.	Change in total operating revenue reflects the Company's realized operating revenue growth over time.
Organic growth in total operating revenue	Change in total operating revenue in comparable units after adjustment for acquisition effects, as a percentage of total operating revenue during the comparison period.	Organic total operating revenue growth excludes the effects of changes in the Company structure, which enables a comparison of operating revenue over time.
Acquired growth in total operating revenue	Change in total operating revenue as the percentage change from the comparison period of total operating revenue during the comparison period, driven by acquisitions. Acquired total operating revenue is defined as total operating revenue during the period attributable to companies which have been acquired during the most recent 12-month period and for these companies only operating revenue until 12 months after acquisition closing date.	Acquired growth – Total operating revenue growth reflects the acquired units' effects on total operating revenue.
EBITDA	Earnings before interest, taxes, depreciation and amortization.	EBITDA provides an overall picture of profit generated from the operating activities and is a supplement to the operating profit (EBIT).
EBITDA margin	EBITDA as a percentage of total operating revenue.	EBITDA margin is used to measure operating profitability and indicates the Company's operating earnings capacity.
EBITA	Earnings before interest, taxes and amortization.	EBITA provides an overall view of profit generated by operating activities and is a supplement to the operating profit.
EBITA margin	EBITA in relation to total operating revenue.	EBITA margin is used to measure operating profitability and indicates the Company's operating earnings capacity.
EBIT margin	Earnings before interest and taxes (EBIT) in relation to total operating revenue.	Operating margin enables comparisons of the Company's profitability regardless of capital structure or tax situation.
Non-recurring items	Items affecting comparability such as acquisition costs, integration costs and listing costs.	Enables comparison of profitability measures without items affecting comparability.
Adjusted EBITDA	EBITDA adjusted for non-recurring items.	Enables comparison of EBITDA without items affecting comparability with other periods. Adjusted EBITDA is a measure that the Company regards as relevant for investors who wish to understand income generation before investments in noncurrent assets and items affecting comparability.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of total operating revenue.	Adjusted EBITDA margin excludes the effect from items affecting comparability, which enables a comparison of the underlying operating profitability over time.
Adjusted EBITA	EBITA adjusted for non-recurring items.	Enables comparison of EBITA without items affecting comparability with other periods. Adjusted EBITA is a measure that the Company regards as relevant for investors who wish to understand income generation before investments in noncurrent assets and items affecting comparability.
Adjusted EBITA margin	Adjusted EBITA as a percentage of total operating revenue.	Adjusted EBITA margin excludes the effect from items affecting comparability, which enables a comparison of the underlying operating profitability over time.



Measure	Definition	Reason for use
Adjusted EBIT	Earnings before interest and taxes (EBIT) adjusted for non-recurring items.	Adjusted EBIT (operating profit) excludes the effect from items affecting comparability, which provides an over picture of profit generated from the operating activities.
Adjusted EBIT margin	Adjusted operating profit as a percentage of total operating revenue.	Adjusted EBIT (operating margin) excludes the effect from items affecting comparability, which enables a comparison of the underlying business over time.
Cash capital expenditures	Lease payments for vehicles including interest and amortization of vehicle lease liability, rental payments for real estate and capital expenditures (investments in owned vehicles and equipment less disposals)	Cash capital expenditures is used as an alternative measure for the Group's capital expenditures to reflect that leasing agreements are capitalized upfront while the cash payments are done over the lease period.
Cash EBITA	EBITDA less cash capital expenditures	Cash EBITA provides an overall view of profit generated by operating activities and is a supplement to the operating profit. The measure is comparable to EBITA, but instead EBITDA less depreciation of fixed and leased assets, it is adjusted for the cash expenditures to such assets. This will show the impact of timing of CAPEX and the impact of financial lease on profitability.
Adjusted cash EBITA	Cash EBITA adjusted for non-recurring items	Cash EBITA adjusted for non-recurring items affecting comparability which enables a comparison of the underlying operating profitability over time.
Net debt	Total interest bearing liabilities less cash and cash equivalents. Total interest bearing liabilities consists of non-current and current loans, non-current and current leasing liabilities according to IFRS 16.	Net debt is used to monitor the interest-bearing liabilities development and monitor the level of the refinancing requirement. The measure is also used as the numerator in the Net debt ratio used to monitor financial leverage.
Net debt/ LTM adjusted EBITDA	Net debt in relation to twelve-month adjusted EBITDA. Pro forma EBITDA includes all operations within the Group for the full last twelve month period.	The Company uses the Net debt ratio to monitor the level of financial leverage.
Net working capital	Inventory, accounts receivable and other current receivables less trade payables and other current liabilities.	The measure shows how much net working capital is allocated in the operations and is useful to indicate how effectively net working capital is used.
Net working capital/ operating revenue	Net working capital in relation to the pro forma rolling twelve-month operating revenue.	Net working capital ratio enables the Company to measure its net working capital over time.
Capital expenditures	Capital expenditures is defined as funds used by the Group to acquire, upgrade, and maintain owned physical assets such as property, buildings, vehicles, or equipment. Excluding acquisitions and divestments.	Capital expenditures is used to measure the required accounted invested funds to acquire, upgrade, and maintain the Company's physical assets.
Net cash inflow from operating activities	From the Cash flow statement.	Operating cash flow is used to monitor cash flows generated by operating activities. The measure is also used as the numerator in the calculation of cash conversion.
Cash conversion	Net cash inflow from operating activities in relation to adjusted EBITDA.	Cash conversion enables the Company to monitor how efficiently the Company manages operating investments and working capital as well as the operating activity's ability to generate cash flows.
Capital employed	Total assets less current liabilities.	Capital employed is a measure which the Company uses for calculating the return on capital employed and for measuring how efficient the Company is without taking goodwill generated in connection with acquisition into account.
Return on capital employed	EBIT in relation to Capital employed.	



