

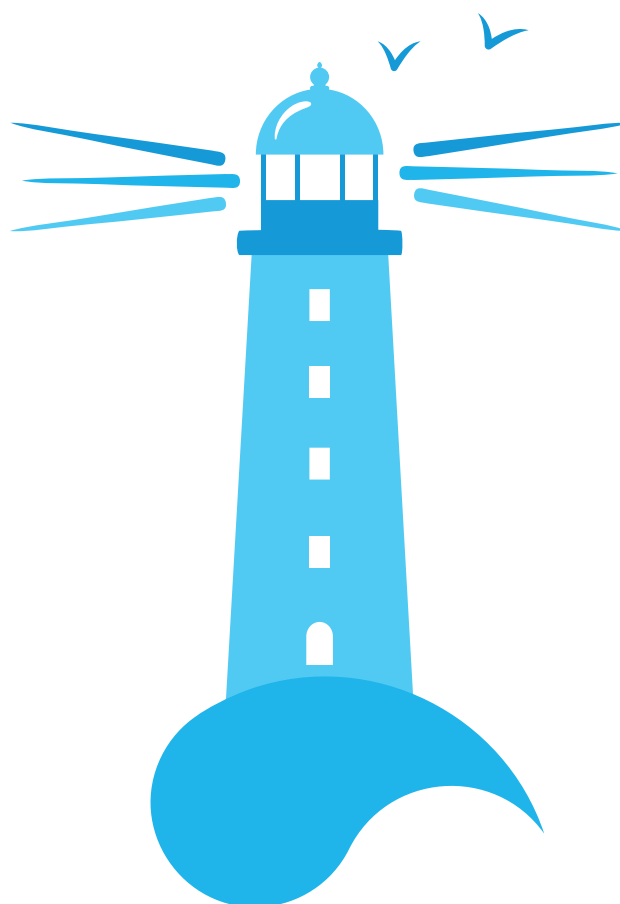


**Norva24 Group AB
Annual Report &
Sustainability Report 2023**



Table of content

2023 in figures	4
Overview of Group	5
This is Norva24	6
CEO statement	8
Our financial targets	11
Our business model	12
Our strategy	16
Key customer segments	18
Drivers and trends	20
Description of Norva24 Services	24
Norway	30
Germany	32
Sweden	34
Denmark	36
How we work with mergers and acquisitions	38
Established and proven integration model	41
Sustainability is part of our purpose	42
Environment	44
EU Taxonomy Green activities	45
Other environmental initiatives	49
Case: Steering Towards Sustainability – Norva24's Electric Vehicle Initiative	50
Social	51
Case: Equal opportunities for all at Norva24	53
Ethical business	54
Regulatory frameworks	57
EU Taxonomy notes	58
Contribution to the UN's Global Goals	62
Why invest in Norva24?	63
Share price information and ownership	64
Risks	68
Board of Directors' report	72
Internal control	77
Corporate governance report	78
Presentation of Board of Directors	82
Presentation of Group Management	86
Consolidated financial reporting	89
Parent Company financial reporting	94
Notes to the consolidated financial statements	98
Notes to the Parent Company financial statements	126
Signatures of the Board of Directors	129
Financial summary	130
Auditor's report	136
Definitions	142
Other information	145



Pages 42-62 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 2023 and is based on the material sustainability issues identified in 2023.

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

2

Category leader in Northern Europe benefiting from barriers to entry

3

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

4

Decentralized route and branch-based business model serving a diverse 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



2023 in figures

Total operating
revenue
NOK **3,152** million

Growth
+28%

Currency
adjusted organic growth
+6%

Adjusted EBITA
NOK **348** million
Growth **+25%**

Adjusted EBITA margin
11%

EBIT
NOK **284** million
Growth **+34%**

Completed acquisitions
4
Acquired growth
+14%

Net debt/
adjusted EBITDA LTM
2.0x

Green services
46%



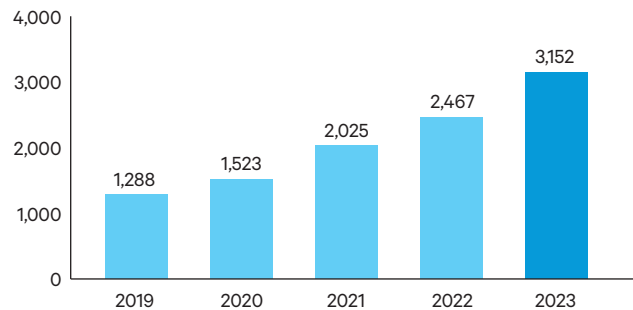


Overview of Group

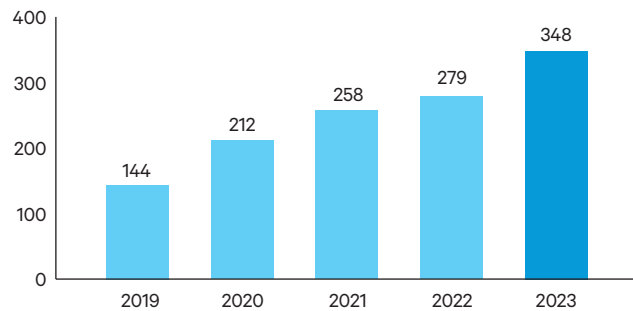
- **Leading UIM operator in Northern Europe**
Providing critical Underground Infrastructure Maintenance services to municipalities, businesses and households
- **European vision**
- **ESG early mover**
- **Digital disruptor**
- **Good organic and M&A growth and margins**
- **~60,000 customers**

Total operating revenue

NOK million

**Adjusted EBITA**

NOK million

**FINANCIAL OVERVIEW**

NOK million

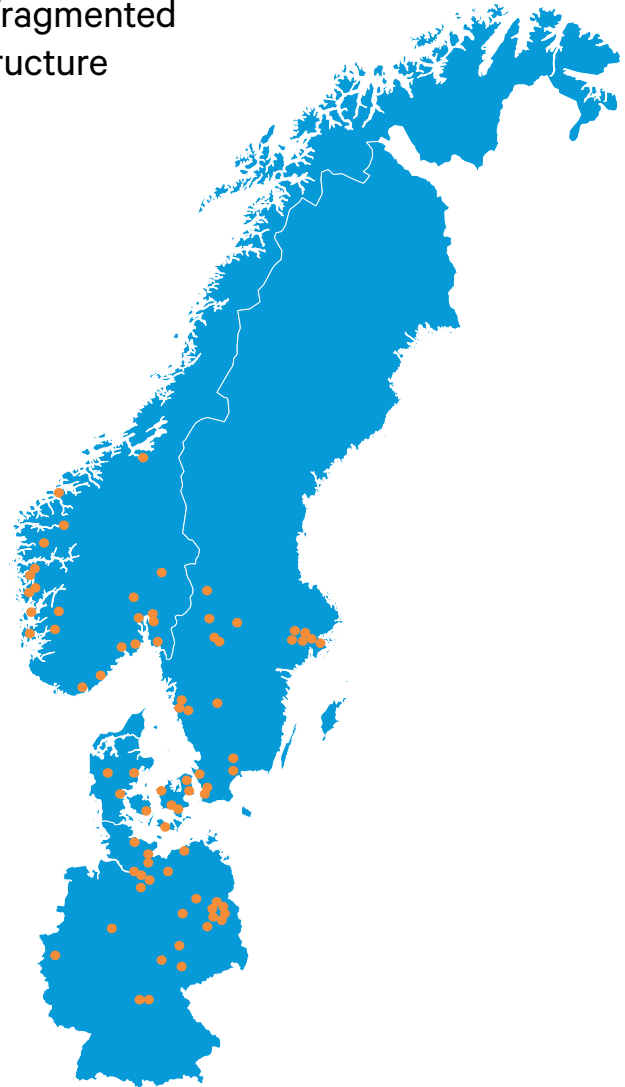
	2023	2022	2021	2020
Total operating revenue	3,151.9	2,466.5	2,025.2	1,522.5
Growth – total revenue, %	27.8	21.8	33.0	18.3
Adjusted EBITA	347.7	278.6	257.7	211.9
Adjusted EBITA margin, %	11.0	11.3	12.7	13.9
Adjusted EBITA growth, %	24.8	8.1	21.6	47.6
EBIT	283.9	211.7	193.5	179.2
Cash flows from operating activities	553.9	343.3	337.4	353.8
Cash conversion, %	86.9	66.0	73.1	99.0
Net debt (at period end)	1,250.2	1,074.1	763.6	1,245.6
Net debt (at period end)/adjusted EBITDA LTM	2.0	2.1	1.7	3.5
Earnings per share (basic and diluted), NOK	1.24	0.76	0.81	1.87

This is Norva24

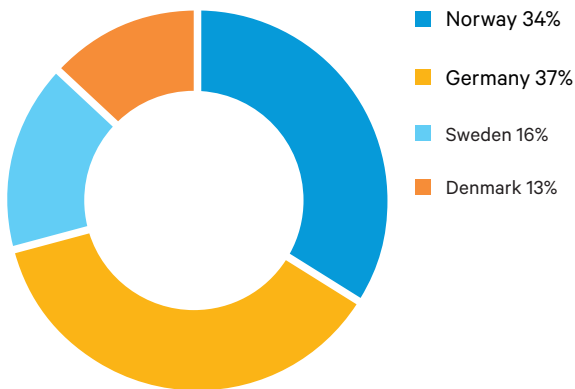
Norva24 is the market leader within the fragmented Northern European Underground Infrastructure Maintenance (UIM) services market.

Our goal is to become the leading European operator and serve as a true source of inspiration within the UIM industry. We are well on our way with this strategy, having made significant progress in 2023.

Norva24 continues to operate through a route-based and decentralized branch model, which has been a cornerstone of our success. With long-standing relationships with local SMEs and regional customers, Norva24 stands out as one of the few operators capable of serving both national and international customers.



Geographical distribution 2023



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

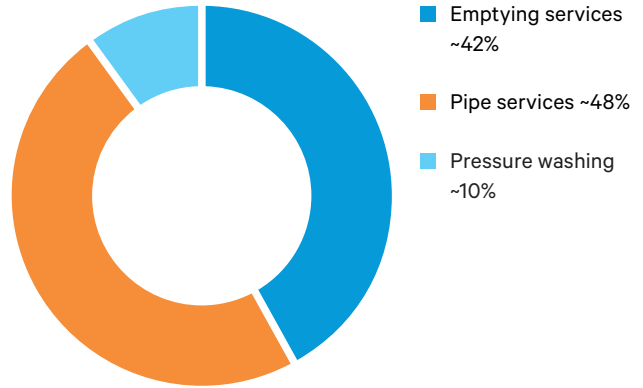
- Strengthening resilience and adaptive capacity to climate-related hazards
- A front-runner in reducing own climate impact



HOW WE SUPPORT OUR CUSTOMERS

UIM services play a crucial role in sustaining society by ensuring that underground infrastructure is continuously maintained. This maintenance is vital for fostering a sustainable and functional society. The average age of current underground infrastructure networks are more than 40 years on average in the markets where Norva24 operates. In certain cases, these systems are nearly twice their expected lifespan, underscoring the increased need for maintenance and services to preserve their functionality.

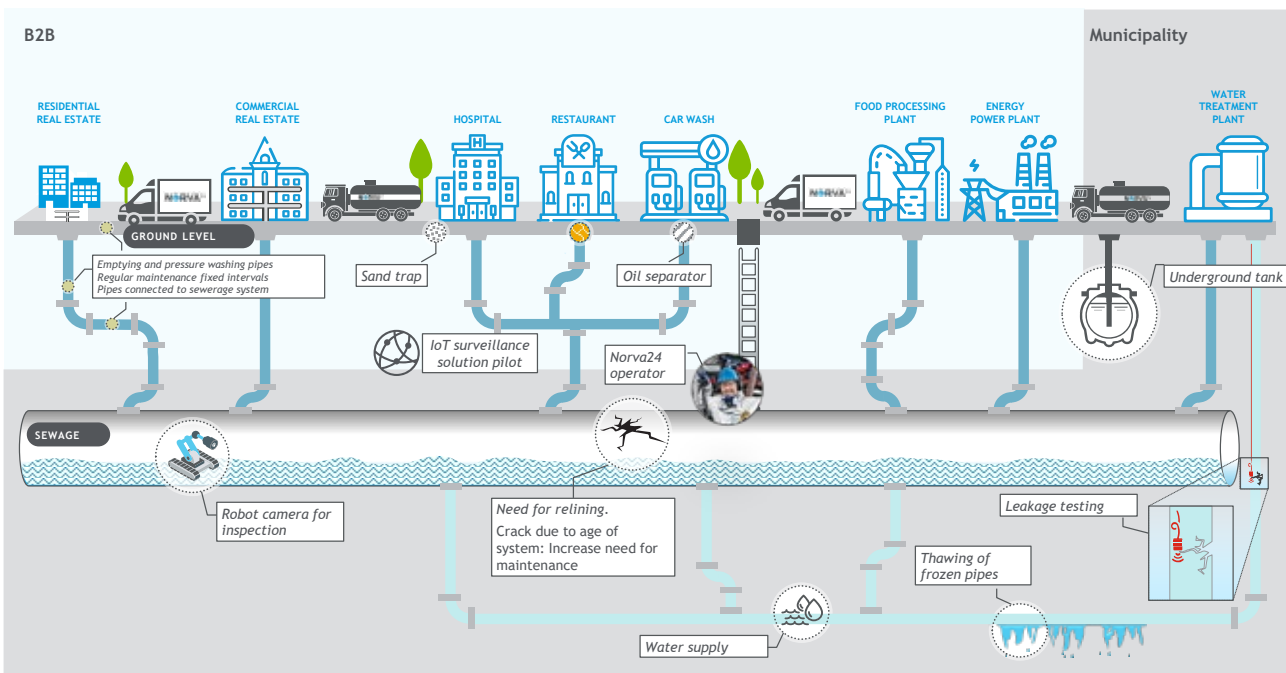
Intertwined service offering



~60,000 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





Leading the transformation of underground infrastructure

I joined Norva24 as CEO in September 2023 with great excitement and high expectations, and after my first half-year at the helm, my conviction of the enormous potential is more than confirmed.

As the clear market leader in the underground infrastructure maintenance (UIM) market in the Nordics and in Northern Europe, we are perfectly positioned to further strengthen our position and to create value for customers, local communities and shareholders in the years to come.

2023 was a challenging year in many ways. The geopolitical situation continued to be turbulent, and our thoughts are, first and foremost, with those affected by wars and other violent conflicts. Extreme weather had a severe impact on many societies during the year, underscoring the need to push ahead for sustainable and climate friendly solutions on all fronts. Despite operating in a safe and stable part of Europe, these developments are important to us as well. While the general macro environment has little impact on spending on our services, volatile energy prices affect our cost levels. At the same time, climate change, more extreme weather, population growth and urbanization are putting the underground infrastructure under more pressure, leading to an increased need for maintenance and strengthening of the infrastructure.

Another driving factor for us is the fact that the sewerage infrastructure in our four markets has an average age exceeding 40 years. Older infrastructure requires more maintenance than newer ones, leading to higher demand for our services. All in all, we estimate our potential market size to be more than NOK 40 billion in our current geographies and more than NOK 160 billion for Europe. This, along with the strong growth and the low sensitivity to economic cycles, creates a very bright outlook for Norva24's future prospects.

2023, the continued robust growth is a key highlight and we are proud of the revenue growth of 28 percent to NOK 3.2 billion, driven by a combination of organic growth and acquisitions. Currency adjusted organic growth was 6 percent. Despite very challenging weather conditions at the end of the year, we maintained an adjusted EBITA margin of 11 percent. Moreover, we also continued to produce strong cash flows, with cash flow from operating activities up 61 percent to NOK 554 million, implying a cash conversion of 87 percent, up from 66 percent in 2022.

Even though the financial development during the year was solid, we continue to strive for improvements, and we are focusing on five key areas aiming to further accelerate growth and margin development:

1. Price optimization, ensuring compensation for cost inflation
2. Improved utilization of vehicles and personnel
3. Close follow-up of underperforming branches through benchmarking and people management
4. Continued push on M&A, emphasizing increased density in existing markets and expansion to new geographies in Northern Europe
5. Reducing net working capital, to increase cash conversion and ROCE

Our outlook remains positive. We have proven that our growth model works, and with 50 acquisitions since 2015, we have shown that we can identify new acquisition targets, complete the acquisition process successfully and integrate these new businesses into our group with subsequent profitability improvements. During 2023 we reorganized our finance function, aiming to reinforce our ability



to execute our strategy. We have a strong pipeline of acquisition targets, some of which will add substantial revenue, which means that we are confident in our revenue target of NOK 4.5 billion by 2025. We are also on a path of margin improvement, and we target an adjusted EBITA margin of 14-15 percent in the medium term. The impact of the acquisitions we make will determine the exact timing of this goal, as we tend to acquire companies that profitability wise will benefit from becoming part of our group.

Our balance sheet is strong, not the least thanks to our strong operational cash flow. This gives significant capacity for growth through acquisitions, even though we will remain disciplined with regards to capital allocation. We never overpay, and we will not rush our acquisition agenda if it compromises our return on investments.

At Norva24 we keep advancing our sustainability efforts. This Annual Report also contains our Sustainability report, and we are glad to see improvement in most of our key focus areas. We still have special priority in enhancing our performance in terms of relative energy consumption measured as kWh/revenue where all energy consumption is converted into kWh equivalents, and we also focus on increasing sales from green services under the EU taxonomy. In addition, health and safety is a key area for us, and we have monthly monitoring of key KPIs related to accidents and sick leave.



Wrapping up, let me thank all our 1,750 employees for your efforts and engagement through an exciting and good year for Norva24.

To our more than 60,000 customers across the Nordics and Germany, I would like to reiterate and highlight our strong passion for always helping, always focusing on finding the best solutions, and always serving them with a smile and positive appearance.

Thank you for putting your confidence in us, and we are looking for another positive year for Norva24!

Henrik Norrbom
Group CEO
Stockholm, April 2024

“We are proud of the revenue growth of 28 percent to NOK 3.2 billion. Currency adjusted organic growth was 6 percent. Despite very challenging weather conditions at the end of the year, we maintained an adjusted EBITA margin of 11 percent and a cash flow from operating activities up 61 percent to NOK 554 million, implying a cash conversion of 87 percent.”

Clear Northern European market leader

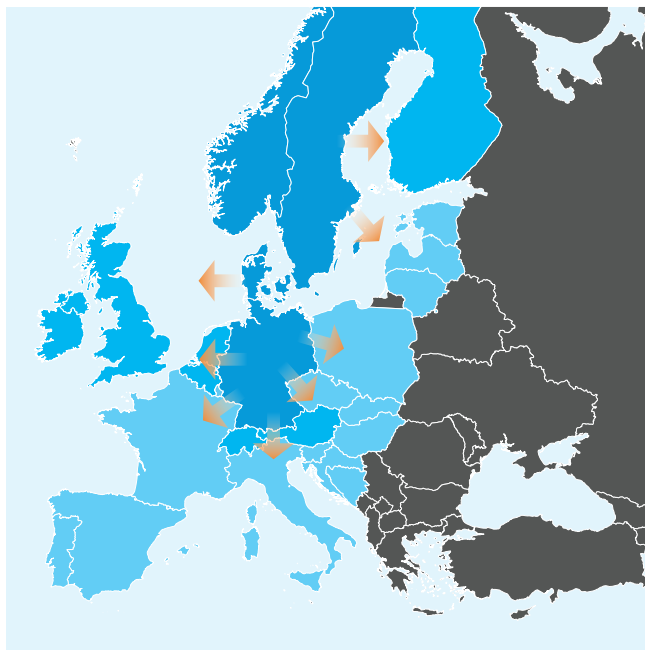
#1
In Northern Europe

Addressable market in Europe
NOK ~160 bn

Addressable market in current countries
NOK ~40 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 2023 Norva24 achieved important milestones in line with set financial targets with a total growth of 28% for the year. We are still confident in reaching the medium-term margin targets despite a slight margin reduction in 2023.

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>Total 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>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 operating model is designed to provide decentralized decision-making combined with centralized support, a performance-oriented culture, and a focus on profitable growth. Decentralized decision-making means that operational decisions are made by individuals at the branch level who possess local relationships, expertise and knowledge. Centralized support is provided to ensure overall scale benefits, corporate IT support, as well as providing capital and making sure that institutionalized best practices are utilized. A performance-oriented culture is monitored through benchmarking across branches, quarterly analysis of margin levels and attention to revenue growth, as well as the training, measuring, and reviewing of local branch managers and business units based on such benchmarking.

Growth is encouraged with financial and business plan responsibility throughout the organization, emphasizing full profit and loss accountability across all levels. This approach 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.

The Group includes Norva24's executive group management, IT and digitalization team and group finance team. Group level sets the long-term business plan with 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. The Group is also responsible for group accounting, investor relations and financing including bank agreements.

At country level, four country CEOs are responsible for profit and loss for each country, management and support of the country's operations, implementation of group strategies, monitoring of local performance, approval of new customer accounts and procurement orders and tenders within a defined materiality threshold.

At branch level, Norva24 boasts approximately 75 branch managers, who are responsible for daily business operations, marketing and sales, density of local networks, and financial performance and management of local branches.

The Norva24's operating model is based on the key principle that branch managers possess the best knowledge of local markets, customers, competition and other market dynamics and are therefore best placed to respond to customers' requirement.

The branch managers are key to success

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





Norva24 believes in granting autonomy to local management as a key driver for robust local performance. This autonomy is crucial in Norva24's proven M&A model, attracting well-established independent UIM service companies led by entrepreneurs. These founders often seek to maintain operational control over their local branches post-acquisition. The group offers a proven "playbook" and a comprehensive set of tools to empower branch managers for success.

The Norva24 operating model is designed to also drive the performance of branch managers by applying a strategy of oversight 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 enhance efficiency and transparency, to achieve specific goals. KPIs measured include EBITA margin levels and sales growth, as well as utilization of employees and vehicles for Branches using the Group systems. In the event of unsatisfactory KPIs within a branch, the management initially entrusts branch managers with addressing the underlying causes of the underperformance, but consistent low performers are put under intensified monitoring and if no improvements are seen, peer review of the branch will be implemented. 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 enabling quick response time to serve mission-critical customer emergencies and assignments.

With this branch setup Norva24 develops close local relationships with its clients, something that is valued highly by the local customers.

Norva24's density and network are key drivers of service proactivity and route planning and support 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

Aligned with the Norva24 operating model, the group's sales activities are mainly decentralized. Decision-making is primarily conducted at the branch level, supported by Country and Group Management for key customer accounts and public tender processes. Similarly, marketing efforts are decentralized, emphasizing the branches' role in local branding and marketing strategies.

At country level, Norva24 manages a variety of marketing and sales functions. This organization is tasked with onboarding and servicing key national accounts, ensuring large clients receive standardized services and attention across the group.

Norva24's value proposition for repeat customers centers on delivering a comprehensive suite of services, positioning itself as the preferred partner by offering swift, high-quality response services, ensuring thorough documentation, upholding high ESG standards, and providing innovative solutions like IoT surveillance.

Norva24's initiatives for acquiring new customers focus on; targeted marketing through digital and traditional channels, incentivization for local operators to attract new clients, quality service to ensure referrals via satisfied customers, and tender process support at the country level to support local branches. Local branch managers also play a crucial role in attracting new clients.

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 made 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 generates revenue from ongoing UIM service contracts, primarily with municipalities and medium-to-large corporate clients, featuring multi-year durations of four to six years and framework agreements, respectively.

Corporate clients, often without multi-year agreements, are usually long-term customers with recurring needs.

Norva24 offers its UIM services through three main models: contracted services, repeat/recurring business, and ad-hoc or emergency services.