Other information

ANNUAL GENERAL MEETING

The Annual General Meeting 2023 of Norva24 will be held on 25 May, 2023 at 16:00 CEST at GT30, Grev Turegatan 30, Stockholm. For further information about the Annual General Meeting 2023, please refer to Norva24's website, www.norva24.com.

CONTACT INFORMATION

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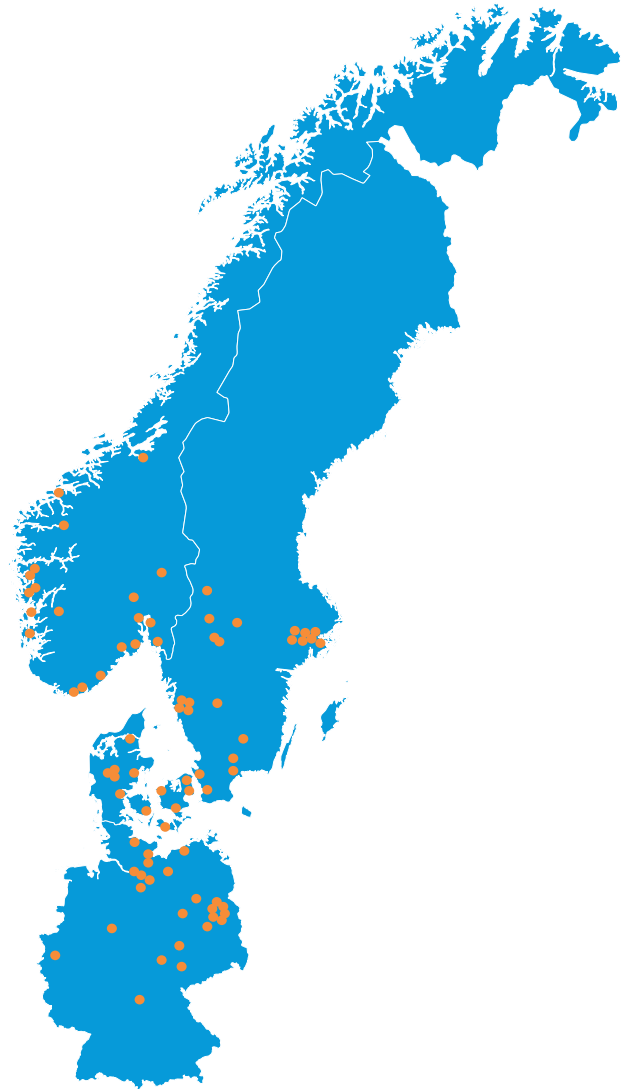
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FINANCIAL CALENDAR

Interim report January-March 2023	May 23, 2023
Annual General Meeting 2023	May 25, 2023
Interim report January-June 2023	August 22, 2023
Interim report January-September 2023	November 21, 2023

ALWAYS HERE
TO HELP!

NORVA²⁴



Norva24

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