TENDER PROCESSES

Norva24 views public tender processes as a key driver for organic growth, especially with the trend towards municipal tender pooling, which enlarges the scope of contracts. Municipal contracts contribute to 30% of total revenues but are highly fragmented. Norva24 boasts a successful history in securing 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 2023, Norva24 had approximately 1,100 operating vehicles in its fleet, with approximately 360 in Norway, 250 in Sweden, 150 in Denmark and 360 in Germany. Norva24's vehicle fleet comprises approximately 210 combi trucks, 135 sludge suction trucks, 35 super suction trucks, 30 mobile dewatering trucks, 240 flushing units, 10 vacuum trucks, 20 high pressure unit trucks, 110 camera vans, 45 relining vehicles, and 45 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. More than 75 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

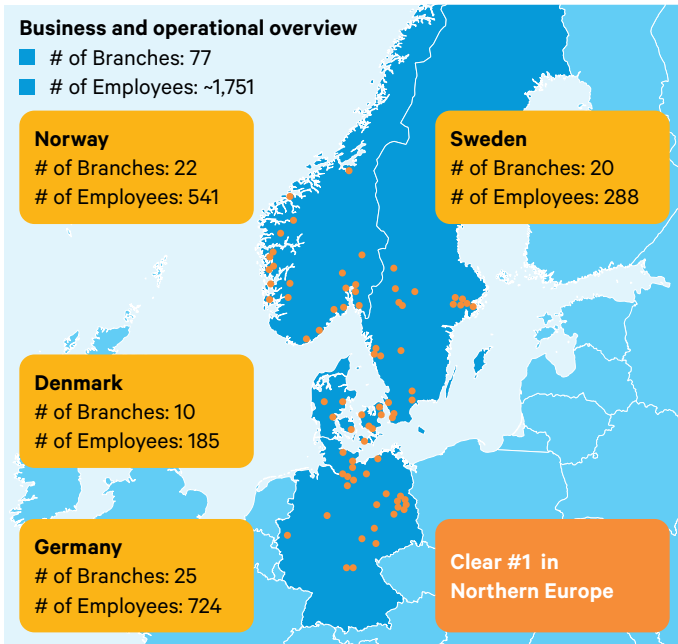
Norva24 has a diverse fleet of modern specialized vehicles able to provide a prompt response to different customers' needs.

SELECT OVERVIEW OF THE MAIN OPERATING FLEET

Type of vehicle	# of vehicles	Relevant Service Groups	Main functions
Sludge suction trucks	135	Emptying services	Emptying of liquid masses
Mobile dewatering trucks	30	Emptying services	Emptying of liquid masses with dewatering function
Combi Trucks	210	Emptying services, Pipe services, Pressure washing	Sludge suction truck with flushing ability
Recycler	45	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	20	Pressure washing	High and ultra-high pressure washing
Flushing vehicles	240	Pipe services	Flushing of pipes
Camera vehicle	110	Pipe services	TV inspection of pipes
Relining vehicle	45	Pipe services	Relining of pipes
Other	220	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 organic development and further geographic expansion through acquisitions with a solid M&A pipeline. The organic improvement strategy is mainly related to special measures on low performing units, improved flexibility and utilization of employees and vehicles, and to 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.

IMPROVE LOW PERFORMERS

The margin spread of the individual entities in Norva24 Group has a wide range, all the way from consistent performers higher than 20% margin, to low performing units below 5%. The low performers are evenly located in all geographies, so a special strategic focus has been put on improving these entities towards the Group target margins. As part of this initiative, the Norva24 Playbook for Branches is being implemented, and extra deep-dive reviews of the entities are being made monthly by management. Entities not

showing signs of improvements are put under a regime of peer reviews by other branch managers.

INCREASE FLEXIBILITY AND FLEET UTILIZATION

Norva24 sees great value in improving flexibility and fleet utilization across all branches, to better meet the seasonality of the business and to improve utilization throughout the year. 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 continues to on-board branches and newly acquired companies to common IT platforms. Germany has selected a common ERP and field management tool that will be rolled out during 2024. Sweden is also underway in implementing the common ERP solution for Scandinavia, where they will also get access to the Business Intelligence tool for improved data analytics and data-driven decision making in the operations.

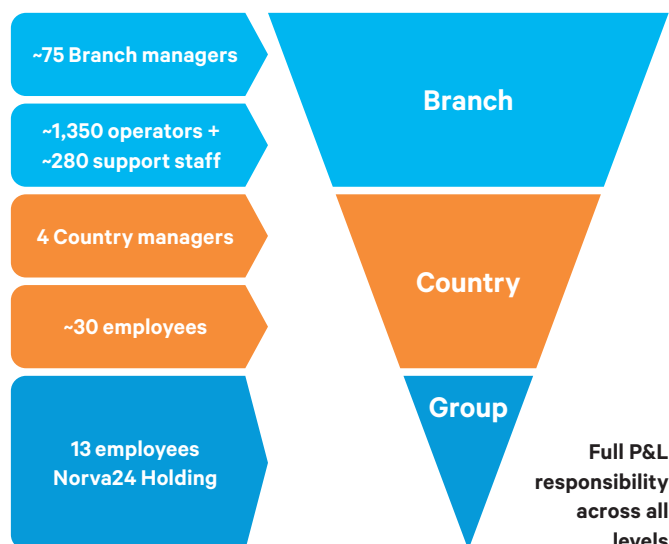
Several sensor technologies have been tested in the last years and the company aims to launch a solution shortly where customers will benefit from increased service quality, proactive order dispatching and automatic documentation.

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

- 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
- 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
- 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



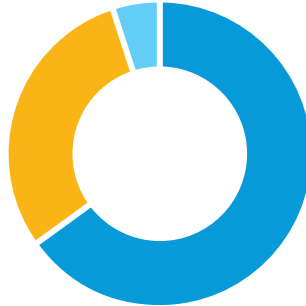
Highly fragmented revenue base with more than 60,000 customers

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

ESG AND SUSTAINABILITY

As the market leader of the UIM industry, Norva24 is taking a leading role in highlighting ESG matters at the core of the UIM business. Some of the ESG initiatives that Norva24 has implemented is to increase the share of Green Services under the EU Taxonomy, reduce the relative energy consumption from own operations, and to always keep health and safety at the highest priority in operations.

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

Key areas



Local competition



Norva24 vs. new entrants

Norva24 has an established customer base across all segments creating network density benefits

Norva24 has an extensive fleet
Minimum entry investment level: NOK 15-20 million per location
Long fleet lead time for first delivery: up to ~12 months

Most of the municipalities and corporates purchase and require several of the services available

>1 year on avg. to develop domain expertise per service for the easier jobs, with significantly longer time needed for more complex tasks

Numerous, localized and non-standardized certificates required for Quality, Health, Safety and Environment Management

Proprietary digital and software solutions
Superior route planning

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 60,000 customers broadly fall into three categories: public, corporate and private.

Public customers (about 30% of revenues)

This includes municipal customers, from smaller to larger towns and cities. Norva24 collaborates with individual, standalone municipalities, as well as municipalities in cooperation and other publicly owned entities. These customers rely on Norva24's services to maintain their public infrastructure.

Norva24 participates in public tender processes for municipalities and other entities, boasting a strong track record of success in these tenders. The tender processes have become increasingly complex as public entities now assess criteria such as service quality, speed, efficiency, and price in selecting the winning tender. There are notable regional differences in how these metrics are valued. Moreover, enhanced ESG considerations, like the adoption of electric or low-emission vehicles by the service provider, a higher demand for documentation, requirements for significant capacity flexibility, and advanced IT solutions including digital tools and route tracking, have become crucial in the evaluation of bids.

Corporate Customers (about 65% of revenues)

Norva24 serves a diverse range of corporate customers across various sectors. In 2023, revenue distribution included the real estate maintenance sector (about 15), construction sector (about 10), industrial sector (about 10 percent), transportation infrastructure (about 5 percent), UIM and environmental services (representing approximately 5 percent), energy maintenance (representing less than 5 percent), and HoReCa industries (representing less than 5 percent). This broad customer base underlines Norva24's capability to provide UIM services across several different end markets without any large dependencies on any single segment.

Private customers (about 5% of revenues)

Private customers, notably residential homeowners, accounted for approximately 5 percent of the Group's revenue in 2023. UIM services play a critical role in ensuring a healthy and safe home environment, preventing property damage, and are often required in response to urgent issues on the premises. While residential private customers represent a small segment of Norva24's customer base, they are served when Norva24 has available capacity.





Drivers and trends

DRIVERS AND TRENDS FOR NORVA24'S MARKETS

Several factors and market trends are expected to drive growth in Norva24's markets. Key factors are the aging underground infrastructure, climate change, regulatory efforts, and an increasing trend towards capacity outsourcing.

Ageing underground infrastructure

The underground infrastructure in Norva24's existing markets is predominantly in poor condition due to insufficient investment and postponed renovations, leading to a widespread backlog in system investments. The average age of this infrastructure is more than 40 years, with some components dating back as far as 150 years, resulting in sewer damage and elevated leakage rates. This situation affects the reliability and quality of the entire underground infrastructure, impacting society as a whole. In countries like Norway, Germany, and Sweden, only about 0.5 to 1.2 percent

of sewers are being renewed annually. Although quality varies, smaller municipalities often lack a systematic approach to maintaining their underground infrastructure. The deteriorating state of these systems serves as a significant growth driver for the UIM industry, given the escalating need for maintenance and renovation. Similarly, other European markets, where Norva24 has yet to establish a presence, face comparable issues with aging underground infrastructure.

Condition of the underground infrastructure in Norva24 current markets

In Denmark, the quality of the underground infrastructure surpasses that of some other countries, thanks to historical investments of approximately NOK 11 billion annually since 2012. Consequently, the average system is younger and experiences 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 ~3.5bn 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 ~30bn 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 ~4.5bn 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 ~3.5bn TAM	~35 years	n.a.	Overall good condition with ~6% leakage	NOK ~11.0bn p.a. since 2012

Total current addressable market¹ (TAM)
NOK ~40 billion

Potential European UIM market²
NOK ~160 billion

¹ Norway, Germany, Sweden and Denmark. 2023 estimates.

² 2023 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 	<p>~40 Years old on average</p>
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 	<p>~15% increase in rainfall</p>
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 	<p>~90% of fat separators has regular emptying intervals</p>
Capacity needed	<ul style="list-style-type: none"> Urbanization placing extra pressure on the outdated underground infrastructure in urban areas, which increases maintenance need 	<p>13% increase in ppl per km sewer</p>
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) 	<p>~24% of market insourced</p>
ESG	<ul style="list-style-type: none"> Increasing trend for customers to weight ESG criteria Reporting requirements also increasing 	<p>~30% weighting in certain tenders</p>

Source: Norva24 Offering Memorandum, 2021 and Norsk Klimaservicesenter 2021 Oslo

Climate change

Climate change has already increased the frequency of more extreme weather conditions and is likely to continue doing so, impacting underground infrastructure in multiple ways. UIM services provide critical solutions to address the pressures climate change places on these infrastructures. A well-maintained underground system is vital for managing increased precipitation and mitigating flood risks.

The rise in extreme weather events necessitates greater capacity in day water systems to handle the influx. More precipitation poses challenges to existing water systems, potentially causing higher water levels, sewer flooding, and environmental contamination. However, it's not just increased precipitation that strains these

systems; unusually dry weather also heightens the demand for cleaning services, such as for underground infrastructure and water pipes. Normally, the flow from typical weather conditions aids in self-cleaning, but dry conditions disrupt this process. Additionally, a rise in average temperatures could exacerbate sanitation issues in drinking water supplies due to potential bacterial contamination. Local weather conditions, including precipitation intensity, topography, and self-drainage capabilities, significantly influence these challenges.

Investments in underground infrastructure can significantly improve resilience to extreme weather conditions by enhancing retention capacity. This is achieved through the creation of more



access points to the underground systems and by increasing the storage volumes in retention basins. However, these investments alone are not a long-term solution. Municipalities must continue to tackle the challenges posed by climate change proactively. Consequently, UIM services become crucial for communities facing the impacts of extreme weather conditions due to climate change.

Furthermore, the combination of climate change and growing environmental consciousness among consumers has elevated the importance of Environmental, Social, and Governance (ESG) criteria, particularly in public tender processes. This shift underscores the industry's scale advantages and opens doors for premium pricing strategies, benefiting providers who meet these heightened ESG standards.

Regulative changes

Regulations affecting the UIM industry are predominantly established at the municipal level. Historically, these regulations have mandated increased investment in renovations to mitigate environmental impacts, often in response to more extreme weather conditions. With the introduction of local regulations, there has been a notable increase in the frequency of maintenance intervals aimed at extending the lifespan and enhancing the quality of underground infrastructure. A significant insight from past regulations is the substantial rise in requirements for reporting and documentation. Large, multinational, and municipal customers now demand more rigorous permits and certifications, alongside enhanced standards of documentation to comply with Quality, Health, Safety, and Environment (QHSE) regulations. This evolution, coupled with various other factors, has amplified scale advantages for large, specialized UIM companies. In contrast, smaller UIM entities face challenges in meeting these new standards due to limited resources and expertise.

Increased population

Sweden is currently among the fastest-growing countries in Europe in terms of inhabitants. In 2023, Sweden's population surpassed 10.6 million, and it's projected to reach approximately 12.7 million by 2070. Similarly, Norway's population was 5.5 million in 2023, with an expectation to grow to about 6.1 million by 2060. This growth will intensify demands on underground infrastructure, much of which is already in need of maintenance. Population increases will further strain existing infrastructure, originally designed for a much smaller population, resulting in capacity challenges.

Additionally, population growth leads to a heightened demand for new connections to the underground infrastructure grid, expected to expand by about 1.9 percent annually in Norva24's markets, fueling industry market growth. A shift towards separate systems for sewage, rainwater, and moving away from mixed solutions also contributes to UIM market expansion.

The urbanization currently underway is likely to quicken due to ongoing population growth. This, along with climate change – manifested through higher average temperatures and more intense rainfall and extreme weather – exerts extra pressure on aging underground infrastructure, particularly in urban settings. A robust underground infrastructure is crucial for all society members, and well-maintained systems are vital to manage the demands of increasing urbanization and capacity needs. Therefore, significant investments are necessary to meet the anticipated pressures on underground infrastructure and to ensure its sustainable management.

Outsourcing

Over the past few decades, the UIM industry, particularly in the Nordic countries, has seen a significant increase in outsourcing. This shift is attributed to various factors, including a broader privatization trend in Western countries and a push for enhanced efficiency amidst a shrinking public sector workforce. By 2020, a large portion of the UIM services in Norva24's markets had been outsourced, with Denmark leading at a 90-95 percent outsourcing rate. This compares to 70-80 percent in Norway and Germany, and 60-80 percent in Sweden. The proportion of outsourced services is notably higher for renovation tasks than for inspection and cleaning services. Smaller and mid-sized municipalities tend to outsource inspection and cleaning tasks, whereas larger municipalities may maintain in-house capabilities for planned activities, resorting to external providers during peak demand or for short-term needs. Recent years have seen public in-house providers struggle to maintain 24/7 capacity, occasionally compelling them to engage private UIM services from the open market, despite a preference for in-house solutions.

The market segment still managed internally is mainly by larger public utilities. Norva24 anticipates that any future shift towards outsourcing will likely be spearheaded by German municipalities, with additional opportunities in Sweden and Norway, particularly within housing associations and public utility sectors.





Description of Norva24 Services

SERVICES

In the UIM service market, Norva24 categorizes its offerings into emptying services, pressure washing, and pipe services. Often, these services overlap, with many assignments requiring more than one type of service.

PIPE SERVICES

Pipes have a finite lifespan. Through pipe inspections, Norva24 identifies the cause of pipe-related issues. The company also conducts pressure testing, tightness checks, and leak detection to find and prevent leaks. For frozen pressure or drinking water pipes, Norva24 offers thawing services using water and pressure. With a comprehensive range of pipe services, Norva24 addresses various issues, from minor repairs, where point repair might suffice, to situations necessitating new pipes. An effective alternative is pipe renewal, which involves installing new pipes within the old ones without full replacement. Pipe services, significant across all Norva24's markets, contribute to approximately 48 percent of the Group's revenue.

Pipe inspection

Norva24 specializes in pipe inspection services, recognizing that old pipes have a finite lifespan and may encounter various issues.






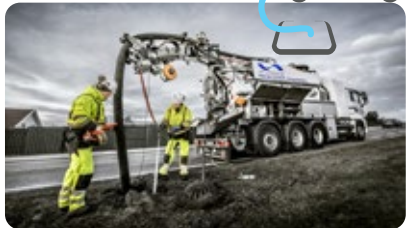
To assess the structural quality and integrity of the pipes, thorough investigations are conducted. Pipeline problems can

develop gradually due to wear-and-tear and external factors weakening the structure, or they might emerge abruptly and unexpectedly. Since pipes are often concealed or underground, using a camera to film the interior offers an effective inspection method. This process utilizes a specially designed, remotely controlled camera inserted into the drainpipe. The captured video is then directly displayed on a screen for analysis. Upon identifying the issue, Norva24 provides a detailed report offering a professional evaluation of the pipe's condition and recommendations for repairing any damage. Common problems include rust and corrosion in old iron pipes, as well as blockages caused by sediments and roots, which can be resolved through pipe flushing. Joint leakages might displace surrounding debris, causing pipes to shift.

In some cases, the entire piping system requires replacement, but at times, targeted repairs or point repairs suffice. Pipe renewal, inserting new pipes within the old ones, or point repairs are considered if access to the affected area is possible. Norva24 employs a probing method with an integrated camera to pinpoint and visually confirm the damage location, allowing for precise repairs or replacements. This accurate pipe localization technique is crucial during renovation and construction projects to ensure clear understanding of the pipe layout.

Additionally, to address concerns with water pipes or drinking water systems, Norva24 conducts leak inspections to identify and rectify issues efficiently.

Comprehensive, mission critical and non-discretionary service offering

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

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



Relining

Pipe renewal

Norva24 offers pipe renewal services for a variety of pipe and cable systems, including bottom pipes, water pipes, wastewater pipes, or common wiring. Utilizing existing access points such as stake hatches, septic tanks, stake manholes, or external manholes, the process begins with a preliminary examination or pipe inspection to assess the pipes' condition and accurately price the job. The new pipe, typically made from epoxy-saturated lining, is inserted into the old pipe using water or compressed air.

Access from one end of the wiring web suffices to position the soft lining, which is then hardened using a steamer. Norva24 employs either a felt or fiberglass sleeve, saturated with polyester or epoxy resin, and hardens the lining with steam for felt sleeves and UV light for fiberglass sleeves. The curing time varies, resulting in a durable, jointless new pipe after hot air treatment. For any branch connections, a special robot is used to ensure integration. Norva24 can also renew branch pipe connections and pipes themselves. After hardening, the lining is cooled, trimmed, and the service pipes are checked via another pipe inspection to confirm functionality. This comprehensive process, recorded for quality assurance, is documented and delivered to municipal authorities along with warranty and surveying documents.

Point repair

Norva24's point repair services address localized pipe damage. This method is ideal for pipes with functional integrity except for specific areas affected by cracks, root penetration, or joint movements causing leaks. "Point repair" involves targeted repairs without replacing the entire pipe. Two main methods are used: sealing with a "Quick Lock" cylindrical construction or applying an epoxy-saturated fiberglass cloth for the repair.

Pressure testing, leak detection, tightness checks

Pressure testing

Norva24 conducts pressure testing for drinking water pipes, crucial for new constructions and renovations to prevent leaks and ensure water safety. Depending on the pipe material – ductile iron, PVC, GRP, or PE (each following specific standards) – water is pumped to maintain constant pressure for thirty minutes to test for leaks. All test data are logged and monitored. Following the pressure test and resolution of any issues, an extensive disinfection ensures the drinking water's quality and safety meet all relevant standards.

Leak detection

Norva24 specializes in leak detection for a variety of pipe systems, addressing leak issues in residential and other pressurized water conduits. Since pipes are usually concealed, specialized techniques are necessary for leak detection. The procedure starts with pressure testing to map the pipe's route and locate leaks, beginning with a test to see if the leak is before or after the internal stopcock. If pressure discrepancies continue, the leak is likely near the main pipes. Using a route detector to trace the pipe's path allows for precise leak identification with specific tools and methods tailored to the pipe material and landscape.

Tightness checks

Norva24 offers tightness checks to ensure both new and existing pipes are leak-free, using advanced technology for efficient and effective inspections. This involves blocking a pipe at both ends, applying constant pressure, and monitoring for pressure drops to detect leaks. Before the check, an inspection camera assesses the pipe, identifying visible damage and mapping branches, crucial for spotting leaks often found in residential pipelines. Norva24's



skilled technicians, experienced in high-pressure procedures, continuously log test data, with customers receiving detailed reports. These checks are frequently performed on new wastewater facilities for municipalities and commercial clients.

Pipe cleaning (maintenance flushing)

Norva24 provides pipe cleaning services to address blockages and maintain flow, tackling common problems like clogged toilets and drains that cause discomfort and potential damage. Blockages from dirt, soap, fat, rust, and hair are cleared with high-pressure flushing, typically via an access hatch or disassembled trap. A specialized nozzle ensures the interior is thoroughly cleaned. Post-flushing, a camera inspection confirms the pipes are clear and undamaged, ensuring the effectiveness of the cleaning process.

PRESSURE WASHING (INDUSTRIAL CLEANING)

Norva24 offers a broad range of pressure washing services, accounting for about 10 percent of the Group's revenue, including tank cleaning and high to ultra-high pressure washing for industrial needs. Essential for areas where regular cleaning is inadequate, these services cater to factories, premises, equipment, tanks, and ships, mainly for corporate customers. Operating across Norva24's markets, these services contribute significantly to the company's revenue, highlighting their importance.

Tank cleaning

Ensuring clean tanks is essential for optimal fuel quality. Therefore, regular cleaning of all fuel and oil storage tanks is necessary to prevent diesel bugs, sludge, water, and bacterial contamination, which significantly impact fuel quality. Norva24 employs professional tank cleaning methods focused on safety and environmental protection. The process begins with the removal of fuel remnants,

vacuumed into a clean chamber on a tanker. Following this, precipitates and sludge are extracted into a sludge chamber. After the tank is emptied, it undergoes aeration to eliminate toxic and potentially flammable gases, replaced by fresh air. This is carefully monitored with gas meters to ensure the tank's atmosphere is safe before washing begins. Professionals, equipped with the necessary protective gear such as gas masks and chemical-resistant clothing, then proceed with the tank washing. The wastewater from this process is subsequently removed, and the tank is left to dry. The final step involves filtering the initially removed fuel before reintroducing it to the now clean tank. In addition to servicing fuel storage tanks, Norva24 also specializes in cleaning marine and rig tanks. This includes washdowns of pipes and chain lockers on oil rigs, mud basin emptying, and the servicing of land-based tanking facilities, complemented by gas checks, the issuance of entry permits, and work certificates. Part of the tank cleaning service may also include a condition assessment of the tank, which can lead to the issuance of long-term approvals, lasting between 5 to 10 years, depending on the tank's condition. It is the responsibility of the tank owner to ensure that their tank meets the required standards for approval.

High pressure and ultra-high pressure (industrial cleaning)

Norva24 specialize in pressure washing services ranging from 0 to 3,000 bar for diverse applications. For industrial cleaning, it primarily employs pressures from 400 to 3,000 bar, though these high-pressure techniques are also applicable to non-industrial tasks. The company's high-pressure cleaning services encompass a wide array of projects including tanks, pipes, construction sites, building facades, steel cutting, surface treatment of steel structures (removing rust and paint), concrete removal, and flushing of pipes and public systems. When standard pressure is insufficient for





removing hardening materials such as epoxy, sulfur, or rubber, which can lead to clogs or overflows, Norva24 utilizes higher pressure. Ultra-high pressure washing, significantly more potent with pressures up to 1050 bar, effectively clears what regular methods cannot, including old concrete removal, rebar stripping, tank cleaning, and rust removal from metal. The tools, such as nozzles or pistols, are chosen based on the specific project requirements to ensure optimal results. Equipment plays a critical role, and Norva24 boasts a specially designed vehicle for ultra-high pressure tasks, equipped with a computer-controlled ultra-high-pressure aggregator and a 3000-liter water tank, along with the capability to connect to onsite water sources. Moreover, Norva24 offers underwater concrete rehabilitation services, employing divers to cut and chisel concrete underwater, showcasing the company's versatility and technical capability in high-pressure washing and cleaning solutions.

EMPTYING SERVICES

Emptying services represent a significant part of Norva24's offerings, accounting for about 42 percent of the Group's revenue across its operational markets. The company has developed a broad expertise in various emptying services, notably in septic tanks, grease separators, oil separators, and sand traps. Compliance with strict regulatory requirements is a cornerstone of these services, with Norva24 maintaining up-to-date knowledge on local laws and regulations in every jurisdiction it operates. This is especially critical for septic tank and grease separator services, where regulations ensure environmental protection. For instance, grease separators are meticulously emptied to prevent grease

from contaminating water and sewage systems, with the waste transported to certified disposal sites. Regular emptying of sand traps is also vital to avoid flooding or pipe damage, thus providing Norva24 with a reliable revenue source. The company schedules these services based on fixed appointments or as necessitated by clients, supported by a modern and specialized fleet capable of handling diverse types of assignments.

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

Emptying septic tanks

Norva24 offers specialized septic tank emptying services, adhering to stringent regulatory requirements to prevent environmental contamination. These regulations ensure septic tanks are emptied regularly, preventing sewage from leaking into the surrounding environment. Norva24 tailors its services to meet local requirements or provides them on demand. The company deals with two main types of septic tanks: tight tanks and sludge separators. Tight tanks, which collect all waste in a single chamber without an outlet, require complete emptying as they do not facilitate water cleaning or contain additional chambers. These tanks are typically used in cabin complexes and areas where septic emissions are restricted. Sludge separators, on the other hand, feature a multi-chamber system where waste is initially collected in one chamber before being separated into others, with the outlet located in the final chamber. This type is common in cabins and detached houses with individual sewage systems.

For outdated septic systems, Norva24 offers a disconnection service, linking drains directly to municipal sewage systems and filling the old tanks with gravel. This process is efficiently



executed using a vacuum excavator, minimizing environmental impact. A plumber then connects the inlet and outlet within the tank with piping, allowing the drain to flow seamlessly into the municipal system.

Drainage of septic tank sludge is a critical aspect of Norva24's services, encompassing both traditional sludge drainage and mobile dewatering. Mobile dewatering, particularly useful for decentralized buildings, involves removing water from waste sludge to create a denser, less liquid sludge mass. This method significantly reduces the volume of water transported, cutting down on transport needs by about 90% when dewatering to 20% dry matter. The reduction in transport translates to lower fuel consumption, decreased greenhouse gas, and NOx emissions, offering substantial economic and environmental benefits over conventional methods. Additionally, mobile dewatering lessens the burden on treatment plants, especially beneficial in regions with limited plant capacity, and results in fewer transport kilometers.

This innovative approach also has advantages in more populated areas. By alleviating the volume of waste needing transport, mobile dewatering can notably reduce traffic congestion and the overall strain on road networks leading to central treatment facilities, presenting a practical solution for managing septic tank sludge in various settings.

Emptying sand traps

Norva24 provides sand trap emptying services, which are integral to safeguarding waste pipes from sludge and clogging by filtering storm water from roads and streets. These traps, strategically placed in manholes, collect debris, ensuring that only water proceeds into the sewage system, necessitating regular maintenance to prevent flooding or pipe damage. Such infrastructure is prevalent in both public and private sectors, including streets, residential areas, petrol stations, and car washes. The process involves the sedimentation of solid materials like gravel and sand at the bottom of the trap, while cleaner water flows into the sewage system. The need for emptying these traps varies, with some requiring scheduled maintenance and others on an as-needed basis, efficiently handled by Norva24's specialized suction and flushing vehicles. The frequency of service is influenced by several factors, including the volume of sand used on roads during winter, the area's flood risk, the trap's location, the local prevalence of gravel and sand, and the density of traffic.

Emptying of grease separators

Norva24 services extend to the emptying of grease separators, crucial for large kitchen operations in restaurants and similar establishments. These separators work by allowing grease, which is lighter than water, to float to the surface, where it can be removed to prevent clogging, noxious odors, and potential grease spills that could lead to flooding. The frequency of these services is dictated by municipal regulations, which often mandate that establishments with grease traps engage an approved provider for regular maintenance. Typically, grease separators require emptying at least once a year, but this can vary based on the separator's size and the extent of its use. Norva24's procedure includes accessing the grease trap, flushing it clean, and then managing the waste by transporting grease and contaminated water to an approved disposal site, ensuring compliance and cleanliness.

Emptying of other wet or dry masses

Norva24 offers comprehensive emptying services for a variety of wet or dry masses, utilizing specialized super suction trucks and vacuum excavators. These specialized vehicles are adept at efficiently removing both dry materials, such as clay, gravel, sand, hydro granules, dirt, dust, grain, or water, and liquid substances. A significant portion of the assignments, involves 'dry vacuuming,' a term reflecting the focus on removing or adding dry materials, though the equipment is equally capable of handling liquids. Common applications of these services include excavating around underground cables or pipes, removing debris from such excavations with a vacuum, and then blowing back sand or gravel to refill the area post-renovation. Other notable tasks include the removal of gravel used to protect roofing fabric and addressing gravel-related drainage issues. This diverse range of services highlights Norva24's capability to tackle various challenges, from infrastructure maintenance to environmental management, using their specialized equipment for both wet and dry mass removal.

Emptying oil (hazardous waste)

To mitigate the risk of oil spills entering the public sewage system, establishments like washing halls and workshops are mandated to install an approved oil separator. This requirement ensures that wastewater containing oil is directed through an oil separation facility before reaching the sewage system, thereby preventing oil from contaminating public waterways or sewage networks. Oil separators are specifically designed to treat water contaminated with minor oil quantities, capturing oil, sludge, and sand which must then be responsibly disposed of at an approved waste site, given the classification of oil as hazardous waste subject to stringent disposal regulations.

Regular inspection and maintenance of oil separators are critical, with guidelines suggesting they be emptied once they reach 80% of their collection capacity, though an annual emptying is deemed necessary regardless of capacity reached. For separators that allow oil storage within their wet volume, it's recommended they be emptied before oil constitutes 25% of the volume to maintain operational efficiency. Sand traps, in parallel, should be emptied when they are about 50% full, with the stipulation that yearly emptying is required.

Norva24 offers a range of services pertaining to hazardous waste management, including the removal of polluted waste, waste oil, the extraction of buried oil tanks, and the emptying, monitoring, and management of oil separators. The company's hazardous waste services predominantly focus on the handling of oil or oil-tainted liquids or substances. The hazardous waste, comprising oil separated by an oil separator and residues within the associated sand trap, must be transported to an authorized hazardous waste facility for disposal. It's crucial that this waste is not mixed with other types of waste and that waste from oil separators and sand traps is not stored on the premises for more than a year.

Businesses equipped with oil separators are required to maintain documented procedures for the separators' emptying, operation, and upkeep to avoid contamination risks and ensure adherence to environmental regulations. Norva24 aids in developing these procedures, ensuring the effective functioning of oil separators and compliance with environmental standards.



Moreover, the regulations specify that the oil content in the outgoing water from oil separators must not exceed 50mg per liter in Norway, with some local municipalities enforcing more stringent requirements. Therefore, compliance testing is essential to meet both national and local regulatory standards.

OTHER SERVICES

Composting of wet organic sludge

For over two decades, Norva24 Birkeland has been transforming wet organic sludge into premium soil for parks and gardens. The composting facility plays a crucial role in the natural cycle, turning waste into valuable resources. Daily, trucks loaded with sludge from municipalities, industrial entities, and the agricultural sector across southern Norway arrive at the composting site in Sløvåg. Recycling is at the heart of our operation, and Norva24 convert sludge into beautiful, 100% stone-free soil that's highly sought after across Western Norway by both private and commercial entities, and it's distributed by ship or trailers. Often, this soil is purchased by contractors or local governments.

Composting in three steps

The facility employs a sophisticated "vine composting" technique, which sanitizes the sludge in a three-step process, all conducted within enclosed composting halls.

1. Decomposition of organic matter

The process begins by mixing dewatered sludge with structural materials like bark, twigs, and garden waste in rows, which are aerated regularly. This aerobic activity generates heat as air circulates, encouraging aerobic bacteria to decompose the organic material and produce heat. Regular turning of the rows a few times a week is essential to maintain a stable temperature.

2. Post-composting process

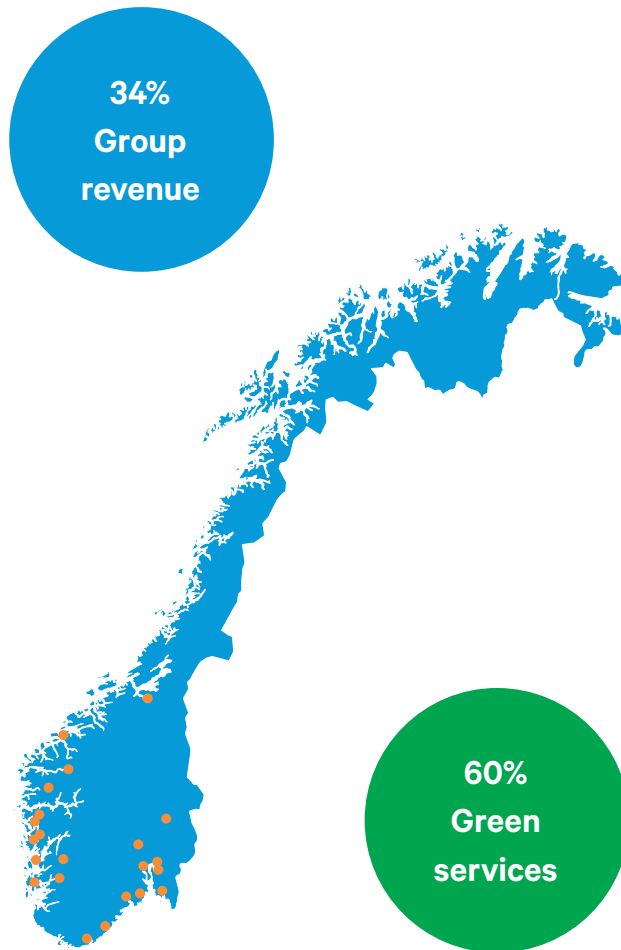
Once the initial decomposition is complete, the material is relocated outdoors into larger rows for further composting, with turning occurring monthly over six months to ensure thorough composting.

3. Soil production

After reducing to about half its initial volume, the compost's temperature is monitored frequently, with data logged in the facility's internal control system. The mature compost is then blended with special sand and local bog soil, maturing over a year into high-quality soil. The Norwegian Food Safety Authority and the State Administrator regularly inspect the facility to ensure compliance. Norva24 also upholds stringent internal standards for its composting processes.



Norway



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 541 employees as of December 31, 2023.

FINANCIAL DEVELOPMENT 2023

Total operating revenue for 2023 was NOK 1,065.7 million, up from NOK 904.9 million in 2022, marking a 17.8% increase. The total growth was driven by organic growth of 7.4% and the acquisition of Gravco generating acquisition growth of 10.4%. Organic growth was driven by price increases and a good activity level at several branches. Norway had a very strong activity in Q3 and start of Q4, but experienced a sudden drop in the activity level in December due to harsh winter weather that reduced the organic growth for the year.

TOTAL OPERATING REVENUE GROWTH

%	2023	2022
Growth – total operating revenue	17.8	12.9
Organic growth	7.4	12.7
Acquisition growth	10.4	0.2

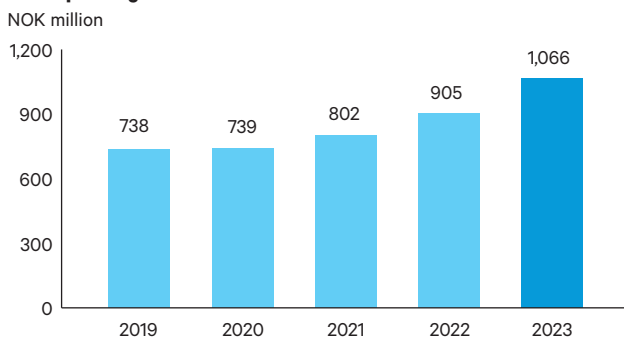
ADJUSTED EBITA 2023

Adjusted EBITA amounted to NOK 159.1 million in 2023, up from NOK 137.5 million in 2022. The adjusted EBITA margin was 14.9%, a decrease of 0.3 percentage points from the previous year. Norway had a margin increase compared to last year until November, but the weak December turned this into a slight margin decrease for the year.

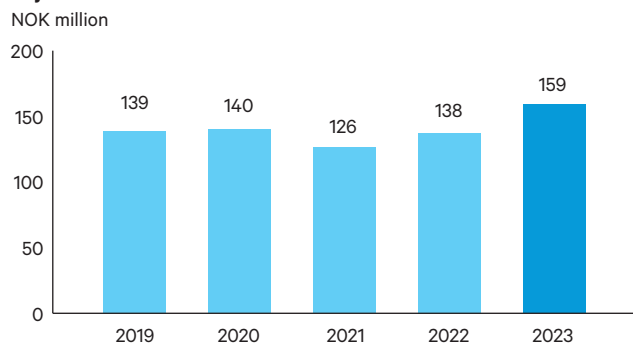
KEY PERFORMANCE INDICATORS

NOK million	2023	2022	Change, %
Total operating revenue	1,065.7	904.9	17.8
EBITA	157.1	134.2	17.1
EBITA margin, %	14.7	14.8	-0.1 pp
Adjusted EBITA	159.1	137.5	15.7
Adjusted EBITA margin, %	14.9	15.2	-0.3 pp

Total operating revenue



Adjusted EBITA



**HIGHLIGHTS OF THE YEAR**

In 2023, Norva24 experienced good market activity, leading to an organic growth of 7.4%. The acquisition of Gravco was closed in mid-January resulting in an acquisition growth of 10.4%. Challenges like the unusually harsh winter weather affected operations in December, yet Norva24 Norway continued its growth trajectory, and have renewed several municipality contracts throughout the year.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2023

Sick leave levels generally decreased in 2023, both for short-term and long-term sick leave. However, this is still at a high level following the higher sick-leave rates observed post-COVID. The relative energy consumption of Norway has continued to decrease from the previous years, down to 4.34 for the year.

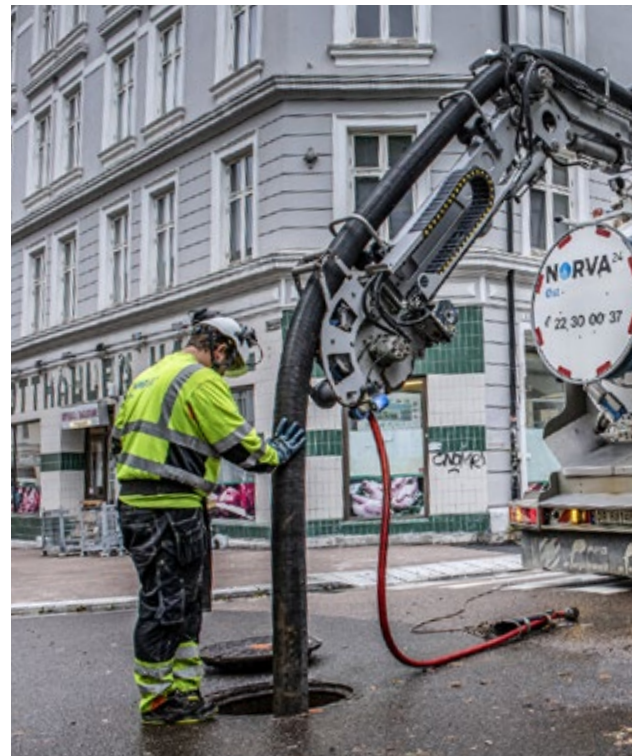
**CORPORATE SOCIAL RESPONSIBILITY
KEY PERFORMANCE INDICATORS**

	2023	2022
Total number of employees	541	464
Number of days sick-leave	7,273	11,720
Sick leave (short-term)	4.2%	5.4%
Sick leave (long-term)	4.7%	5.8%
Sick leave (total)	8.9%	11.2%
Relative energy consumption x100	4.34	4.63
CO ₂ equivalents (Scope 1), tonnes	9,567	n.a
CO ₂ equivalents (Scope 2), tonnes	734	n.a
CO ₂ equivalents (Scope 1+2), tonnes	10,302	n.a
Relative CO₂ emissions (Scope 1+2), tonnes per NOK million	9.7	n.a



The strong total growth in Norway of 18% proves Norva24's ability to increase market share in the non-cyclical UIM market both through organic growth and acquisitions. With the acquisition of Gravco in 2023, we have now increased our presence and density in the greater Oslo area.

Tore Hansen, CEO Norway.





Germany

37%
Group
revenue



28%
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 724 employees as of December 31, 2023.

FINANCIAL DEVELOPMENT 2023

Total operating revenue amounted to NOK 1,183.4 million during 2023, compared with NOK 812.9 million during the same period in 2022, corresponding to a growth of 45.6%. This growth was mainly attributable to the acquisitions of Zimmerbeutel, Jutzy, and CKS in the second half of 2022, combined with a strong currency-adjusted organic growth of 7.6%.

TOTAL OPERATING REVENUE GROWTH

%	2023	2022
Growth – total operating revenue	45.6	25.8
Organic growth	21.6	1.1
Organic growth – currency adjusted	7.6	1.9
Acquisition growth	24.0	24.6

ADJUSTED EBITA 2023

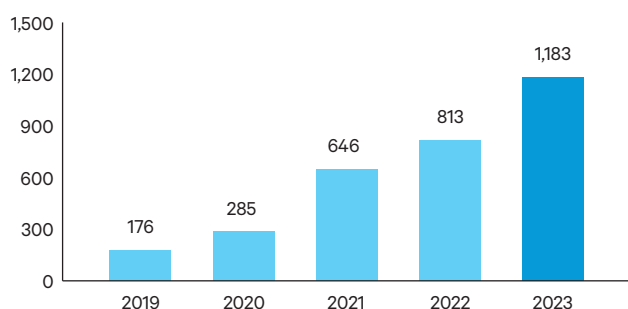
Adjusted EBITA reached NOK 156.0 million in 2023, up from NOK 124.9 million in 2022. The adjusted EBITA margin fell to 13.2% from 15.4% the previous year. This decrease in margin is due to slightly weaker organic margins over the year. The reduction is partly caused by one underperforming unit in Germany, in addition to an increase in overhead expenses at the Country level due to increased headcount in administration and expenses related to choosing a common ERP system for Germany that will be rolled out to the entities from 2024 and onwards.

KEY PERFORMANCE INDICATORS

NOK million	2023	2022	Change, %
Total operating revenue	1,183.4	812.9	45.6
EBITA	152.6	95.5	59.8
EBITA margin, %	12.9	11.7	1.1 pp
Adjusted EBITA	156.0	124.9	24.9
Adjusted EBITA margin, %	13.2	15.4	-2.2 pp

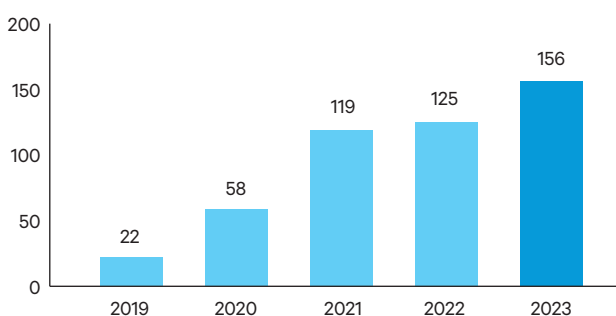
Total operating revenue

NOK million



Adjusted EBITA

NOK million



**HIGHLIGHTS OF THE YEAR**

This year, Norva24 solidified its market leadership in Germany through an impressive total operating revenue growth of 45.6%. There is still one unit that is underperforming that needs to lift its margins, and we have started to see signs of improvements. A common ERP system has been chosen for Norva24 Germany, something that will be rolled out and implemented in the local entities from 2024 and onwards.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2023

The number of employees increased from 702 to 724 in 2023. Short-term sick leave levels were lower in 2023 compared with 2022, but the total sick leave is still at a high level of 7.8%. Relative energy consumption was reduced from 2.73 last year to 2.27 in 2023.

**CORPORATE SOCIAL RESPONSIBILITY
KEY PERFORMANCE INDICATORS**

	2023	2022
Number of employees	724	702
Number of days sick-leave	12,208	11,528
Sick leave (short-term)	5.5%	6.2%
Sick leave (long-term)	2.3%	2.5%
Sick leave (total)	7.8%	8.7%
Relative energy consumption x100	2.27	2.73
CO ₂ equivalents (Scope 1), tonnes	7,040	n.a
CO ₂ equivalents (Scope 2), tonnes	9,423	n.a
CO ₂ equivalents (Scope 1+2), tonnes	16,463	n.a
Relative CO₂ emissions (Scope 1+2), tonnes per NOK million	14.0	n.a

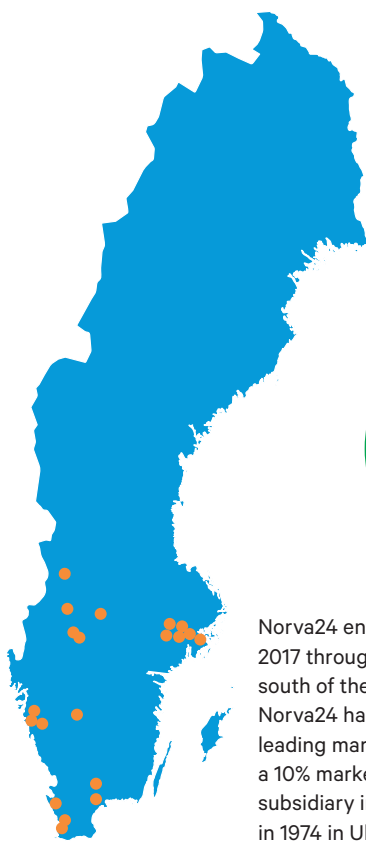


I am very happy to deliver a strong revenue growth of 46% in 2023, supported by several acquisitions in 2022. We have also signed the acquisition of Baier Rohrreinigung GmbH in 2023, strengthening our market leading position in Germany. However, with a market share of only 3-4% we still see large opportunities to grow further in the German market.
Bertolt Gärtner, CEO Germany.



Sweden

16%
Group
revenue



61%
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 with a 10% market share. The Group's oldest subsidiary in the country was founded in 1974 in Ulricehamn. Sweden had 288 employees as of December 31, 2023.

FINANCIAL DEVELOPMENT 2023

In 2023, total operating revenue for Sweden amounted to NOK 491.7 million, compared with NOK 426.9 million in 2022, achieving a 15.2% increase. The period saw currency-adjusted organic growth at 2.8% on the back of last year's 10.0%, but still below expectations. This year's acquisition growth of 7.6% was driven by the acquisitions of IRG, Stockholm Relining, and ControTech. While the Swedish operations experienced positive organic growth in the earlier months, December witnessed a downturn, heavily influenced by adverse weather conditions, which notably impacted Norva24's productivity and efficiency, particularly in the southern regions of Sweden.

TOTAL OPERATING REVENUE GROWTH

%	2023	2022
Growth – total operating revenue	15.2	39.2
Organic growth	7.6	4.5
Organic growth – currency adjusted	2.8	10.0
Acquisition growth	7.6	34.7

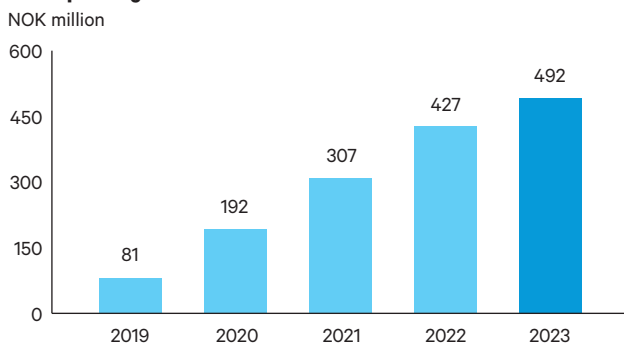
ADJUSTED EBITA 2023

Adjusted EBITA reached NOK 58.5 million in 2023, up from NOK 50.9 million in 2022. The adjusted EBITA margin for the period held steady at 11.9%, consistent with the previous year. A program for improved profitability is being implemented, and we expect to see an improved margin for Sweden going forward.

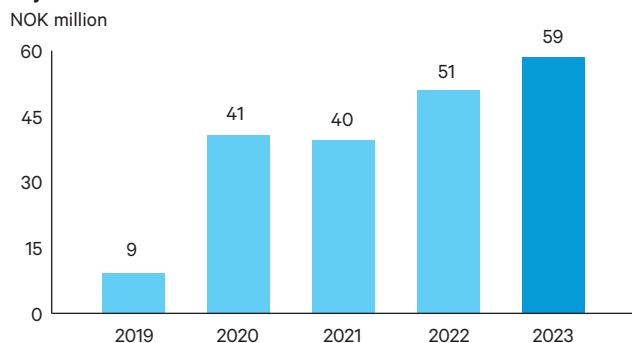
KEY PERFORMANCE INDICATORS

NOK million	2023	2022	Change, %
Total operating revenue	491.7	426.9	15.2
EBITA	57.8	48.8	18.5
EBITA margin, %	11.7	11.4	0.3 pp
Adjusted EBITA	58.5	50.9	14.8
Adjusted EBITA margin, %	11.9	11.9	0.0 pp

Total operating revenue



Adjusted EBITA



**HIGHLIGHTS OF THE YEAR**

For the year, Norva24 Sweden saw a total growth of 15.2%, mainly driven by the acquisitions of IRG, Stockholm Relining and ControTech. Despite a challenging December with severe weather affecting work, all quarters of the year showed positive currency adjusted organic growth in the face of fluctuating market conditions, where especially the relining market have seen low activity levels in 2023. The acquisition of ControTech AB in Malmö has strengthened operations in Skåne and gives a good contribution to the market share in Sweden.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2023

Short-term sick leave was slightly lower in 2023 than in 2022, reflecting a return to more normal sick leave levels. In contrast, long-term sick leave was slightly higher, moving up from the notably low level of 1.1% observed in 2022. The relative energy consumption was decreased from 5.21 in 2022 to 4.81 in 2023.

**CORPORATE SOCIAL RESPONSIBILITY
KEY PERFORMANCE INDICATORS**

	2023	2022
Number of employees	288	285
Number of days sick-leave	3,880	3,968
Sick leave (short-term)	4.3%	5.1%
Sick leave (long-term)	1.5%	1.1%
Sick leave (total)	5.8%	6.2%
Relative energy consumption x100	4.81	5.21
CO ₂ equivalents (Scope 1), tonnes	5,233	n.a
CO ₂ equivalents (Scope 2), tonnes	376	n.a
CO ₂ equivalents (Scope 1+2), tonnes	5,609	n.a
Relative CO₂ emissions (Scope 1+2), tonnes per NOK million	11.5	n.a



In 2023, Norva24 continued the journey as market leader within UIM services in Sweden with a successful integration of IRG and Stockholm Relining, together with the acquisition of ControTech. This has provided Norva24 Sweden with an acquisition growth of 7.6% for the year. We also secured several important long-term contracts, both existing and new volumes.

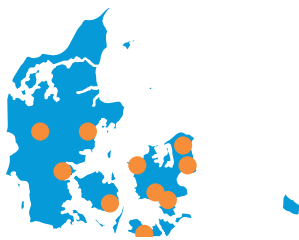
Mikael Smedborn, CEO Sweden





Denmark

13%
Group
revenue



37%
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 Herning. Norva24 holds a leading position in the Danish market with around 10% market share. Denmark had 185 employees as of December 31, 2023.

FINANCIAL DEVELOPMENT 2023

For the 2023 period, total operating revenue in Denmark was NOK 417.7 million, an increase from NOK 323.0 million in 2022, resulting in a total growth of 29.3%. This expansion was supported by currency-adjusted organic growth of 6.9%, alongside the acquisition of Tom's Kloakservice in 2023 and contributions from Thornvig Jensen acquired in 2022. The year saw widespread growth across several customer groups with a margin increase of 4.3 percentage points, indicating that the improvement measures in the turnaround action plan continue to yield positive results.

TOTAL OPERATING REVENUE GROWTH

%	2023	2022
Growth – total operating revenue	29.3	19.3
Organic growth	20.7	12.7
Organic growth – currency adjusted	6.9	13.5
Acquisition growth	8.6	6.6

ADJUSTED EBITA 2023

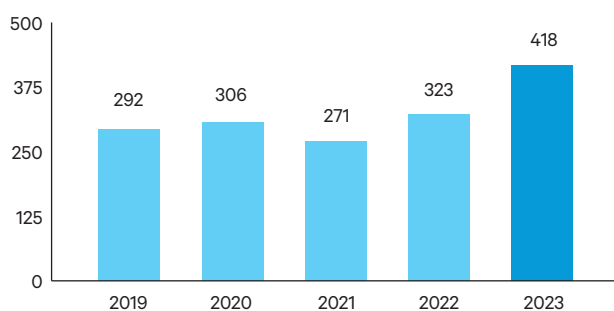
Adjusted EBITA in Denmark rose to NOK 27.6 million, up from NOK 7.6 million in the previous year. This considerable growth in adjusted EBITA demonstrates the successful impact of the improvement initiatives being carried out. The advancement is attributed to the enhanced utilization of personnel and vehicles, alongside securing new contracts at higher prices, further showcasing the ongoing positive transformation of the Danish operations.

KEY PERFORMANCE INDICATORS

NOK million	2023	2022	Change, %
Total operating revenue	417.7	323.0	29.3
EBITA	27.0	10.1	167.3
EBITA margin, %	6.5	3.1	3.3 pp
Adjusted EBITA	27.6	7.6	263.8
Adjusted EBITA margin, %	6.6	2.4	4.3 pp

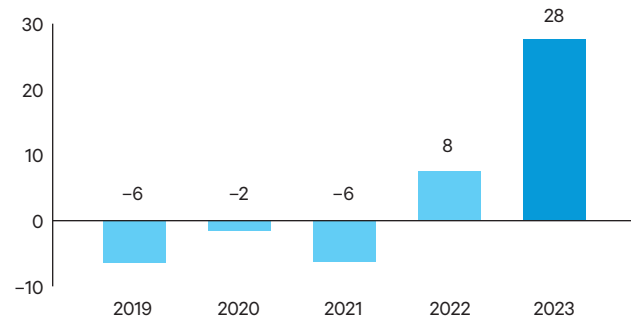
Total operating revenue

NOK million



Adjusted EBITA

NOK million



**HIGHLIGHTS OF THE YEAR**

Norva24 Denmark has seen positive results from its improvement initiatives, focusing on operational efficiency and better utilization of vehicles and personnel. The action plan, including terminating less profitable contracts or renegotiating new ones at higher prices, has progressed well throughout the year. The action plan in Denmark has led to increased utilization and profitability across branches, and several large tenders have been won at attractive terms. The acquisition of Tom's Kloakservice has improved density in the Næstved region and will be combined with our existing operations in Næstved to reap synergies as one merged entity.

CORPORATE SOCIAL RESPONSIBILITY DEVELOPMENT 2023

Short-term sick leave levels decreased in 2023 compared with 2022, while long-term sick leave saw a slight increase, deviating from the generally low level of 1.6% observed in 2022.

**CORPORATE SOCIAL RESPONSIBILITY
KEY PERFORMANCE INDICATORS**

	2023	2022
Number of employees	185	170
Number of days sick-leave	2,419	2,444
Sick leave (short-term)	2.9%	4.6%
Sick leave (long-term)	2.6%	1.6%
Sick leave (total)	5.5%	6.2%
Relative energy consumption x100	4.24	5.01
CO ₂ equivalents (Scope 1), tonnes	4,683	n.a
CO ₂ equivalents (Scope 2), tonnes	3,276	n.a
CO ₂ equivalents (Scope 1+2), tonnes	7,960	n.a
Relative CO₂ emissions (Scope 1+2), tonnes per NOK million	19.2	n.a



In 2023 we saw a continuation of the positive trajectory for Norva24 Denmark, with an increased margin of 4.3 percentage points. We are pleased to see that several new tenders have been won with favorable prices, and we welcome the addition of Toms Kloakservice that will strengthen our position in the Næstved region. We still have more work to do before reaching the average group level profitability, but I am certain that we will continue our improvements going forward.

Tim Normann, CEO Denmark.





How we work with mergers and acquisitions

Norva24 has a strong track record of acquisitions, with 50 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 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 service 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,

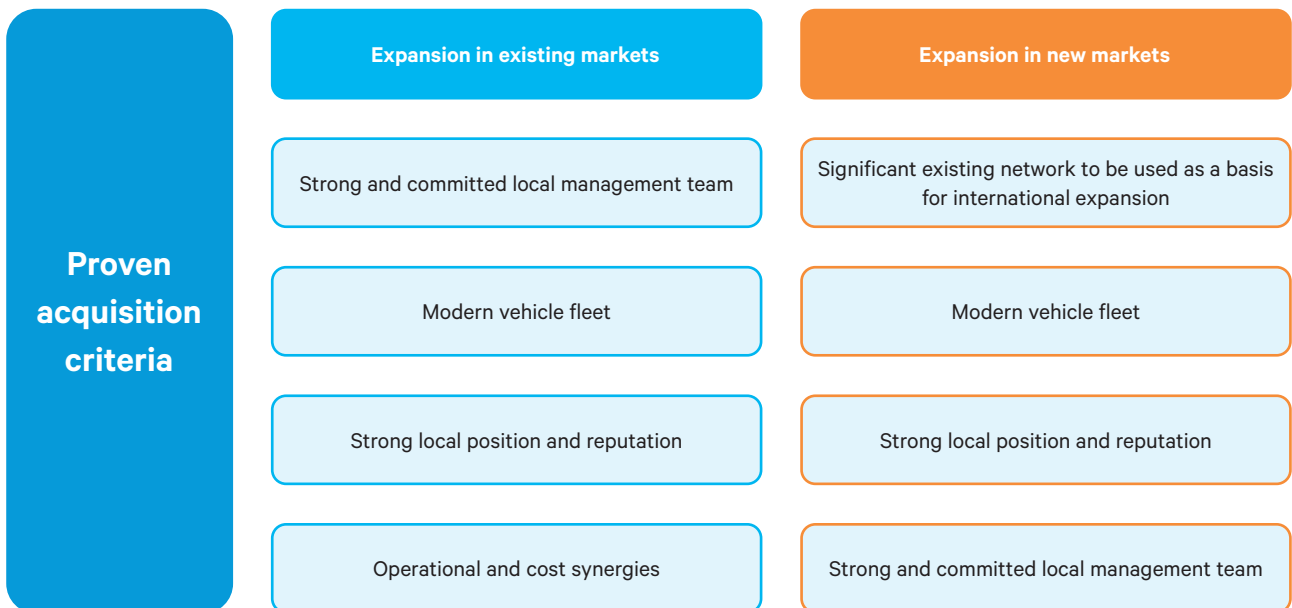
expand local service offering, unlock synergies in existing markets, acquire platform companies, acquire expertise and depth in existing services and solutions, and unlock synergies in new markets. Norva24 has a strong track record of acquisitions and integrations. The UIM market remains highly fragmented, 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 next page presents a comprehensive list of Norva24's acquisitions, 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 position and reputation in the market, a modern vehicle fleet, 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.





ACQUISITIONS

Acquisition year	50 acquisitions	Geography	Strategic rationale	Sourcing	
2024	Vikek Miljø AS		Local add-on		Consolidator of choice: Earn-outs and re-investments standard
	Kyrsting ApS		Local add-on		
	Svein Klungtveit AS – Septic Division		Local add-on		
2023	Baier Rohrreinigung GmbH		Local add-on		Entrepreneurial home for future branch managers
	ControTech AB		Local add-on		
2022	Toms Kloakservice		Local add-on		Entrepreneurial home for future branch managers
	NRC Gravco AS and Septik Tank Co AS		Local add-on		
	CKS Express Baumanagement GmbH and CKS Rohrexpress GmbH		Local add-on		
2021	Jutzy Haustechnik & Service GmbH		Local add-on		Avg. exclusivity period of ~5 months
	Stockholm Relining AB		Specialist competence		
	Thornvig Jensen A/S and J.S. Overfladebehandling ApS		Local add-on		
	IRG Rörinspektion AB		Specialist competence		
	Rohrfrei Axel Zimmerbeutel GmbH		Local add-on		
2020	Ulvby Miljø (including subsidiaries)		Local add-on		Limited competition for targets
	Decker Group		Local add-on		
	Malmberg Miljöhantering		Local add-on		
	GR Avloppsrensning		Local add-on		
2019	GJ & Son AB		Regional platform		Standardized SPAs
	Kjelsberg Transport AS		Local add-on		
	Mayer Kanalmanagement		Regional platform		
	Solna Högtrycksspolning AB		Local add-on		
	Behne Entsorgungs-Service		Local add-on		
2018	Rohrreinigung Falkenhagen GmbH		Local add-on		Average pre-synergies acquisition multiple: ~3-7x EBITDA ~6-9x EBITA
	Kanal-Türpe Gochsheim GmbH & Co. KG		Regional platform		
	LGT		Local add-on		
2017	BRI		Local add-on		Average pre-synergies acquisition multiple: ~3-7x EBITDA ~6-9x EBITA
	Miljøvision		Regional platform		
2016	Ex-Rohr		National platform		Average pre-synergies acquisition multiple: ~3-7x EBITDA ~6-9x EBITA
	Jysk Kloak Service		Local add-on		
	A Söderlindhs AB		National platform		
2015	Risskov		Regional platform		Average pre-synergies acquisition multiple: ~3-7x EBITDA ~6-9x EBITA
	Sørmiljø		Regional platform		
	Søgne rørservice		Local add-on		
	ISS Kloak Service (Norva24 Danmark)		National platform		
2015	Vann og Rørservice AS		Specialist competence		Average pre-synergies acquisition multiple: ~3-7x EBITDA ~6-9x EBITA
	Ringerike Septikservice AS		Local add-on		
	Flagstad AS		Local add-on		
	Septik24 AS		Regional platform		
	Østfold Høytrykk AS		Local add-on		
	Septik og Miljøservice AS		Local add-on		
	Norsk Vacuumgraving AS		Initial platform		
	Spyleteknikk AS		Initial platform		
AquaPower Vest		Initial platform			
Aqua Power AS		Initial platform			
Sandnes Transport AS		Initial platform			

Bilateral Pre-emptive auction Auction



When identifying add-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 add-on acquisition targets with a certain minimum level of UIM service revenue and EBITDA margin. Norva24 also looks for add-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 Group 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 34 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 12 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 to increase density in Oslo. Toms Kloakservice ApS in Denmark was also acquired as an add-on to the existing Næstved operations, and Contro Tech AB in Sweden was acquired as an add-on in Malmö. In Germany, Baier Rohrreinigung GmbH was signed as an add-on in the Nuremberg area.

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.

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.

In 2020, Norva24 acquired Kanal-Türpe, Behne and Falkenhagen in Germany, Solna Högtrycksspolning and LGT:s Högtryck in Sweden, and Bergen Rörinspeksjon 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 add-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

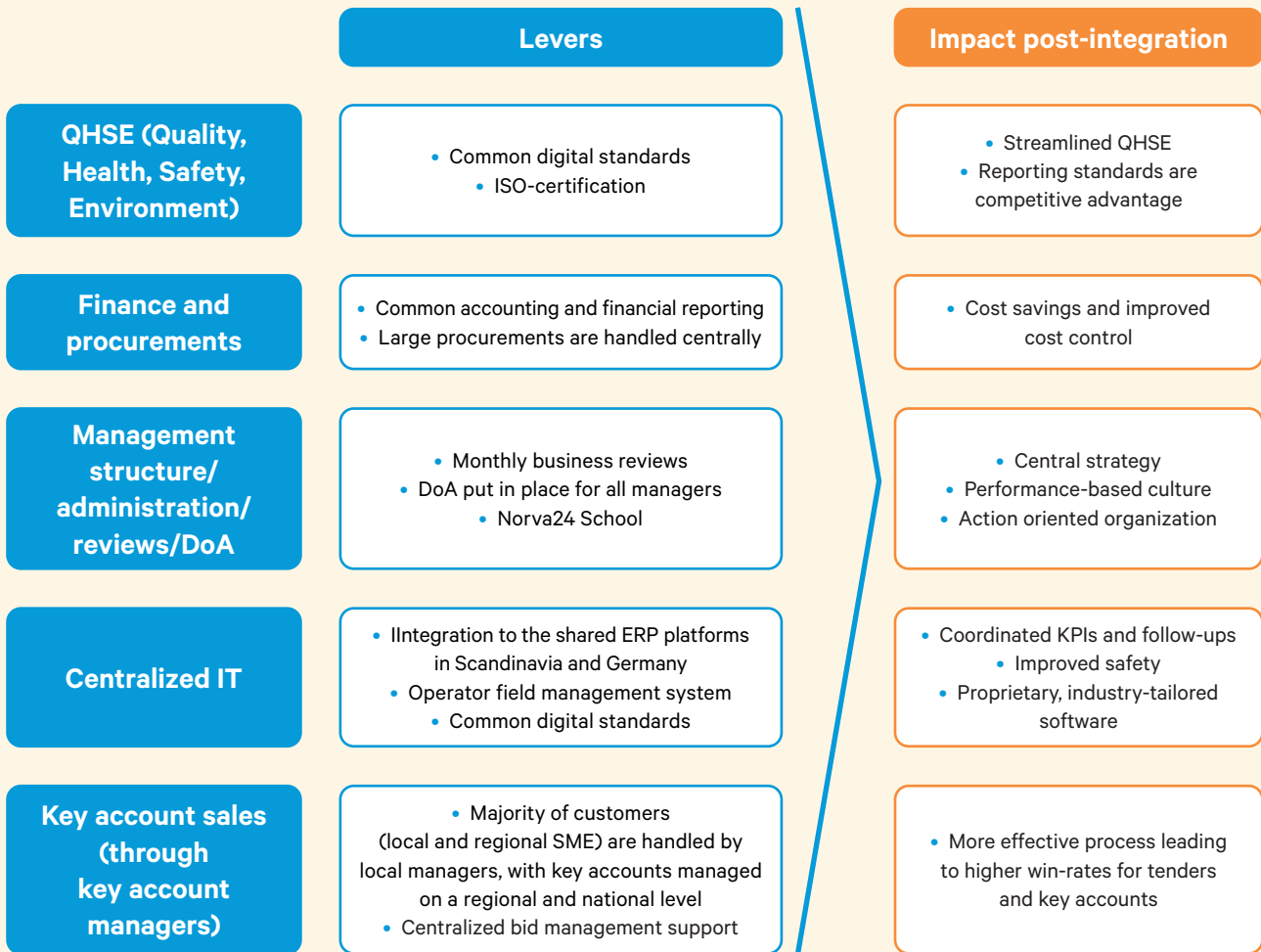
Growing organically is a key focus for Norva24, but equally important are acquisitions, which is also an important component of Norva24's growth strategy going forward. Norva24 has a strategy of continuing to supplement its organic growth with acquisition-driven growth and

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

SUSTAINABILITY IN OUR CORE OPERATIONS

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. It supplies society with clean water and manages wastewater treatment and disposal. Degradation or failure within this system can disrupt clean water supply, lead to wastewater contamination, and, in extreme cases, cause environmental harm. Thus, ongoing upkeep of this infrastructure and its components is vital for maintaining its efficiency and extending its longevity and operational lifetime.

Aging underground infrastructure and urbanization

In the markets Norva24 operates, the underground infrastructure predominantly suffers from extensive wear, attributed to prolonged periods without essential renovations. This has culminated in a widespread investment shortfall within this crucial sector. On average, the infrastructure dates back more than 40 years, with portions reaching up to 150 years old. Consequently, there's a notable rise in sewer damages and leak occurrences, undermining the reliability and efficacy of the entire underground system, thereby adversely impacting societal functions.

Moreover, increased urbanization exerts additional pressure on these already overburdened systems, which were not originally designed to accommodate the increasing volumes. This deterioration necessitates an urgent and increased focus on maintenance and upgrading efforts to ensure the sustainability and resilience of the underground infrastructure.

Climate change

Climate change is intensifying extreme weather conditions, which will, in turn, increase both droughts and precipitation levels, exerting additional stress on underground infrastructure. During exceptionally dry periods, there's a heightened demand for cleaning the subterranean systems and water pipes as the usual flow, which facilitates self-cleaning, diminishes. Similarly, climate change escalates acute precipitation levels, challenging the wastewater system's capacity. Unable to cope with these extreme water volumes, the result is often flooding and consequential damage to the infrastructure.

Moreover, a rise in average temperatures could compromise the hygiene of the drinking water supply. With higher temperatures, the likelihood of bacteria proliferation in the water increases, posing health risks. Thus, Underground Infrastructure Maintenance (UIM) services have become indispensable to adapt to the adverse weather phenomena induced by climate change.

CONTRIBUTION TO A SUSTAINABLE SOCIETY



Sustainability lies at the core of Norva24 and its mission. It's an integral part of our purpose. Our long-term vision is to emerge as a leader and a lighthouse in the European market, aspiring to inspire and influence sustainable business within the Underground Infrastructure Maintenance (UIM) industry in Europe.



Environment

Norva24's dedication to maintaining underground infrastructure plays a crucial role in ensuring a sustainable future. Our services significantly support the UN Sustainable Development Goals (SDGs), making direct contributions to SDG 6 – Clean Water and Sanitation. Additionally, UIM services are vital for SDG 11 – Sustainable Cities and Communities and SDG 13 – Climate Action. A strategic priority for the Group is also enhancing energy efficiency, aligning with SDG 7 – Affordable and Clean Energy.

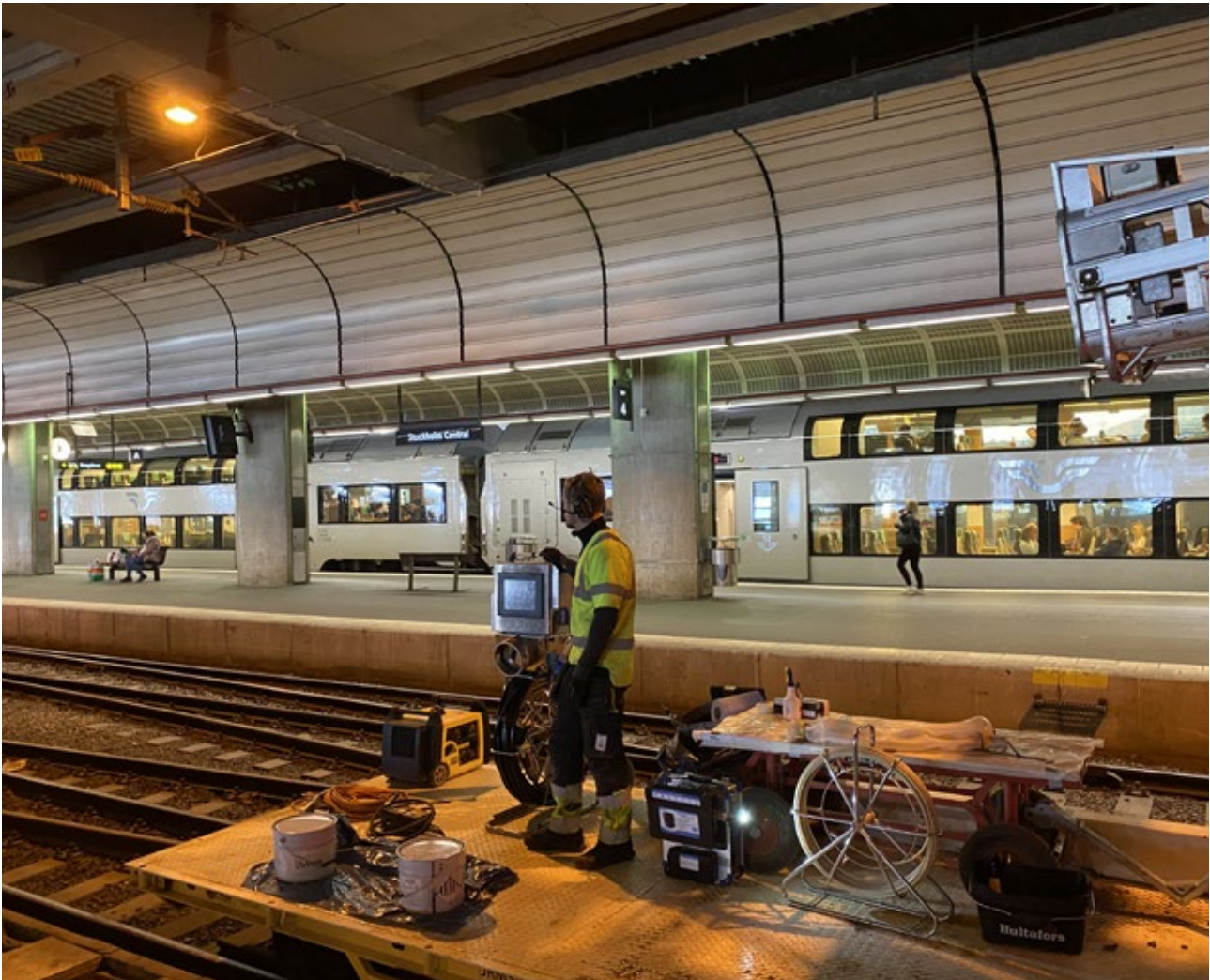
To further our impact on an environmentally sustainable society, we are focused on two key KPIs to expand our green initiatives in accordance with the EU Taxonomy and reduce our relative energy consumption:

- 
 • 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

Our Group strives to excel in quality, health, safety, and environmental (QHSE) practices, involving every employee in the ongoing improvements of our work environment, processes, environmental efforts, and social accountability. Our ethos, "We always help!" is deeply ingrained in our culture, making it a foundational commitment across the Group.

To safeguard a secure working environment, Norva24 prioritizes social aspects such as health and safety in the workplace. We actively work to prevent accidents and work-related illnesses through comprehensive training and heightened QHSE awareness. For Norva24, prioritizing health and safety is not just a policy; it's



the cornerstone of our business philosophy, with most of our operational units either already ISO 45001 certified or in the process of certification.


Governance and Ethical business


Norva24 interprets sustainable development as fulfilling current needs without hindering future generations' ability to meet theirs. Our commitment is to always behave as a responsible entity, endorsing sustainability. Ethical business practices are a cornerstone of our operations. The board approved Code of Conduct lays the groundwork for Norva24's approach to ethical business, aiming to minimize non-compliance risks related to competition, anti-corruption, human rights, data protection, security, health, safety, and the environment during engagements with our primary stakeholders. Additionally, Norva24 undertakes an annual Human Rights due diligence, aligning with the OECD guidelines for responsible business conduct.


Environment




Norva24 strives to serve as a lighthouse of inspiration for environmental practices within the UIM industry. As the leading provider of UIM services in Northern Europe, we deliver essential solutions that society relies on. We have a strategic target to expand our portion of green activities in line 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)

Furthermore, we are proactively reducing our relative energy consumption in service delivery. By optimizing route planning, investing in modern equipment with lower energy use, and launching other energy-saving measures, we aim to enhance operational energy efficiency. To track progress, we've introduced a KPI for monitoring relative energy consumption across 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 established by the European Union to synchronize the EU's Green New Deal strategy with financial reporting, encouraging investments in sustainable businesses, and enhancing transparency and comparability within the Union. Through the taxonomy, we disclose the proportion of our revenue that is eligible and aligned with the EU's objectives for environmentally sustainable services (green services). We also report capital expenditures (capex) as the portion of investments supporting green services or aimed at transitioning non-aligned services to green. Investments not recognized as capex under accounting standards are reported as operational expenditures (opex) within the taxonomy framework.

The EU Taxonomy framework, aimed at steering investments towards sustainable activities, is regularly updated. Initially focused on climate change mitigation and adaptation, in 2023 it extended to include criteria for sustainable use of water and marine resources, circular economy, pollution prevention, and biodiversity restoration. This broadening, finalized by June 2023, allows for comprehensive reporting on these environmental goals starting from 2024, based on 2023 activities.

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

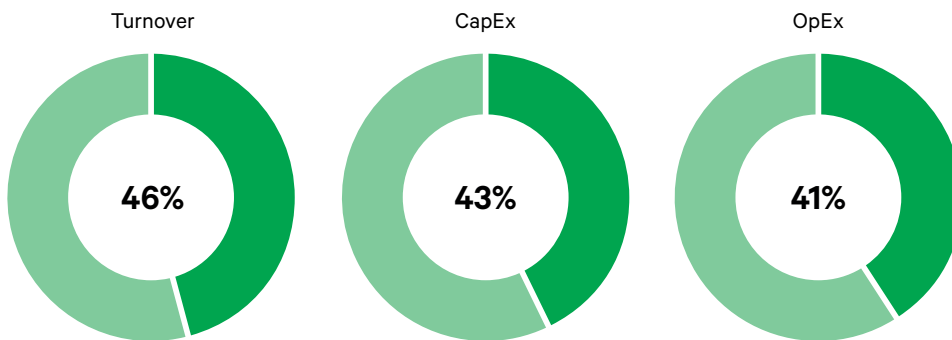
- makes a substantial contribution to achieving one or more of the EU's environmental objectives.
- does no significant harm to any other EU environmental objective.
- will be practiced in compliance with the EU minimum social safeguards.

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 plays a crucial role in maintaining water supply and sewage networks, and many of Norva24's principal services align with the EU taxonomy criteria.

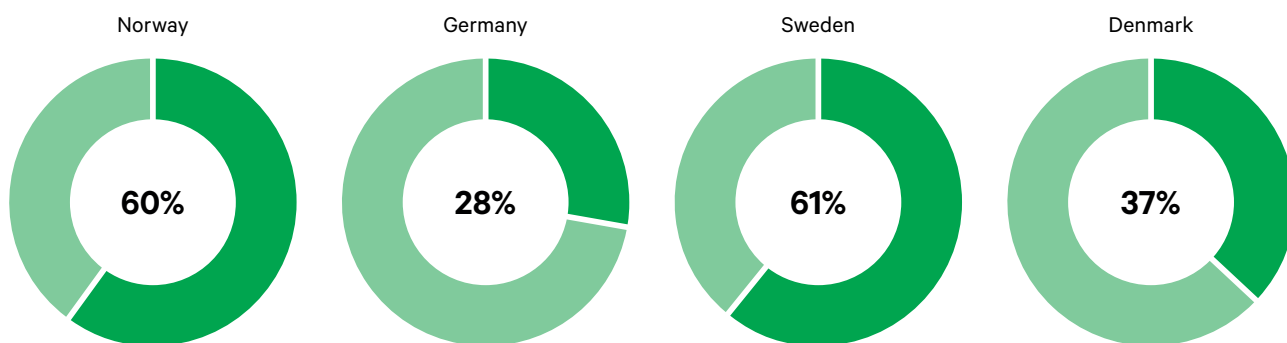


SUBSTANTIAL CONTRIBUTION

Taxonomy eligible green services for Norva24 In 2023



Taxonomy eligible 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.



Taxonomy objective	Substantial contribution	Taxonomy activity	Norva24 Service	Eligible and aligned	Eligible but not aligned	Non-eligible
 Water supply, sewerage, waste management and remediation activities	Climate change mitigation (CCM)	5.4 Renewal of wastewater collection and treatment	Pipe services – Relining (no-dig repair of existing pipes)	10%		
		5.5 Collection and transport of non-hazardous waste in source segregated fractions	Emptying services – Septic tank – Sand traps – Grease separators – Other wet or dry masses	30%		
		5.8 Composting of bio-waste	Environmental composting	1%		
	Transition to a circular economy (CE)	2.3 Collection and transport of non-hazardous and hazardous waste	Emptying oil traps and hazardous waste (hazardous) Deposits hazardous waste (hazardous)		5%	
Other non-eligible activities		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			54%
TOTAL TURNOVER				41%	5%	54%

Adaption to the effects of climate change

Physical risks are continuously monitored and assessed at the local level. Key locations perform risk evaluations pertinent to climate threats. According to the UN Panel on Climate Change’s scenarios, such risks have a minimal negative impact on the Group but signal opportunities for growth, as evolving climate conditions are expected to escalate the need for underground infrastructure upkeep and system renewal.

Sustainable water and marine resource mangement

Norva24 engages in a select set of activities aligned with the DNSH criteria. The company’s services significantly contribute to mitigating stress and emissions from sanitary wastewater, ensuring the maintenance and support of existing water infrastructure by other entities.

Transitioning to a circular economy

Downstream handling of waste fractions significantly contributes to the circular economy. Norva24 ensures all waste materials, collected by suction trucks and segregated at source, are delivered to certified sites. Additionally, Norva24 treats various waste fractions, including septic sludge, and fat and oil-contaminated mixes, converting them into valuable resources like clean fertilized soil, pure oil fractions for reuse, and clean water for return to the wastewater system. These processes are meticulously monitored by Norva24 at the local level and by national and local authorities.

For vehicles reaching the end of their economic life, Norva24 evaluates the potential for reuse. The feasibility of repurposing vehicle components, such as mounting tank bodies and pump assemblies onto new chassis, is assessed, potentially offering savings on economic investments and reducing environmental impacts. Alternatively, extending a vehicle’s service life through



repairs is considered, weighing the costs against the anticipated future downtime and repair expenses for older vehicles. This approach underlines Norva24's commitment to sustainability and its role in promoting the principles of a circular economy.

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.

Risk assessments are conducted for all Norva24 services as part of its QHSE system and ISO certifications. Services that pose an increased environmental pollution risk require operators to implement necessary actions to mitigate these risks to acceptable levels. Although inherent industry risks cannot be fully eliminated, Norva24 employs company-wide strategies for sharing knowledge and best practices to minimize these risks effectively.

Certain activities by the group adhere to EU regulations. For instance, the environmental composting facility outside Bergen processes septic sludge into fertilized soil for agricultural and gardening applications. This plant complies with all relevant local and national regulations, prioritizing the minimization of its environmental footprint. Norva24 is committed to implementing measures to prevent leachate and control odors, ensuring a minimal negative impact on the surrounding environment.

Protection and restoration of biodiversity and ecosystems

Norva24's activities are assessed to have minimal impact, with biodiversity evaluations focused on ensuring business locations do not affect protected areas. This selective assessment highlights Norva24's commitment to minimizing its environmental footprint, especially in sensitive regions.

MINIMUM SOCIAL SAFEGUARDS

EU Taxonomy establishes baseline social standards to prevent businesses from negatively impacting their communities. Norva24 diligently monitors these social safeguards at the group level, incorporating protocols for Anti-Corruption, Fair Competition, Taxation, and Human Rights. The organization conducts an annual human rights due diligence in alignment with OECD guidelines for responsible business behavior. Detailed accounts of these initiatives are included in the "Ethical Business" section, illustrating Norva24's dedication to ethical practices and accountability.



Other environmental initiatives



REDUCE RELATIVE ENERGY CONSUMPTION

To align with the Paris Agreement and global climate goals, the Underground Infrastructure Maintenance (UIM) sector must embrace sustainable service methods. Norva24, as a prominent UIM provider in Northern Europe, is committed to fulfilling these objectives, responding to stakeholder expectations with responsible actions. The company has set a strategic goal to decrease its operations' relative energy consumption, aiming to lower energy use and greenhouse gas emissions. This key performance indicator (KPI) is directly associated with Sustainable Development Goal (SDG) 7.3, which aims to double the global rate of energy efficiency improvement, underscoring Norva24's dedication to contributing to energy sustainability and reducing environmental impact.



Reduce the relative energy consumption from own operations.

(kWh/Total operating income*100)

Throughout 2023, Norva24 has carefully monitored its relative energy consumption across all segments, closely following changes from the previous year. Norway saw a slight decrease to 4.34. Germany significantly reduced its consumption to 2.27 from 2.73 in 2022, demonstrating notable efficiency improvements. Sweden's relative consumption was adjusted to 4.81, and Denmark improved to 4.24 from 5.01 in 2022, both reflecting operational efficiencies.

These figures underline the varied effectiveness of initiatives aimed at operational efficiency improvements, such as enhanced vehicle utilization and more efficient job planning across the regions. The overall relative energy consumption for the Norva24 Group concluded at 4.66, indicating the collective impact of these regional efforts towards the company's commitment to reduce energy use and environmental footprint, aligning with sustainability goals.

CERTIFICATION – ENVIRONMENTAL MANAGEMENT SYSTEMS – ISO 14001

ISO 14001 outlines the requirements for an environmental management system (EMS) that enables organizations to improve their environmental performance. This standard is designed for organizations committed to managing their environmental responsibilities systematically, contributing to the environmental sustainability pillar. It aims to provide value for the environment, the organization itself, and its stakeholders, in alignment with the organization's environmental policy. The intended outcomes of an EMS under ISO 14001 include:

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

Norva24 holds ISO 14001 certification for its operations in Norway, Denmark, and nearly all in Sweden. This underscores Norva24's dedication to environmental management and sustainability throughout its operations.



Case: Steering Towards Sustainability – Norva24’s Electric Vehicle Initiative



Norva24 is embarking on an important initiative toward sustainability by gradually introducing electric vehicles (EVs) into our fleet. This initiative, led by Tim Normann, CEO of Norva24 Denmark, reflects our commitment to reducing carbon emissions and aligning with global efforts to combat climate change. It’s a step forward in our journey to contribute positively to the environment and meet the increasing demand for environmentally friendly services from our customers.

The transition to electric vehicles is driven by our recognition of the need for sustainable solutions in today’s world. It’s not only about meeting the targets set by the Paris Agreement but also about responding to our clients’ expectations for green and efficient services. Particularly in urban settings, there’s a growing preference for services that minimize environmental impact, which aligns with our move towards electric vehicles. This shift offers us a way to stay competitive while embracing our environmental responsibilities.

Our approach to incorporating electric vehicles focuses initially on smaller flushing

vehicles, where the current technology meets our operational needs and economic considerations. The introduction of five electric Opel Vario Vans in Denmark, equipped with electric flushing equipment, marks a significant stride in this direction. Although larger electric trucks present a challenge due to their developmental stage and cost, we are optimistic about overcoming these hurdles as technology advances.

Adopting electric vehicles comes with its set of challenges, such as ensuring the vehicles’ operational efficiency during colder months and addressing issues related to range and charging infrastructure. “Transitioning to electric vehicles brings about a number of challenges, but with the dedication of our team, especially our mechanics, we’re making considerable progress,” says Tim Normann. This effort underscores the importance of teamwork and innovation in our transition process.

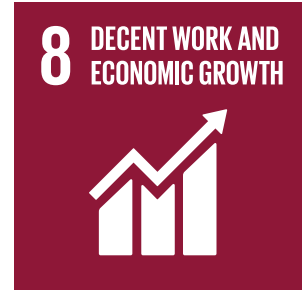
Training and engaging our employees in this new phase of operations is crucial. By providing them with the necessary training, we’re ensuring they are well-prepared to

operate these new electric vehicles. This proactive approach to employee involvement is key as we plan to further expand our fleet of electric vehicles.

Looking to the future, we aim to increase the number of electric flushing vans in our fleet, with a goal of having around 15 electric vans in Denmark in the next few years. This expansion is a part of our broader strategy to adopt more sustainable technologies and practices across our operations. “We’re taking significant steps toward incorporating electric vehicles into our fleet. Despite the challenges, the potential for reducing our environmental impact is clear and motivates us to continue this path,” Tim adds.

Norva24’s move toward electric vehicles reflects our dedication to sustainability and innovation. This initiative not only enhances our services but also plays a part in contributing to a healthier environment. As we progress, we remain committed to exploring and implementing sustainable solutions, reinforcing our role as a leader in the industry and as a responsible steward of the environment.

Social



Norva24’s employee philosophy is anchored in trust and passion. The company embraces the notion that learning and collaboration among employees foster a positive workplace and enhance performance. A culture of teamwork and common objectives encourages the sharing of knowledge and leveraging of individual strengths, benefiting both Norva24’s operations and its contributions to customers and society. Leaders within Norva24 are expected to exemplify these values, serving as role models to embody and reinforce the Group’s principles.

SOCIAL KEY PERFORMANCE INDICATORS

- Short-term sick leave: 4.6% (5.6%)
- Long-term sick leave: 2.7% (3.2%)
- Total sick leave: 7.4% (8.8%)
- Number of employees: 1,751 (1,632)
- Share female employees: 13% (13%)
- Number of incidents leading to absence: 84 (28)

EMPLOYEES OF THE GROUP

In 2023, Norva24’s workforce increased to more than 1,750 employees across its 77 branches. The staff distribution evolved to around 25% white-collar and 75% blue-collar roles.

The firm’s commitment to health and safety and fostering a supportive work environment continues unabated. As a leader in the UIM industry, Norva24 persists in offering robust training and development opportunities, ensuring every employee is well-equipped for their role. Best practice sharing and task rotation remains central, promoting a culture of continuous learning.

The buddy system and Norva24 School are key to integrating new employees, providing focused training until they feel confident in their roles.

Norva24’s inclusivity efforts, notably through customized vehicles for employees with disabilities, highlight the company’s dedication to a diverse and capable workforce. This approach not only enhances the company culture but also strengthens its service delivery.

Overall, Norva24 in 2023 steadfastly upheld its commitment to employee development, operational excellence, and inclusivity, reinforcing its position as a leader in the UIM sector while staying true to its core values.

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.

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



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 documen-

tation 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.

In 2023, 84 (28 in 2022 excluding Germany) accidents resulted in a leave of absence.

ATTRACTIVE WORKPLACE

We're devotedly advancing towards fostering an engaging workplace, a commitment mirrored in our human resources strategy. This strategy is designed to attract, retain, and motivate the necessary talent to excel in our business operations..

We actively foster employee engagement, ensuring each individual feels valued and capable of impacting their work environment. The Group champions diversity, inclusion, and equal opportunities within our workforce. Norva24 enforces a strict zero-tolerance policy against any form of discrimination or harassment, underscoring our commitment to a respectful and equitable workplace.

The Group's human resources functions are managed locally or at the branch level, enhancing our understanding of the unique market conditions. Through performance management, we direct and navigate the business towards its overall goals, focusing on enabling every employee and team to contribute effectively to our critical success areas. This effort is geared towards fostering organizational growth that aligns with our strategic aims, setting clear priorities, and fostering commitment among our staff. We value feedback highly, as it is instrumental in fostering both personal and professional development for individuals and the business alike.

Some of our employees are part of collective bargaining agreements and other arrangements with trade unions. These agreements undergo renegotiations periodically.

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 has currently ISO 45001 certification in Norway, Denmark, and all entities in Sweden except one.

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 2023, Norway and Sweden have maintained their ISO 9001, ISO 14001, and ISO 45001 certifications. In Denmark, Norva24 Danmark A/S continues with its ISO 14001 and ISO 45001 certifications. The journey towards ISO 9001 certification is ongoing and is expected to be completed by 2025. In Germany, the path to ISO certifications shows a variety of progress across different entities. Some are just beginning, others are making strides towards their goals, and a few have successfully achieved their certifications. Notably, Germany has initiated the process for the ISO 50001 certification, reflecting a proactive stance on energy management.



Case: Equal opportunities for all at Norva24



Norva24’s ethos, “We always help,” underpins our commitment to fostering an inclusive and supportive workplace where diversity is seen as an asset. This year, we are proud to share the stories of Mohammadarjan Azizi and Gulzaman Shiraz, whose integration into Norva24 Øst AS exemplifies our dedication to providing equal opportunities for all, regardless of their background.

Through a partnership with the local social security office, focused on integration and job training, we welcomed Mohammadarjan and Gulzaman to our team. Their journey from Afghanistan to Norway, and from serving their communities in their homeland to embarking on new roles within our company, showcases resilience and adaptability. Their transition has been supported by Norva24 Øst AS with measures designed to ensure their successful inclusion in our workforce.

To facilitate their integration, we offered flexible scheduling to accommodate their

Norwegian language courses, recognizing the importance of communication in workplace safety and cohesion. Their enthusiasm for taking on even the most challenging tasks has not only demonstrated their strong work ethic but has also served as an inspiration to their colleagues, highlighting the value of persistence and collective effort.

The impact of Mohammadarjan’s and Gulzaman’s inclusion at Norva24 extends beyond their individual contributions. It has positively influenced our company culture, encouraging a deeper understanding and appreciation of diversity. Their stories underscore the significance of creating opportunities for growth and demonstrate how a supportive environment can lead to successful integration and mutual benefits for both the individual and the company.

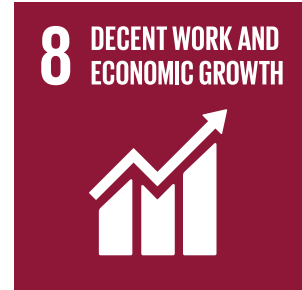
Their experience at Norva24 Øst AS reinforces our belief in the importance of

embracing diversity and inclusion as central components of our business strategy. As we look to the future, Norva24 remains committed to this approach, understanding that a diverse and inclusive workforce is essential to our continued success and ability to serve our clients and communities effectively.

In reflecting on the journeys of Mohammadarjan and Gulzaman, we are reminded of the transformative power of providing opportunities and support. Their integration into Norva24 is a testament to what can be achieved when companies commit to diversity and inclusion. It’s a reminder that our mission, “We always help,” extends beyond the services we provide to the ethos we embody, making Norva24 a place where everyone, from every background, has the opportunity to succeed.



Ethical business



As a leading provider in the UIM sector, Norva24 values being a dependable partner to our clients, suppliers, and other vital stakeholders in our operational communities. We conduct all business dealings with the highest level of integrity and professionalism. Compliance with applicable legal and regulatory requirements, alongside our internal policies and governance documents, is compulsory for all employees and associated individuals. We particularly emphasize minimizing the risk of non-compliance in areas such as human rights, anti-corruption, financial reporting and taxation, competition law, and data protection. The Code of Conduct, approved by our Group's Board, outlines ethical business practices for all employees, underscoring Norva24's dedication to ethical business conduct.

HUMAN RIGHTS

Norva24 has devised a comprehensive set of governance documents, including the Code of Conduct and various Policies, aimed at fostering responsible business practices across the company. Complying with the EU taxonomy's Minimum safeguards, an annual human rights due diligence, consistent with OECD guidelines for responsible business conduct, is conducted. This evaluation identifies and assesses potential adverse impacts on human rights within our operations, supply chains, and business interactions. So far, we have not discovered significant human rights risks or adverse effects. The regions where Norva24 operates are generally among the highest-rated globally concerning human rights observance.

ANTI CORRUPTION AND BRIBERY

Corruption significantly hinders sustainable development and poses risks to the company. Norva24 supports fair competition through professional management of tenders, offers, and purchases, strictly avoiding any form of price fixing or market position abuse.

Norva24 has established a whistleblower function, allowing both employees and external parties to anonymously report suspected misconduct online or by phone. This system is administered by an independent provider, 2Secure, enhancing trust by acting as a go-between for the whistleblower and Norva24. 2Secure's administrators initiate dialogue with whistleblowers, and each report is processed by their experienced staff, ensuring thorough and efficient resolution. Norva24 is then advised on appropriate follow-up actions for each case reported through this channel.

SUPPLIERS AND PROCUREMENT

Norva24 collaborates with numerous subcontractors and suppliers, depending on third parties for diesel fuel deliveries, waste disposal, and certain septic sludge collections, alongside UIM service materials, personal protective equipment, and vehicle financing or purchasing. The company is increasingly incorporating technical equipment like cameras, robots, and sensors into its services.

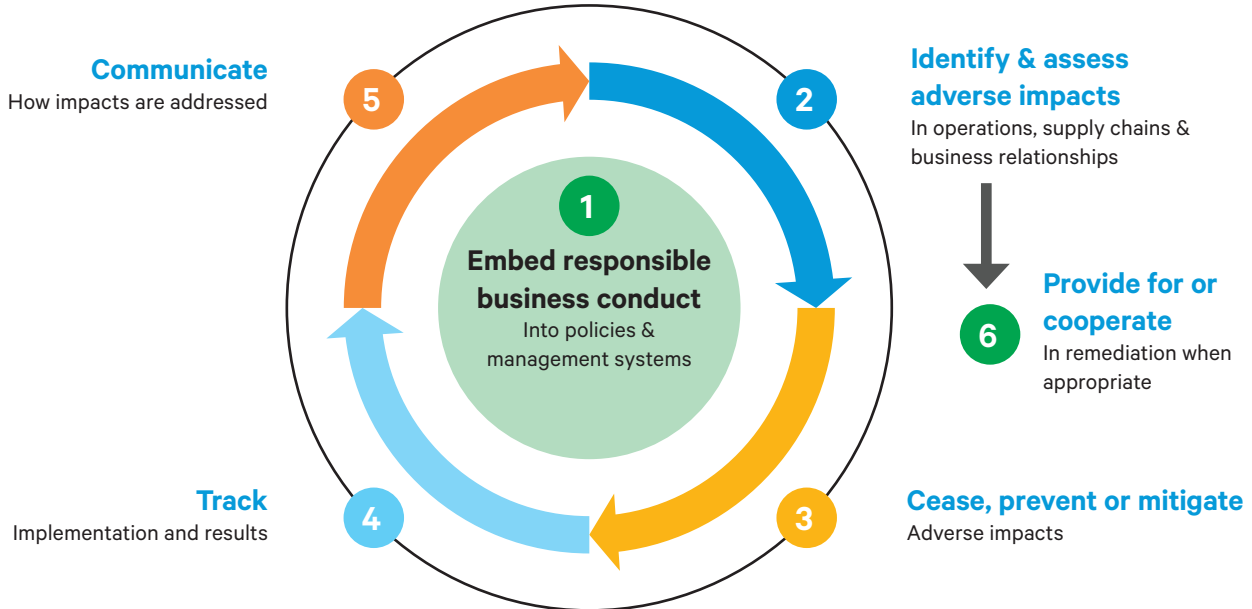
The Group's primary suppliers are involved in the production of Norva24's vehicles, predominantly leased through financial institutions. Additionally, Norva24 utilizes external third-party IT software and platforms to enhance its service offerings.

In line with the Norva24 Model, procurement is decentralized, with supplies typically sourced at national or branch levels. This strategy diversifies the supplier base and minimizes dependency on any single supplier for operations. However, some Group-wide procurements, such as for specific software platforms, insurance, vehicles, and fuel, are managed through a formalized process at both country and Group levels. This approach aims to reduce costs and increase operational efficiency across the Group.

All suppliers working with Norva24 are obligated to follow the company's standards, abide by local laws, and adhere to relevant industry norms, especially in areas such as environmental protection, workplace safety, anti-corruption, human rights, and

OECD risk-based due diligence process and supporting measures

Due diligence process and supporting measures.



Source: OECD

business ethics. These suppliers are largely situated within Norva24’s operational territories in Northern Europe, aligning closely with the company’s ethical and operational guidelines.

FINANCIAL REPORTING AND TAXATION

Norva24 complies with all applicable local laws and regulations concerning financial reporting and engages independent auditors for all entities, except for the very smallest ones not legally required to be audited. The company’s approach to tax compliance is thorough, honoring both the letter and spirit of the law, with a firm belief that taxes should be paid in the country where profits are generated. Norva24 strategically aims to minimize tax costs within each jurisdiction’s legal boundaries. Its international tax planning efforts are primarily focused on avoiding double taxation and adhering to transfer pricing principles, in accordance with OECD guidelines, underlining the group’s dedication to responsible and ethical financial practices.

DATA PROTECTION AND PRIVACY

Data privacy and data protection are crucial for Norva24, as the company processes and stores a wide range of personal data. Recognizing the importance of ongoing vigilance in data privacy and protection, Norva24 is committed to perpetual improvement. Procedures are in place to ensure the safeguarding of confidentiality, privacy, and information access. The company continuously seeks to meet high security standards and dedicates resources to comply with all relevant laws and regulations, including GDPR, demonstrating its commitment to data privacy and protection.

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 and confidentiality based on industry standards ensuring applicable protection against cyber threats.

CERTIFICATION – QUALITY MANAGEMENT SYSTEMS – ISO 9001
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.





Regulatory frameworks

The Group utilizes a decentralized, branch-based business model with three organizational levels: Group, country, and branch. Norva24 Group Management at the Group level sets strategic direction, coordination, and objectives for all branches and national subsidiaries.

Daily operations at each branch are managed by local branch managers, who have autonomy in local decision-making while adhering to common KPIs consistently across the Group. This Norva24 Model enables decisions to be customer and employee-centric, supported by uniform governance and management systems Group-wide.

The Norva24 Code of Conduct outlines the values and principles guiding interactions with employees, suppliers, customers, business partners, investors, and stakeholders like public authorities, laying the foundation for all Group policies and rules. It encapsulates various policies including Corporate Governance, IT, Information Security, Data Protection, HR, 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 and ISO 14001, including all entities in Norway.



EU Taxonomy notes

Fiscal Year 2023 Turnover	2023			Criteria for Significant Contribution						Criteria for Doing No Significant Harm (DNSH)						Share compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2), turnover, year 2022 (18)		Transition Activities (20) Enabling Activities (19)	
	Code (a) (2)	Turnover (3)	Share of Turnover in 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution Prevention and Control (8)	The transition to a circular economy (9)	The Protection and Restoration of Biodiversity and Ecosystems (10)	The Protection and Restoration of Biodiversity and Ecosystems (16)	The transition to a circular economy (15)	Pollution Prevention and Control (14)	The sustainable use and protection of water and marine resources (13)	Anpassning till klimatförändringar (12)	Begränsning av klimatförändringar (11)	Minimum safeguards (17)	%	E	T
Economic Activities (1)		NOK million	%	Y; N; N/A (b) (c)						Y/N						Y/N	%	E	T
A. ACTIVITIES COVERED BY THE TAXONOMY																			
A.1 Environmentally Sustainable (Taxonomy-aligned) Activities																			
Renewal of waste water collection and treatment	CCM 5.4	321	10	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	-	Y	Y	11	-	-
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	957	31	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	31	-	-
Composting of bio-waste	CCM 5.8	4	1	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	2	-	-
Turnover of Environmentally Sustainable Activities (A.1)		1,283	41	41	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	44		
Of Which Enabling Activities		0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of Which Transition Activities		0	0	-						-	-	-	-	-	-	-	-		T
A.2. Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (g)																			
Collection and transport of non-hazardous and hazardous waste	CE 2.3	143	5	N	N	N/A	N/A	Y	N/A								0		
Turnover of Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (A.2)		143	5	0	0	0	0	0	0								56		
A. Turnover for Activities Covered by the Taxonomy (A.1 + A.2)		1,426	46	41	0	0	0	0	0								100		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Turnover of Activities Not Covered by the Taxonomy		1,706	54																
TOTAL (A+B)		3,132	100																



Fiscal Year 2023 Capex	2023			Criteria for Significant Contribution						Criteria for Doing No Significant Harm (DNSH)									
	Code (a) (2)	Turnover (3)	Share of Turnover in 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution Prevention and Control (8)	The transition to a circular economy (9)	The Protection and Restoration of Biodiversity and Ecosystems (10)	The Protection and Restoration of Biodiversity and Ecosystems (16)	The transition to a circular economy (15)	Pollution Prevention and Control (14)	The sustainable use and protection of water and marine resources (13)	Anpassning till klimatförändringar (12)	Begränsning av klimatförändringar (11)	Minimum safeguards (17)	Share compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2), turnover, year 2022 (18)	Transition Activities (20)	Enabling Activities (19)
		NOK million	%	Y; N; N/A (b) (c)						Y/N						Y/N	%	E	T
Economic Activities (1)																			
A. ACTIVITIES COVERED BY THE TAXONOMY																			
A.1 Environmentally Sustainable (Taxonomy-aligned) Activities																			
Renewal of waste water collection and treatment	CCM 5.4	35	10	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	-	Y	Y	11	-	-
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	105	31	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	31	-	-
Composting of bio-waste	CCM 5.8	1	1	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	1	-	-
Turnover of Environmentally Sustainable Activities (A.1)		141	42	41	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	43		
Of Which Enabling Activities		0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of Which Transition Activities		0	0	-						-	-	-	-	-	-	-	-		T
A.2. Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (g)																			
Collection and transport of non-hazardous and hazardous waste	CE 2.3	16	5	N	N	N/A	N/A	Y	N/A								0		
Turnover of Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (A.2)		16	5	0	0	0	0	0	0								57		
A. Turnover for Activities Covered by the Taxonomy (A.1 + A.2)		156	46	41	0	0	0	0	0								100		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Turnover of Activities Not Covered by the Taxonomy		182	54																
TOTAL (A+B)		338	100																



Fiscal Year 2023 Opex	2023		Criteria for Significant Contribution							Criteria for Doing No Significant Harm (DNSH)					Share compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2), turnover, year 2022 (18)		Transition Activities (20) Enabling Activities (19)		
	Code (a) (2)	Turnover (3)	Share of Turnover in 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution Prevention and Control (8)	The transition to a circular economy (9)	The Protection and Restoration of Biodiversity and Ecosystems (10)	Begränsning av klimatförändringar (11)	Anpassning till klimatförändringar (12)	The sustainable use and protection of water and marine resources (13)	Pollution Prevention and Control (14)	The transition to a circular economy (15)	The Protection and Restoration of Biodiversity and Ecosystems (16)	Minimum safeguards (17)	%	E	T
Economic Activities (1)		NOK million	%	Y; N; N/A (b) (c)							Y/N					Y/N	%	E	T
A. ACTIVITIES COVERED BY THE TAXONOMY																			
A.1 Environmentally Sustainable (Taxonomy-aligned) Activities																			
Renewal of waste water collection and treatment	CCM 5.4	3	9	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	-	Y	Y	10	-	-
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	8	28	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	29	-	-
Composting of bio-waste	CCM 5.8	0	0	Y	N	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	1	-	-
Turnover of Environmentally Sustainable Activities (A.1)		10	37	37	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	41		
Of Which Enabling Activities		0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of Which Transition Activities		0	0	-						-	-	-	-	-	-	-	-		T
A.2. Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (g)																			
Collection and transport of non-hazardous and hazardous waste	CE 2.3	1	4	N	N	N/A	N/A	Y	N/A								0		
Turnover of Activities Covered by the Taxonomy but Not Considered Environmentally Sustainable (Not Taxonomy-aligned) (A.2)		1	4	0	0	0	0	0	0								59		
A. Turnover for Activities Covered by the Taxonomy (A.1 + A.2)		11	41	37	0	0	0	0	0								100		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Turnover of Activities Not Covered by the Taxonomy		16	59																
TOTAL (A+B)		27	100																



Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Proportion of turnover/Total turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1,283	1,283
CCA		
WTR		
CE		143
PPC		
BIO		



Contribution to the UN's Global Goals

Topic	Strategic focus/target	Result 2023	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. Revenue from green services under the EU taxonomy/Total operating revenue.</p>	<p>Group total 46% (44%) Norway 60% (53%) Germany 28% (36%) Sweden 61% (54%) Denmark 37% (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 4.66 Norway 4.34 (4.63) Germany 2.27 (2.73) Sweden 4.81 (5.21) Denmark 4.24 (5.01)</p>	<p>SDG 7.3: Double the global rate of improvement in energy efficiency.</p>
Environmental	<p>Strategic focus Reduce CO₂ footprint from own operations (Scope 1+2).</p> <p>Target Reduce relative CO₂ footprint (tCO₂e/NOK millions).</p>	<p>tCO₂e (Scope 1+2): Group total 40,333 Norway 10,302 Germany 16,563 Sweden 5,609 Denmark 7,960</p> <p>Relative tCO₂e (Scope 1+2): Group total 12.9 Norway 9.7 Germany 14.0 Sweden 11.5 Denmark 12.9</p>	<p>SDG 13: Take urgent action to combat climate change and its impacts.</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. Sick-leave percentage</p>	<p>84 incidents leading to a leave of absence (28). Sick leave of 7.4% (8.8%) Short-term sick leave: 4.6% (5.6%) Long-term sick leave: 2.7% (3.2%)</p>	<p>SDG 8: Decent work for all.</p>
Social	<p>Strategic focus Promote diversity, inclusion, and equal opportunities in workplace.</p> <p>Target Zero tolerance against any form of discrimination or harassment. Female share BoD. Female share employees.</p>	<p>No reported incidents in 2023. Female share of 22% in BoD. 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 2023. 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 origin in 2015 Norva24 has evolved from a local player with three branches and NOK 150 million in revenues to a clear market leader in Northern Europe with 77 branches and NOK 3.2 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 European market worth approx. NOK 160 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 are 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 December 9, 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 price has during the year declined from 34.6 SEK as of the first trading day January 2, 2023 to SEK 23.7 on the final trading day on December 29, 2023.

TRADING AND TURNOVER

Norva24's share trades on the Nasdaq Stockholm exchange's Mid Cap under the ticker NORVA. In 2023, approximately 41,669,094 shares were traded at Nasdaq at an average value of approximately SEK 50,468. The average turnover per trading day amounted to approximately SEK 4.4 million.

Average daily turnover compared with market cap was 0.09% compared with 0.18% 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 December 31, 2023, the share capital amounted to SEK 608,942 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.

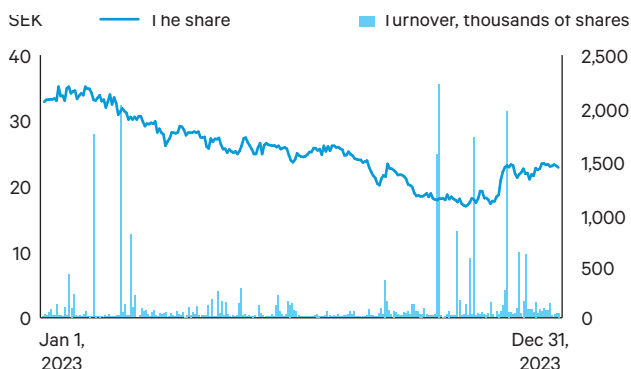
SHAREHOLDER AGREEMENT

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

CONCENTRATION OF OWNERSHIP

Concentration	Capital, %	Votes, %
The 10 largest owners	69.4	69.4
The 25 largest owners	80.3	80.3
The 30 largest owners	85.2	85.2

Share price performance



The trading volume was extremely high during three days. These are therefore provided separately and thus not included in the graph.
 March 8, 2023 – 8,064,003
 June 2, 2023 – 4,666,046
 November 14, 2023 – 3,922,657

TOP 20 OWNERSHIP STRUCTURE DECEMBER 31, 2023

Shareholder	Total shares	Ownership, %
Valedo Partners Fund II AB	52,716,567	28.9
Nordstjernan	16,845,752	9.2
Invest24 AS	12,519,326	6.9
Briarwood Chase Management	10,751,321	5.9
T. Rowe Price	8,645,840	4.7
Capital Group	7,857,361	4.3
Swedbank Robur Funds	6,541,031	3.6
AQP Holding AS	3,446,536	1.9
Royce & Associates LLC	3,120,497	1.7
Carnegie Funds	3,063,901	1.7
Robeco	3,000,000	1.6
JKT Birkeland Invest AS	2,940,574	1.6
Fallang Holding AS	2,829,694	1.5
Isco AS	2,205,604	1.2
Arild Bødal	1,829,095	1.0
Jens Backhaus	1,704,943	0.9
Flagstad Invest AS	1,695,613	0.9
Nordnet Pension Insurance	1,247,506	0.7
Evil Fund Management	1,208,225	0.7
Mats Lönnqvist	1,202,962	0.7
Own shares	182,871	0.1
Other	37,127,521	20.3
Total	182,682,740	100.0

**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

Analyst coverage

Karl-Johan Bonnevier
kj.bonnevier@dnb.se



Dan Johansson
dan.johansson@seb.se

Stefan Andersson
stefan.e.andersson@seb.se



Robert Redin
robert.redin@carnegie.se

Erik Granström
erik.granstrom@carnegie.se



Johan Dahl
jodah@danskebank.se

Jacob Edler
jedl@danskebank.se



Avinash Mundhra, CFA
avinash.mundhra@citi.com



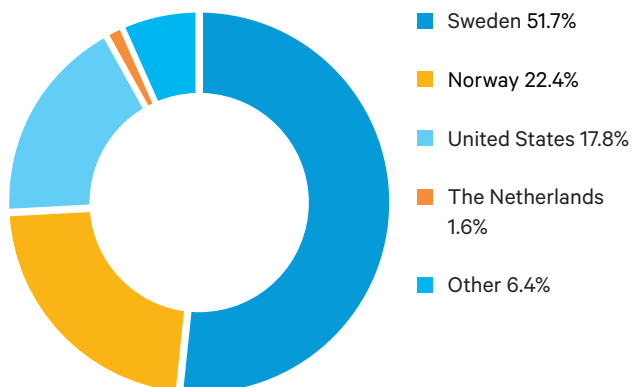
OWNER DISTRIBUTION BY HOLDINGS

Owner distribution by holdings	Number of shares	Capital, %	Votes, %
1-100	27,385	0.01	0.01
101-200	32,139	0.02	0.02
201-300	136,123	0.07	0.07
301-400	66,088	0.04	0.04
401-500	62,683	0.03	0.03
501-1,000	267,220	0.15	0.15
1,001-2,000	295,914	0.16	0.16
2,001-5,000	600,634	0.33	0.33
5,001-10,000	516,587	0.28	0.28
10,001-20,000	660,911	0.36	0.36
20,001-50,000	2,301,133	1.26	1.26
50,001-100,000	2,022,341	1.11	1.11
100,001-500,000	10,133,102	5.55	5.55
500,001-1,000,000	11,915,019	6.52	6.52
1,000,001-5,000,000	33,081,596	18.11	18.11
5,000,001-10,000,000	23,042,944	12.61	12.61
10,000,001-50,000,000	40,116,399	21.96	21.96
50,000,001 -	52,716,567	28.86	28.86
Anonymous ownership	4,687,955	2.57	2.57
Total	182,682,740	100.0	100.0

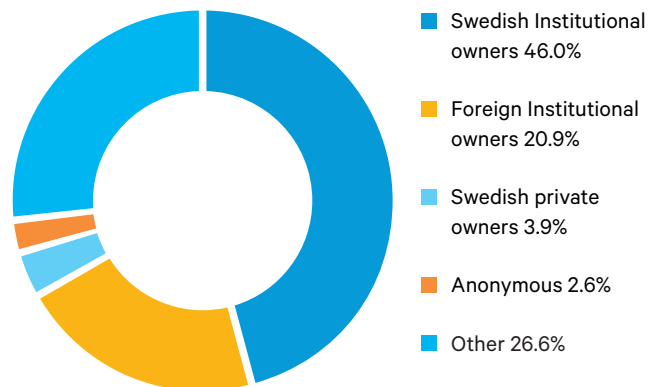
OWNER TYPE DISTRIBUTION, DETAILED

Owner type detailed	Number of shares	Capital, %	Votes, %
Investment & PE	69,562,319	38.08	38.08
Other	50,557,995	27.68	27.68
Fund company	35,976,957	19.69	19.69
Private Individuals	19,617,664	10.74	10.74
Pension & insurance	1,942,102	1.06	1.06
Own shares	182,871	0.10	0.10
State, municipal & county	123,077	0.07	0.07
Foundation	31,800	0.02	0.02
Unknown	4,687,955	2.57	2.57

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 50 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

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.

Risk management

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.





ALWAYS HERE
TO HELP!

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 2023– 31 December 2023. 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 2023, the Group operated 77 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 2023, the Group had approximately 1,750 employees and a fleet of about 1,100 operating vehicles. In 2023, 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 2023 Norva24 has completed a total of four 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 150 million in 2023.

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 2023

Significant events during the January-December 2023 period

- Norva24 acquired the Norwegian Gravco AS, a leading provider of underground infrastructure maintenance (UIM) services in the Oslo area.
- Norva24 Group acquired the Norwegian company Septik Tank Co AS.
- Norva24 strengthened its market position in Denmark through the acquisition of Tom's Kloakservice Aps.
- Norva24 strengthened its position with ControTech i Malmö AB in Sweden.
- 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 Norrbom took on the role as Group CEO from September 18, 2023.

Significant events after the reporting period

- Stein Yndestad has been appointed Group CFO. This is a role Yndestad held from 2017 to Q1 2023.
- Norva24 acquired in January 2024 Baier Rohrreinigung GmbH in Germany and in February 2024 the UIM operations of Svein Klungtveit AS in Norway in a carve-out transaction. In April 2024, Norva24 acquired Vitek Miljø AS in Norway. Through these acquisitions the Group has added close to NOK 200 million of yearly revenues.

FINANCIAL DEVELOPMENT

Total operating revenue amounted to NOK 3,151.9 million (2,466.5), an increase of 27.8%. Currency adjusted organic growth was 6.3%. The growth was driven by the activity levels in Norway, Denmark and Germany combined with price adjustments. Acquisition growth was 14.1% in the period, driven by acquisitions in all markets.

Adjusted EBITA (January-December)

The increase in adjusted EBITA to NOK 347.7 million (278.6) resulted in an adjusted EBITA margin of 11.0% (11.3). The decrease in adjusted EBITA margin is mainly attributable to increased costs in the Group.

Depreciation, amortization and impairment (January-December)

Total depreciation for the period amounted to NOK 289.9 million (241.4). The increase was primarily due to additions of purchased and leased vehicles during the year. Total depreciation as a share of operating revenues was reduced from 9.8% in 2022 to 9.2% in 2023. Amortizations during the period amounted to NOK 49.0 million (34.3).

**Financial items (January-December)**

Net financial items amounted to NOK -50.1 million (-15.5) and consisted primarily of increased interest expenses on loans and lease liabilities. Interest expenses on loans during the period were up compared to 2022 due to increased debt and higher interest rates. Lease liabilities increased due to the addition of leased vehicles and higher interest rates.

Earnings (January-December)

Profits before income tax was NOK 233.7 million (196.3). Profit for the period was NOK 226.6 million (139.5). Basic and diluted earnings per share amounted to NOK 1.24 (0.76).

Income tax expense (January-December)

Income tax expense for the period amounted to NOK -7.2 million (-56.8). The effective tax rate for the year is 3% (29%).

Cash flow and capital expenditures (January-December)

Net cash flow from operating activities varies across the year depending on the seasonality, impacted by weather and vacation periods, with a strong cash flow in the second half of the year. Net cash flow from operating activities for the period amounted to NOK 553.9 million (343.3).

Cash flow from investing activities in the period was NOK -332.9 million (-362.5), of which payments of earn-outs from acquisitions of subsidiaries amounted to NOK -33.6 million (-49.8). Cash flow from financing activities in the period amounted to NOK -174.1 million (-25.8). Cash conversion was 86.9% during the period, compared with 66.0% for the same period last year. In the fourth quarter of 2023 the cash conversion was 152.8% (104.3).

Financial position and liquidity (January-December)

Norva24's net debt amounted to NOK 1,250.2 million (1,074.1), corresponding to a net debt/LTM adjusted EBITDA of 2.0 (2.1). The increase in net debt is attributable to the acquisitions in the period in addition to a weaker NOK compared to EUR. The Group's cash and cash equivalents amounted to NOK 267.0 million (204.7) at the end of the period.

Of the NOK 1,100 million credit facility, NOK 600 million was utilized at the end of Q4.

At the end of the period, total equity amounted to NOK 2,070.6 million (1,729.2). The equity/assets ratio was 49.2% (47.9)

Net debt and leasing (December 31, 2022)

Leases are capitalized according to IFRS 16. Lease liabilities amounted to NOK 867.6 million as per December 31, 2023. NOK 286.4 million of the lease liabilities are related to properties and building and NOK 575.7 million are related to vehicles. Leasing payments for the next 12 months as of December 31, 2023, amount to NOK 226.9 million.

Depreciation of leased assets is included in total depreciation in the statement of profit or loss.

Total interest-bearing debt amounted to NOK 1,517.2 as per December 31, 2023.

Net interest-bearing debt excluding lease liabilities amounted to NOK 382.6 million as per December 31, 2023.

BREAKDOWN OF LEASE LIABILITIES (DECEMBER 31, 2023)

NOK million	Current portion	Non-current	Total debt
Buildings and property	71.0	215.5	286.4
Vehicles and equipment	145.3	430.4	575.7
Furniture, fixtures & other	3.4	2.0	5.5
Total lease liabilities IFRS 16	219.7	647.9	867.6

Acquisitions

Four acquisitions were completed during 2023. The acquired companies operate in Norway, 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. Through these acquisitions the Group has added approximately NOK 150 million in yearly revenues.

The total purchase consideration for the acquisitions amounted to NOK 202 million, of which NOK 20 million is earn-outs contingent to the respective companies' future performance.

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 2023 found no material changes or negative effects compared with the analysis in 2022.

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 December 9, 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 2023, the company's three largest shareholders were Valedo Partners, Nordstjärnan and Invest24 AS. 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 December 31, 2023 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 I

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.

LONG-TERM INCENTIVE PROGRAM II

In 2023 the General Assembly decided on a long-term incentive plan II for members of management and key personnel, where a total amount of 2,182,043 options have been granted. The options are subject to a three-year vesting period and the program is equity-settled. Related to the program the Company has repurchased 182,871 own shares as of December 31, 2023 (treasury shares). Treasury shares are recognized at cost.

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 42-62. 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 2023, the Group had 1,751 employees (1,632), of whom 13% were women.

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 June 30, 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.

Fulfilment 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, where-upon the overall purposes of the guidelines shall be satisfied to the extent possible.

Long-term incentive plans

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 programs offered to the Company's senior executives ("LTIP"). The LTIPs are approved by the general meeting of shareholders of the Company and, thus, is not covered by these guidelines. Further information about the Company's LTIPs are 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 2023 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.

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 2023, Norva24 had 2,797 shareholders according to the share register. The largest shareholder on that date was Valedo Partners, with 29 percent of the shares and votes in Norva24. At the Annual General meeting held on May 25, 2023, 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 2023.

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 December 31, 2023, the share capital amounted to SEK 608,942 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 2024 consists of the following persons:

- Nils Forsberg, elected by Valedo Partners, Chairman of the Nomination Committee
- Vitaliy Elbert elected by Briarwood Chase Management LLC
- Arild Bødal, elected by Invest 24 AS
- Peter Hofvenstam, elected by Nordstjernan
- Vidar Meum, Chairman of Norva24 Group AB

The Nomination Committee represents 51 percent of the votes in Norva24 as of 31 December 2023.

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.

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	19/19		2/2
Arild Bødal	2015	Yes	Yes	19/19	6/6	
Terje Bøvelstad ²	2015	Yes	Yes	4/4		
Allan Engström	2015	No	Yes	19/19		2/2
Linus Lundmark	2015	No	Yes	19/19	6/6	
Mats Lönnqvist	2015	Yes	Yes	19/19	6/6	
Monica Reib	2021	Yes	Yes	19/19		
Ulrika Östlund	2021	Yes	Yes	19/19		2/2
Pontus Boman	2023	Yes	Yes	15/15		
Einar Nordnes ²	2017	Yes	No	4/4		

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

² Stepped down from the Board of Directors at the 2023 AGM.



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 other policy documents. The Board of Directors held 19 meetings in 2023. 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 2024 through a written questionnaire to Board members. The results of the individual evaluation were reported at the Board meeting in February 2024. 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 2023.

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 six meetings in 2023.

AUDITORS

The Company's auditors are elected at the annual general meeting. At the Annual General Meeting 2023 Öhrlings Pricewaterhouse-Coopers AB, were re-elected as auditors of the Company for a period until the end of the 2023 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 2023 financial year, the Chairman of the Board of Directors, Vidar Meum, remuneration was NOK 685,000 and the remuneration for other members of the Board of Directors who were not salaried by Norva24 was NOK 305,833, 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 114,583 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.

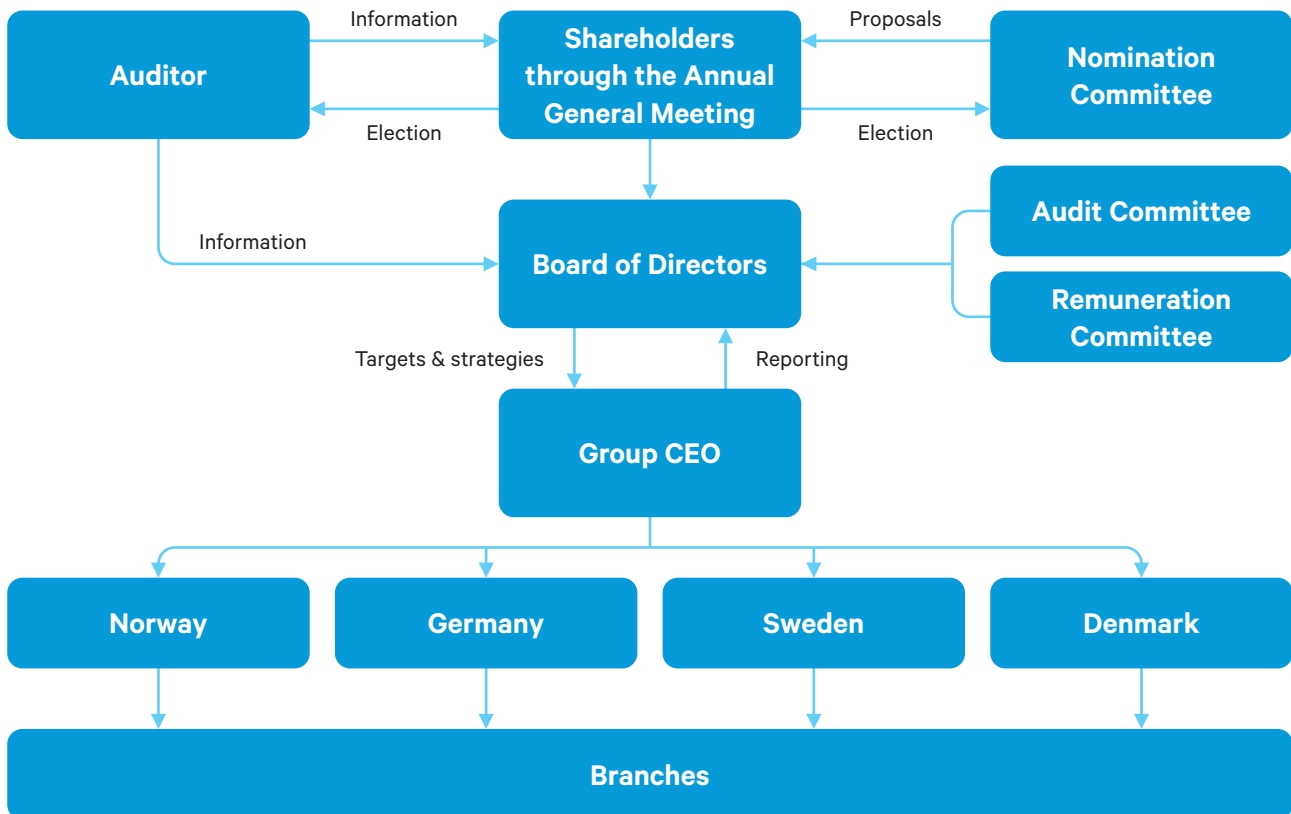
REMUNERATION TO AUDITORS

Fees to the auditor for the fiscal year 2023 are included in note 8 in the annual report 2023.

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 and Proteria Group 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 SEFBO Holding AS, SEFBO AS and Kristiansands Skrue-fabrikk & 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 Eltera Gruppen 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, Hyperthermics AS and SEFBO Holding 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 Laws (Commercial) from University of California, Davis – School of Law and Masters of Laws from Aarhus University.

Current engagements: Member of the board of directors of EET Group Holdings ApS, FPF-North East Holding A/S, The Footprint Fund Manager 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, Aesthetic Medical Supplies ApS), Careturner A/S, SMYKBAR ApS, Inviocare ApS, Tons ApS, DBA-ONE ApS, and a:gain ApS (including Re-Plastic 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) and Chairman of Careturner A/S.

Shareholding in the Company: 37,854 shares.



Pontus Boman

Born: 1971

Position: Board member (since 2023).

Nationality: Swedish.

Education: Master of Science degree in Mechanical Engineering from KTH.

Current engagements: Investment Director and responsible for the Distribution & Retail sector at Nordstjernen. Member of the Board of Directors in Alligo AB.

Previous engagements/experience: President and CEO of Bergman & Beving. Senior positions in the B&B Tools Group, ESSVE, Boston Consulting Group and Accenture.

Shareholding in the Company: –.



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 Eltera Gruppen AS, Proteria Group AS, Admento Group AS and Valedo Partners IV AB. Partner at Valedo.

Previous engagements/experience: Member of the board of directors of OJ Holding Sweden AB, Becksöndergaard ApS and SEFBO Holding AS. 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 Equra 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: 49,714 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 and Östa 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, Prosero Security Holding AB, Resolvator AB, Solhem Property AB, Thunderful Group 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 ECT Holding AB, Spendrups Bryggeri AB, Spendrup Holding AB and VI-Plast AB. Member of the board of directors of Best Transport Holding AB, Camfil AB, Hydroforming Design Light AB, Porall AB and Uppsala Bostadsproduktion AB.

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

All shareholdings as of year-end 2023.



Skjar's
Skjar's
7 WEKSTAD

ALWAYS HERE
TO HELP!





Our Group Management



Henrik Norrbom

Born: 1977

Position: Group CEO.

Nationality: Swedish.

Education: Diploma in Business Finance, IHM Business School, Military Academy, Naval Academy.

Current engagements: –

Previous engagements/experience: CEO Cramo, CEO Skanova, Senior Vice president CTO/Head of Networks Telia Company, COO Eltel Networks, Navy officer.

Shareholding in the Company:

54,500 shares in the Company. Options: 225,701.



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:

520,055 shares in the Company and 50,000 shares in the MipCo. Options: 169,276.



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. Options: 112,850.



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. Options: 112,850.



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: –. Options: 112,850.



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 Fragtmand A/S and CEO HB-Care A/S.

Shareholding in the Company:

51,244 shares in the MipCo. Options: 112,850.

All shareholdings as of year-end 2023.





Consolidated financial reporting

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

NOK million	Note	2023	2022
Revenue from customer contracts		3,131.9	2,445.3
Other operating revenue		20.1	21.1
Total operating revenue	5	3,151.9	2,466.5
Operating expenses			
Operational service expenses		-524.3	-320.7
Personnel expenses	6, 7	-1,288.2	-1,040.8
Vehicle operating expenses		-445.2	-390.4
Other operating expenses	8	-272.0	-232.1
Other gains/losses		0.5	5.0
Total operating expenses		-2,529.2	-1,979.0
Earnings before interest, taxes, depreciation and amortization (EBITDA)		622.7	487.5
Total depreciation	11, 12	-289.9	-241.4
Earnings before interest, taxes and amortization (EBITA)		332.8	246.0
Total amortization	10	-49.0	-34.3
Earnings before interest and taxes (EBIT)		283.9	211.7
Financial items			
Financial income		70.2	42.8
Financial expenses		-120.3	-58.3
Net financial items	9	-50.1	-15.5
Profit before income tax (EBT)		233.7	196.3
Income tax expense	19	-7.2	-56.8
Profit for the period		226.6	139.5
Profit attributable to			
Owners of the parent company		226.6	139.5
Non-controlling interests		-	-
Total		226.6	139.5
Earnings per share:			
Basic earnings per share, NOK	23	1.24	0.76
Diluted earnings per share, NOK	23	1.24	0.76
Average numbers of outstanding ordinary shares, before and after dilution	23	182,632,036	182,584,957



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK million

	2023	2022
Profit for the period	226.6	139.5
Other comprehensive income: Items that may be reclassified to profit or loss		
Translation differences	117.5	-34.3
Other comprehensive income for the period	117.5	-34.3
Total comprehensive income for the period	344.1	105.1
Total comprehensive income attributable to:		
Owners of the parent company	344.1	105.1
Non-controlling interests	-	-
Total	344.1	105.1

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

NOK million	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
<i>Non-current assets</i>			
Intangible assets	10	1,868.7	1,661.1
Right-of-use assets	11	893.3	752.3
Property, plant and equipment	12	510.7	483.9
Financial assets at amortized cost	17	5.2	5.3
Total non-current assets		3,277.8	2,902.5
<i>Current assets</i>			
Inventories		18.7	12.7
Accounts receivable	13	441.9	340.1
Other current receivables	13	201.0	147.8
Cash and cash-equivalents	14	267.0	204.7
Total current assets		928.6	705.3
Total assets		4,206.4	3,607.8
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	15	0.6	0.6
Additional paid in capital	15	1,438.6	1,437.1
Treasury shares	15	-4.3	-
Other reserves		59.1	-58.4
Retained earnings		576.5	350.0
Total equity		2,070.6	1,729.2
<i>Non-current liabilities</i>			
Deferred tax liability	19	36.6	80.5
Non-current lease liabilities	11	647.9	554.3
Non-current loans	16	638.4	533.5
Provisions	18	5.8	49.0
Total non-current liabilities		1,328.7	1,217.3
<i>Current liabilities</i>			
Accounts payable		157.5	135.8
Taxes payable		40.6	21.3
Current portion of lease liabilities	11	219.7	179.5
Current portion of loans	16	11.3	11.5
Provisions	18	58.7	52.0
Other current liabilities	18	319.4	261.1
Total current liabilities		807.2	661.2
Total liabilities		2,135.8	1,878.5
Total equity and liabilities		4,206.4	3,607.8



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK million	Note	Share capital	Share capital (not yet registered)	Additional paid in capital	Treasury shares	Other reserves	Retained earnings	Total equity
Equity at January 1, 2023		0.6	-	1,437.1	-	-58.4	350.0	1,729.2
<i>Total comprehensive income for the year:</i>								
Profit for the year		-	-	-	-	-	226.6	226.6
<i>Other comprehensive income (OCI):</i>								
Translation differences		-	-	-	-	117.5	-	117.5
Total comprehensive income for the year		-	-	-	-	117.5	226.6	344.1
Repurchase of own shares	6, 15	-	-	-	-4.3	-	-	-4.3
Share-based payments	6, 15	-	-	1.5	-	-	-	1.5
Equity at December 31, 2023		0.6	-	1,438.6	-4.3	59.1	576.5	2,070.6
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 year:</i>								
Profit for the year		-	-	-	-	-	139.5	139.5
<i>Other comprehensive income (OCI):</i>								
Translation differences		-	-	-	-	-34.3	-	-34.3
Total comprehensive income for the year		-	-	-		-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	-	-	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

The Group has no non-controlling interest.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

NOK million	Note	2023	2022
Cash flows from operating activities			
Profit before income tax		233.7	196.3
<i>Adjustments for:</i>			
Depreciation and amortization expenses	10, 11, 12	338.9	275.7
Taxes paid		-32.7	-56.6
Net gain/loss on sale of non-current assets		-11.0	-17.9
Net financial items	9	50.1	15.5
Share-based payments	6	1.5	-
Change in net working capital		-81.0	-111.0
Changes in other items*		54.4	41.3
Cash flows from operating activities		553.9	343.3
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	20	-142.6	-268.9
Payment of earnouts	18	-33.6	-49.8
Payment for fixed assets	10, 12	-166.7	-83.9
Proceeds from sale of fixed assets		14.2	40.1
Investments in treasury shares	15	-4.3	-
Cash flows from investing activities		-332.9	-362.5
Cash flows from financing activities			
Proceeds from borrowings	14	175.8	331.1
Repayment of borrowings	14	-59.7	-160.4
Principal element of lease payments	11	-222.9	-144.2
Interest paid, loans		-36.0	-14.7
Interest paid, lease	11	-38.0	-32.6
Interests received		5.5	-
Other financial payments		1.2	-5.0
Cash flows from financing activities		-174.1	-25.8
Change in cash and cash equivalents		46.8	-45.0
Cash and cash equivalents at the start of the period		204.7	260.4
Effects of exchange rate changes on cash and cash equivalents		15.5	-10.6
Cash and cash equivalents at the end of the period		267.0	204.7

* Includes changes in other non-current receivables and other non-current liabilities, effects on net working capital from acquisitions and translation differences.



Parent Company financial reporting

PARENT COMPANY STATEMENT OF PROFIT OR LOSS

SEK million	Note	2023	2022
Total operating revenue		9.1	2.8
Other operating expenses	5	-16.9	-8.7
Earnings before interest and taxes (EBIT)		-7.8	-5.9
Financial income		38.3	21.2
Financial expenses		-4.1	-6.0
Net financial items	6	34.2	15.2
Profit before income tax (EBT)		26.4	9.2
Income tax expenses	7	-5.7	-0.3
Profit for the period		20.7	8.9

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

**PARENT COMPANY BALANCE SHEET**

SEK million	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
<i>Non-current assets</i>			
Investment in subsidiaries	4	2,880.0	2,875.6
Deferred tax asset	7	10.9	16.4
Non-current loans to group companies	3	904.3	866.7
Total non-current assets		3,795.2	3,758.7
<i>Current assets</i>			
Current receivables		0.5	9.8
Current receivables from group companies		9.1	2.8
Cash and cash-equivalents		–	1.3
Total current assets		9.6	13.9
Total assets		3,804.8	3,772.5
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		0.6	0.6
Share premium		3,736.1	3,736.1
Retained earnings		50.2	29.5
Total equity		3,786.9	3,766.2
<i>Current liabilities</i>			
Accounts payable		0.9	0.9
Other current liabilities	8	17.0	5.4
Total current liabilities		17.9	6.3
Total equity and liabilities		3,804.8	3,772.5



PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	Note	Share capital	Share premium	Retained earnings	Total equity
Equity at January 1, 2023		0.6	3,736.1	29.5	3,766.2
Profit/loss for the period		-	-	20.7	20.7
Total comprehensive income for the period		-	-	20.7	20.7
Equity at December 31, 2023		0.6	3,736.1	50.2	3,786.9
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)		-	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

**PARENT COMPANY CASH FLOW STATEMENT**

SEK million	Note	2023	2022
Cash flows from operating activities			
Profit before income tax		26.4	9.2
<i>Adjustments for:</i>			
Items included in financing activities	6	-34.2	-15.2
Change in net working capital		14.6	-18.1
Change in other items		-0.3	-11.0
Cash flows from operating activities		6.4	-35.1
Cash flows from investing activities			
Cash receipt from loans to subsidiaries	3	0.2	41.9
Investment in treasury shares		-4.3	-
Cash flows from investing activities		-4.2	41.9
Cash flows from financing activities			
Interest paid		-0.3	-0.3
Interest received		0.1	0.0
Other financial items		-3.3	-5.3
Cash flows from financing activities		-3.5	-5.7
Change in cash and cash equivalents		-1.3	1.2
Cash and cash equivalents at the start of the period		1.3	0.1
Cash and cash equivalents at the end of the period		-	1.3



Notes to the consolidated financial statements

NOTE 1 REPORTING ENTITY

Norva24 Group AB (publ) is a limited liability company listed on Nasdaq Stockholm. The share became publicly traded with the initial public offering December 9, 2021. Norva 24 Group AB (publ) and its subsidiaries (the Group or Norva24 Group) operate in the underground infrastructure industry, and are 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 for the year ended 31 December 2023 are prepared in accordance with IFRS® Accounting Standards as adopted by the EU (IFRS). 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 reported amounts. Actual results may have a different outcome.

The amounts are rounded to the nearest million (NOK million) 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 comparative period.

Items included in the financial statements of each of 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 the 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. The consideration of a business combination is the sum of the fair values, as of the date of exchange, of the assets held, 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 expenses.

FOREIGN CURRENCY TRANSLATION

For consolidation purposes, the financial statements of subsidiaries with a functional currency other than the presentation currency of the Norva24 Group, which is Norwegian krone (NOK), are translated into NOK. Assets and liabilities, including goodwill, are translated using the exchange rate 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 business.

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 considerations, 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 from 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 tanks as well as transportation of such fractions to approved delivery sites.

All revenue in Norva24 Group is recognized over time, as the customer simultaneously receives and consumes the benefits provided as the services are performed. Each contract for services is considered a performance obligation that is delivered over time. The majority of the Group's 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 regions (country/segment) as the services of underground infrastructure maintenance are often interlinked and cannot easily be measure separately. Disaggregated revenue by geography/segments is the information regularly reviewed by the chief operating decision maker. Norva24 Group's operating segments are Norway, Germany, Sweden and Denmark.

VEHICLE OPERATING EXPENSES

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

PERSONNEL EXPENSES

Personnel expenses include payments to employees, such as wages, salaries, social security contributions, paid annual leave and bonus agreements which are accrued in the period 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 expenses include interest expenses related to lease liabilities and interest expenses on bank loans. Financial expenses also include 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 assets.

Amortization in the statement of profit or loss relates only to intangible assets with definite useful lives.

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 sewer 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 receivables 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 accounts payables, 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 is to hold the receivables to collect the contractual cash flows.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include 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.

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 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 xIBOR + 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.

Norva24 Group applies the exemption for short-term and low-value leases which are expensed as they occur.

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

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease 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 and buildings. 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 Group 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 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 to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if management is reasonably certain to extend the lease (or not terminate).

DEFERRED TAXES AND TAX EXPENSE

Taxes payable are 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 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 for the years here presented.

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 where the amount can be estimated 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 programs (LTIPs) 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 programs.

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The group has applied the following amendments effective for the annual periods beginning on or after January 1, 2023:

- Definition of Accounting Estimates – Amendments to IAS 8.
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 1

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

NEW PRONOUNCEMENTS NOT YET ADOPTED

Certain amendments to accounting standards have been published that are not mandatory for December 31, 2023 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. 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

In preparation of financial statements, management is required to make judgements, estimates and assumptions that affect the reported numbers. This note provides an overview of the areas that involved a higher degree of judgement or complexity. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

SIGNIFICANT JUDGEMENT IN ACQUISITION FOR BUSINESS COMBINATIONS

In a business combination, consideration, assets and liabilities are recognized at estimated fair values, and any excess purchase price is 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 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.

Brand and customer relationships have been identified by management as acquired intangible assets for all of the business combinations in 2022 and 2023. Management places significant value on the brand of Norva24 and on the acquired brand's 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 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 EARNOUT CONSIDERATIONS

Earnout 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 significant judgement has been applied 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 assess all recognized earnouts.

See note 18 for details on earnout considerations.

SIGNIFICANT JUDGEMENT IN LEASING

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 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 maximise 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 the implicit rate cannot be readily determined, 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 vehicle leases where 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

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 in addition to Corporate. The corporate segment consists of corporate expenses in addition to 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 and the four country CEOs.

**NOTE 5 SEGMENT INFORMATION**, continued.

The Norva24 Group CEO and executive management monitor the operations in the four operating segments where the country CEOs are responsible for segment profitability and resource allocation in the segment and within the framework of the budgets and investments approved for the segment.

REVENUE

The Group disaggregates revenue based on operating segments. The Group has no single customer accounting for more than 10 percent of total revenue.

OPERATING SEGMENTS FINANCIALS 2023

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Total operating revenue	1,065.7	1,183.4	491.7	417.7	-6.6	3,151.9
Adjusted EBITDA	259.7	242.5	113.9	74.9	-53.4	637.6
Depreciation	-100.6	-86.4	-55.4	-47.3	-0.1	-289.9
Adjusted EBITA	159.1	156.1	58.5	27.6	-53.5	347.7
Non-recurring items	-2.0	-3.4	-0.7	-0.6	-8.3	-14.9
EBITA	157.1	152.6	57.8	27.0	-61.7	332.8

OPERATING SEGMENTS FINANCIALS 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

RECONCILIATION OF SEGMENT INFORMATION AND EARNINGS BEFORE INCOME TAX (EBT)

NOK million	2023	2022
EBITA	332.8	246.0
Amortization of intangible assets	-49.0	-34.3
Net financial items	-50.1	-15.5
Profit before income tax	233.7	196.3

RECONCILIATION OF NON-RECURRING ITEMS JANUARY-DECEMBER 2023

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Restructuring cost and other provisions	-0.4	-	-	-	-4.1	-4.5
Top management recruitment costs	-	-	-	-	-4.2	-4.2
M&A Cost	-1.6	-3.4	-0.7	-0.6	-	-6.3
Other gains/losses	-	-	-	-	-	-
Non-recurring items	-2.0	-3.4	-0.7	-0.6	-8.3	-14.9



NOTE 5 SEGMENT INFORMATION, continued.

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	-32.6

OTHER SEGMENT INFORMATION JANUARY-DECEMBER 2023

NOK million	Norway	Germany	Sweden	Denmark	Corporate & other	Total
Segment investments intangible assets	94.5	1.0	48.5	10.0	1.0	155.0
Segment investments property plant and equipment	46.4	111.7	35.4	6.2	0.5	200.2
Segment assets	874.5	1,373.9	484.9	247.5	1,225.7	4,206.4
Segment liabilities	1,231.8	1,196.9	429.3	236.8	-959.0	2,135.8

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

NOTE 6 PERSONNEL EXPENSES

Specification of personnel expenses	2023	2022
Wages and salaries	1,041.0	845.9
Social security tax	181.2	138.0
Pension cost	40.2	32.5
Other employee-related expenses	25.8	24.4
Total	1,288.2	1,040.8

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's 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 is considered immaterial and thus not disclosed separately.

LONG-TERM INCENTIVE PROGRAM I

The Group has a share-based long-term incentive program for members of management and key employees in the Group. The purpose of the program is 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 Group's 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), which will 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 in case the participant's

**NOTE 6 PERSONNEL EXPENSES, continued.**

employment in the Norva24 is terminated. The right to obtain full value of the MipCo shares is dependent on the period the participant has been employed as well as the reason for the termination of the employment.

The number of shares to be issued is calculated as the difference between the share price after three years and the strike of the program which is 44.3 SEK pr share. There are 568,804 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).

LONG-TERM INCENTIVE PROGRAM II

On May 25, 2023 the General Assembly decided on a long-term incentive plan (LTIP) for members of management and key personnel, where a total amount of 2,182,043 options have been granted. The options are subject to a three-year vesting period and the Group has no present obligation to settle the awards in cash. As such the Group's costs related to the LTIP are recognized as equity-settled. The fair value of the options has been estimated using a Black & Scholes model.

Related to the LTIP, the Annual General Meeting authorized the Board of Directors to initiate a repurchase program of own shares. As of December 31, 2023, 182,871 shares have been reacquired (treasury shares). Treasury shares are recognized at cost and deducted from equity.

Long-term incentive program II		
NOK million	2023	2022
Expensed share-based payment costs	1,539,188.0	-
Expensed social security costs related to share-based payments	112,193.1	-
Instrument	Option	-
Quantity (instruments and shares)	2,182,043	-
Contractual life*	3.2	-
Strike price*	32.3	-
Share price*	26.3	-
Expected lifetime*	3.2	-
Volatility*	28.0%	-
Interest rate*	3.0%	-
Dividend*	-	-
FV per instrument*	4.2	-
Vesting conditions		

* Weighted average parameters at grant of instrument

	Number of options	Weighted average strike price
Outstanding as of January 1, 2023	-	-
Granted	2,182,043	32.31
Terminated	-101,490	32.45
Outstanding as of December 31, 2023	2,080,553	32.30
Vested as of December 31, 2023	-	-

2023

Average number of employees	Total	Women, %	Men, %
Norway	541	8	92
Germany	724	14	86
Sweden	288	13	87
Denmark	185	18	100
Corporate	13	23	77
Total	1,751	13	87
Board of Directors	8	25	75
Group Management	6	0	100

2022

Average 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


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	2023	2022
Total remuneration of the Board of Directors	2,418	2,360
Base salary to the CEO	4,465	4,490
Bonus to the CEO	2,795	1,104
Pension costs to the CEO	432	79
Other remuneration to the CEO	279	9
Base salary to other members of Group Management (5 people)	13,634	9,724
Bonus to other members of Group Management	1,294	736
Pension costs to other members of Group Management	835	560
Other remuneration to other members of Group Management	545	270
Total	26,697	19,321

Specification of remuneration to Board of Directors

NOK thousand	2023	2022
Vidar Meum	685	670
Allan Engström	-	-
Arild Bødal	356	350
Pontus Boman	181	-
Mats Lönqvist	420	400
Linus Lundmark	-	-
Terje Bøvelstad	125	300
Monica Reib	306	300
Ulrika Östlund	346	340
Total – Board of Directors	2,418	2,360

Board remuneration includes both board and committee fees.

NOTE 8 OTHER OPERATING EXPENSES AND REMUNERATION TO AUDITOR

Specification of other operating expenses		
NOK million	2023	2022
Facility costs	-65.4	-52.8
IT costs	-39.1	-30.3
Marketing costs	-28.5	-21.7
Legal, audit and consultancy fees	-51.6	-34.8
Travel costs	-39.5	-32.1
Restructuring cost	-4.5	-26.2
M&A cost	-6.3	-11.1
Other	-37.1	-23.1
Total	-272.0	-232.1

Specification of fees paid to PwC

NOK thousands	2023	2022
Audit	5,001.0	4,188.0
Other audit-related services	100.0	-
Tax consultancy services	145.0	319.0
Other consultancy services	450.0	884.0
Total	5,696.0	5,391.0

Specification of fees paid to other auditors

NOK thousands	2023	2022
Audit	1,785.4	1,042.0
Other audit-related services	34.3	-
Tax consultancy services	230.7	-
Other consultancy services	365.6	-
Total	2,416.0	1,042.0

**NOTE 9 FINANCIAL ITEMS**

Specification of financial items		
NOK million	2023	2022
Interest income	5.5	1.5
Currency exchange gain	37.6	35.8
Gain earnout	19.5	1.7
Other financial income	7.7	3.9
Financial income	70.2	42.8
Interest expenses, leases	-41.3	-33.2
Amortized interest expense loans	-36.0	-13.1
Currency exchange loss	-36.5	-
Loss earnout	-	-3.9
Other financial expenses	-6.5	-8.0
Financial expenses	-120.3	-58.3
Net financial items	-50.1	-15.5

NOTE 10 INTANGIBLE ASSETS AND GOODWILL

NOK million	Goodwill	Brand	Customer relationships	Other intangible assets	Total
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 January 1, 2023	1,508.7	60.8	87.4	4.2	1,661.1
Acquisition cost at January 1, 2023	1,678.3	77.8	155.5	16.6	1,928.1
Acquired in business combinations (see Note 20)	122.0	10.6	21.2	-	153.8
Additions	-	-	-	1.1	1.1
Disposals accumulated cost	-	-	-	-	-
Adjustments*	10.3	-	-	-	10.3
Translation differences	69.2	6.2	12.4	1.1	88.8
Acquisition costs at December 31, 2023	1,879.8	94.5	189.1	18.8	2,182.2
Accumulated amortization at January 1, 2023	-169.6	-16.9	-68.1	-12.4	-267.0
Amortization	-0.0	-9.5	-38.2	-1.3	-49.0
Disposals accumulated amortization	-	-	-	-	-
Translation differences	7.1	-0.8	-3.1	-0.7	2.5
Accumulated amortization at December 31, 2023	-162.5	-27.2	-109.4	-14.4	-313.5
Cost	1,879.8	94.5	189.1	18.8	2,182.2
Accumulated amortization	-162.5	-27.2	-109.4	-14.4	-313.5
Net book value at December 31, 2023	1,717.3	67.3	79.7	4.4	1,868.7
Useful life in years	Indefinite	10	3-5	3-5	
Amortization plan		Linear	Linear	Linear	

* During the period final adjustments on the prior year acquisitions of CKS Rohr Express GmbH and CKS Express Baumanagement GmbH were made. The total adjustment is considered immaterial.



NOTE 10 INTANGIBLE ASSETS AND GOODWILL, continued.

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 January 1, 2022	1,222.6	45.4	70.6	4.3	1,343.0
Acquisition cost at January 1, 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 December 31, 2022	1,678.3	77.8	155.5	16.6	1,928.1
Accumulated amortization at January 1, 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 December 31, 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 December 31, 2022	1,508.7	60.8	87.4	4.2	1,661.1

GOODWILL ALLOCATION AT SEGMENT LEVEL

NOK million	Dec 31, 2023	Dec 31, 2022
Norway	494.1	416.5
Germany	743.1	685.5
Sweden	377.3	317.9
Denmark	102.8	88.8
Carrying amount	1,717.3	1,508.7

IMPAIRMENT TEST OF TANGIBLE AND INTANGIBLE ASSETS INCLUDING GOODWILL

The Group reviews assets for impairment when indicators of impairment are present and at least annually for assets with indefinite useful lives.

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 on country level 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 on the location of the acquired company.

The recoverable amount of the 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 book value for each CGU, as such no impairment has been recognized.

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. The level of investment corresponds 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), derived from the Capital Asset Pricing Model (CAPM). The WACC was calculated to 9.5-10.7% (8.4-9.6%). The main changes in WACC compared to prior year relates to increase in risk-free interest rate on government bonds as well as country-specific risk which has been added to the model. 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: 2.7-3.8% (2.1-3.3%). Based on 10-year government bonds.
- Equity Beta: 1.1 (1.0) based on industry average, adjusted for the capital structure.
- Market Risk Premium: 6% (6%) based on average market risk premium for the applicable countries.
- Cost of Debt: Risk-free interest rate plus external group margin on debt.
- Capital structure: equity ratio of 70% (81%) based on equity target in line with market value of equity/debt.
- Small stock premium: 1.1% (1.5%)
- Country-specific risk: 2.0% (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. Change in assumptions in revenue growth and discount rate will impact the cash flows and the calculated value in use. Sensitivity analysis has been carried out with changes in WACC and revenue growth. An increase of 2 percentage points in WACC or a decrease 2 percentage point in revenue growth would not result in an impairment in any of the Group's CGUs.

NOTE 11 LEASING**2023**

Right-of-use assets NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
Carrying amount at January 1, 2023	265.4	480.1	6.8	752.3
Acquired in business combinations	–	21.3	–	21.3
Additions	34.0	198.5	5.7	238.1
Depreciation	–62.0	–96.5	–4.3	–162.8
Transfer to property, plant and equipment	–1.7	–16.7	–0.2	–18.5
Adjustments	25.2	5.1	1.6	31.9
Translation differences	9.1	26.2	–4.4	30.9
Carrying amount at December 31, 2023	270.1	618.0	5.2	893.3
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, 2023	279.3	447.5	6.9	733.7
Acquired in business combinations	–	21.3	–	21.3
Additions	32.3	198.1	5.7	236.0
Lease payments	–72.7	–144.7	–5.6	–222.9
Interest on the lease liability	14.9	22.8	0.3	38.0
Adjustments	23.5	5.4	1.6	30.5
Translation differences	9.1	25.2	–3.3	31.0
Carrying amount at December 31, 2023	286.4	575.7	5.5	867.6
Current lease liabilities	71.0	145.3	3.4	219.7
Non-current lease liabilities	215.5	430.4	2.0	647.9

Lease payments equals total cash outflows for leases



NOTE 11 LEASING, continued.

Undiscounted lease liabilities and maturity of cash outflows

NOK million	Total
Less than 1 year	226.9
1-2 years	193.7
2-3 years	159.5
3-4 years	132.5
4-5 years	95.3
More than 5 years	204.9
Total undiscounted lease liabilities at December 31, 2023	1,012.7

Summary of other lease expenses recognized in profit or loss in 2023

NOK million	Total
Variable lease payments expensed in the period	–
Operating expenses in the period related to short-term leases	0.1
Operating expenses in the period related to low value assets	0.5
Total lease expenses included in other operating expenses in 2023	0.6

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**

NOK million	Total
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 December 31, 2022	859.2

Summary of other lease expenses recognized in profit or loss in 2022

NOK million	Total
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

The leases recognized in 2023 and 2022 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

There are no significant future potential lease payments obligations as a result of extension or purchase options that are not included in the lease as of December 31, 2023 and December 31, 2022.



NOTE 12 PROPERTY, PLANT AND EQUIPMENT

2023

NOK million	Buildings and property	Vehicles and equipment	Furniture, fixtures & other	Total
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 January 1, 2023	53.7	402.3	27.9	483.9
Acquisition cost at 1 January 2023	80.1	870.5	89.8	1,040.4
Reclassification accumulated values	0.4	27.4	0.8	28.5
Acquired in business combinations	3.6	29.5	1.6	34.6
Additions	22.0	107.8	35.7	165.6
Transfer from right-of-use assets (see Note 11)	1.7	16.7	0.2	18.5
Disposals accumulated cost	-0.0	-53.1	-3.5	-56.7
Adjustments	-	-8.0	-	-8.0
Translation differences	0.9	28.3	4.0	33.2
Acquisition costs at December 31, 2023	108.6	1,019.0	128.5	1,256.1
Accumulated depreciation at 1 January 2023	-26.4	-468.4	-61.9	-556.5
Reclassification accumulated values	-0.4	-27.4	-0.8	-28.6
Acquired in business combinations	-1.9	-13.7	-3.2	-18.8
Depreciation	-6.3	-118.0	-2.8	-127.1
Transfer from right-of-use assets (see Note 11)	-	-	-	-
Disposals accumulated depreciation	-	41.1	1.6	42.7
Translation differences	-0.1	-31.8	-25.4	-57.2
Accumulated depreciation December 31, 2023	-35.2	-618.1	-92.2	-745.5
Acquisition cost	108.6	1,019.0	128.5	1,256.1
Accumulated depreciation	-35.2	-618.1	-92.2	-745.5
Net book value at December 31, 2023	73.5	400.9	36.4	510.7

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

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 January 1, 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 December 31, 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 December 31, 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 December 31, 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 13 TRADE AND OTHER RECEIVABLES

Specification of trade and other receivables NOK million			Trade receivables maturity	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Expected % credit loss
Trade receivables	441.9	340.1	286.2	63%
Other short-term receivables	167.8	128.6	108.2	24%
Receivables	609.7	468.7	21.4	5%
Prepayments	33.2	19.2	13.1	3%
Total	642.9	487.9	20.5	5%
			3.4	1%
			452.8	100%
			-10.9	-2%
			441.9	

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

Trade receivables maturity NOK million	Dec 31, 2022	%	Expected credit loss
Not overdue	275.1	79%	1%
Overdue 1-30 days	48.1	15%	1%
Overdue 31-60 days	8.6	3%	1%
Overdue 61-90 days	5.0	1%	5%
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		

Provision for bad debt NOK million	2023	2022
Opening balance	-7.5	-3.9
Increase in provision recognized in the year	-1.6	-4.5
Written of during the year as uncollectible	-4.1	-2.7
Unused amounts reversed	2.4	3.6
Closing balance	-10.9	-7.5

Trade receivables are subject to constant monitoring. Impaired receivables are reflected through provision for bad debt. Monthly assessment of loss risk is performed, and corresponding provisions are made on entity level. The provision for bad debt reflects the total loss risk on the Group's trade receivables. The trade receivables which are overdue over 180 days represent the highest risk level. Most of the impaired trade receivables are included in that category. Loss risk on other 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 December 31:

Specification of trade and other receivables NOK million	Dec 31, 2023	Dec 31, 2022
Bank deposits	266.4	199.6
Restricted cash (employee withholding taxes)	0.6	5.1
Total cash and cash equivalents	267.0	204.7

Lease liabilities NOK million	2023	2022
Balance at the beginning of the period	733.8	698.7
<i>Cash changes</i>		
Payments to lessor	-222.9	-176.9
<i>Non-cash changes</i>		
Initial recognition	257.3	143.4
Accrued interest	38.0	32.6
Lease modifications	30.5	28.6
Foreign currency translation effect	30.9	7.2
Balance at the end of the period	867.6	733.8

Borrowings NOK million	2023	2022
Balance at the beginning of the period	544.9	325.3
<i>Cash changes</i>		
Cash proceeds received from lender	175.8	331.1
Downpayments	-59.7	-160.4
<i>Non-cash changes</i>		
Changes from business combinations	-	44.5
Foreign currency translation effect	-11.5	4.5
Balance at the end of the period	649.6	544.9

**NOTE 15 SHARE INFORMATION****2023**

	Ordinary shares	Treasury shares	Share capital, NOK million	Additional paid in capital, NOK million	Treasury shares NOK million
At January 1, 2023	182,682,740	–	0.6	1,437.1	–
Own shares	–	–182,871	–	–	–4.3
Share-based payments	–	–	–	1.5	–
At December 31, 2023	182,682,740	–182,871	0.6	1,438.6	–4.3

2022

	Ordinary shares	Treasury shares	Share capital, NOK million	Additional paid in capital, NOK million	Treasury shares 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	–

**NOTE 16 BORROWINGS**

Interest-bearing loans as presented in the statement of financial position NOK million	Dec 31, 2023	Dec 31, 2022
Non-current loans	638.4	533.5
Current portion of loans	11.3	11.5
Total interest-bearing loans	649.6	544.9

Specification of interest-bearing loans NOK million	Dec 31, 2023	Dec 31, 2022
Revolving credit facility	601.0	489.1
Other bank loans	48.6	55.8
Total interest-bearing loans	649.6	544.9

REVOLVING CREDIT FACILITY

The Group has a Multi-Currency Revolving Facility Agreement securing the Group a total loan facility of NOK 1,100 million. The Group can draw upon the facility as needed in any of the Group's currencies. The margin for the loan ranges between 1.25% and 2.00% depending on the leverage ratio of the Group. The facility is a three-year agreement dating from 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 financial covenants.

OTHER BANK LOANS

Other bank loans consist of local bank loans and financing agreements not included in the Group's revolving credit facility. In addition, the Group has an overdraft and guarantee facility of NOK 50 million, where NOK 0.0 million (NOK 2.5 million) was utilized as of December 31, 2023.

FAIR VALUE

The fair values are not materially different from their carrying amounts as the interest payables on the borrowings are 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 information provided below is classified and measured in accordance with IFRS 9. Financial assets, classified as current and non-current, represent the maximum credit risk exposure Norva24 Group has at the reporting date. The value of all financial assets and financial liabilities measured at amortized cost (FAAC and FLAC) approximate fair value at the balance sheet date.

NOK million	Category	Dec 31, 2023	Dec 31, 2022
<i>Financial assets</i>			
Investment in shares	FVTPL	0.7	0.6
Financial assets included in other non-current receivables	FAAC	4.5	4.6
Accounts receivable	FAAC	441.9	340.1
Financial assets included in other current receivables	FAAC	23.6	35.2
Cash and cash-equivalents	FAAC	267.0	204.7
Total financial assets		737.7	585.2

NOK million	Category	Dec 31, 2023	Dec 31, 2022
<i>Financial liabilities</i>			
Non-current lease liabilities	FLAC	647.9	554.3
Non-current loans	FLAC	638.4	533.5
Other non-current liabilities	FLAC	1.2	1.3
Earn-out provisions	FVTPL	41.3	76.0
Accounts payable	FLAC	157.5	135.8
Current portion of lease liabilities	FLAC	219.7	179.5
Current portion of loans	FLAC	11.3	11.5
Total financial liabilities		1,717.2	1,491.9

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, 2023	Dec 31, 2022
<i>Other current liabilities</i>		
Accrued expenses	38.2	30.0
Holiday pay payable	76.9	64.1
VAT payable	109.0	84.1
Social security taxes payable	30.3	24.2
Employee withholding taxes payable	27.8	22.3
Accrued salaries payable	35.8	29.6
Other	1.2	6.7
Total other current liabilities	319.3	261.1

Specification of provisions NOK million	Current	Non-cur- rent	Dec 31, 2023 Total
Earnout	41.2	4.6	45.8
Warranty claim	17.5	–	17.5
Other provisions	–	1.2	1.2
Total	58.7	5.8	64.5

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

NOK million	Other provision	Warrenty claim	Earnout	Total
Balance at the beginning of the period	1.3	23.7	76.0	101.0
Added with business combinations	–	–	19.5	19.5
Change in fair value recognized in profit or loss				
Additional provisions (loss)	–	–	–	–
Unused amounts reversed (profit)	–	–	–19.5	–19.5
Amounts used during the year	–	–7.9	–33.6	–41.5
Translation effect	–0.1	1.8	3.4	5.1
Balance at the end of the period	1.2	17.5	45.8	64.6



NOTE 19 TAXES

Specification of deferred tax/deferred tax benefit NOK million	Deferred tax assets		Deferred tax liabilities	
	2023	2022	2023	2022
<i>Temporary differences</i>				
Intangible assets	–		41.5	43.1
Property, plant and equipment	–		37.6	29.0
Leasing	–		–23.1	2.8
Liabilities	–		35.1	34.6
Other differences	–1.9		–	12.6
Tax losses carried forward	–52.7	–41.6	–	
Deferred tax (asset)	–54.6	–41.6	91.2	122.1
NOK million			2023	2022
Net deferred tax liability			36.6	80.5

Reconciliation of change in deferred tax 2023 NOK million	Recognized in profit and loss	Acquired in business combinations	Translation difference	Total change
Intangible assets	–9.6	6.6	1.4	–1.6
Property, plant and equipment	7.3	–	1.3	8.6
Leasing	–25.1	–	–0.8	–25.9
Liabilities	–4.5	3.8	1.2	0.5
Other differences	–14.6	0.1	–0.1	–14.5
Tax losses carried forward	–9.3	–	–1.8	–11.1
Change in deferred tax liability	–55.8	10.6	1.3	–43.9

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

Specification of income tax expense NOK million	2023	2022
Payable tax on profits for the year	–64.3	–13.3
Adjustments for current tax of prior periods	1.4	–6.7
Change in deferred tax	55.8	–36.8
Income tax expense	–7.2	–56.9

**NOTE 19 TAXES**, continued.

Reconciliation of income tax expense		
NOK million	2023	2022
Profit before income tax	233.7	196.3
Nominal tax rate of the group	24%	24.1%
Tax at nominal tax rate	-56.8	-47.3
Tax effect of permanent differences	-1.6	-2.8
Accumulated changes in deferred taxes*	48.3	-
Other differences	2.9	-6.7
Income tax expense	-7.2	-56.8
Effective tax rate	3%	29%

Nominal tax rates in each country		
%	2023	2022
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	24.3	24.1

The Group is not in scope of the Pillar Two Model Rules.

* Income tax expense in 2023 includes an adjustment for accumulated changes in deferred taxes in Sweden relating to current and previous periods. The previous period adjustment has no cash impact of taxes paid.

NOTE 20 BUSINESS COMBINATIONS

Acquired units during 2023	Country	Date	Ownership
Gravco AS	Norway	January 19	100%
Septik Tank Co AS	Norway	January 19	100%
Tom's Kloakservice ApS	Denmark	August 1	100%
ControTech i Malmö AB	Sweden	November 9	100%

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%

BUSINESS ACQUISITIONS SHOWN AGGREGATED FOR EACH YEAR:

Purchase consideration		
NOK million	2023	2022
Cash paid	182.3	288.3
Earnout/Contingent consideration (Fair value estimate at date of acquisition)	19.5	59.1
Shares issued	-	4.2
Total purchase consideration	201.9	351.6



NOTE 20 BUSINESS COMBINATIONS, continued.

Opening balance sheet – Fair value at acquisition date of acquired companies:		
NOK million	2023	2022
Cash	39.7	19.4
Other current assets	26.3	145.7
Other non-current assets	37.1	96.5
Brand	10.6	20.4
Customer relationships	21.2	40.8
Total assets	134.9	322.8
Other current liabilities	21.8	157.3
Other non-current liabilities	26.5	50.0
Deferred tax on excess values	6.8	16.6
Total Liabilities	55.1	223.8
Net identifiable assets	79.8	98.9
Goodwill	122.0	252.7
Total purchase consideration	201.9	351.6
Cash paid	182.3	288.3
Cash acquired	39.7	19.4
Net cash paid	142.6	268.9

The operations of the acquired entities are similar to the Group's existing operations and will strengthen the Group's position in the existing segments. The Group considers the business combinations to be individually immaterial and therefore the acquisitions are shown in the aggregate. 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 2023 are preliminary.

Transaction costs are shown as non-recurring items (see Note 5) as they impact comparability. Transaction cost are recognized as other operating expenses in the statement of profit or loss.

Earnouts are conditional on the acquired entity reaching certain future financial targets such as revenue, EBITDA and EBITA. The Group recognizes provisions for fair value of earnouts based on estimated likelihood of achieving the given targets and the expected future pay-out. Recognized earnout gains and losses are shown in Note 9.

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

The acquired companies are included in the consolidated statements of Norva24 from the date of the acquisition. The first table below presents 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 business 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 December 31 in the acquisition year

NOK million	2023	2022
Revenue	106.9	168.4
Profit/loss for the period	7.4	14.1

Revenue and profit (loss) from January 1 to December 31 in the acquisition year

NOK million	2023	2022
Revenue	151.6	346.8
Profit/loss for the period	22.8	27.1



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 large, and no customer accounts for more than 3% of revenues.

There are no customer segment with a dominant share of revenues. This reduces the commercial risk and makes the Group more resilient to economic cycles. The long-term growth in the industry supports 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 relate to vehicles and machinery, both purchased and leased vehicles, fuel and maintenance costs.

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, for 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.

Translation risk sensitivity

For the financial year of 2023, 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 approximately +/-7% (+/-6%) or +/-NOK 200 million (+/-NOK 150 million). EBITA would have been impacted by approximately +/-7% (+/-6%).

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 there are no hedging instruments in relation to interest rates.

Interest rates sensitivity

Based on the simulations performed as of December 31, 2023, 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 NOK 12 million (NOK 11 million).

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 and historically the Group has had limited loss on receivables.

FUNDING AND LIQUIDITY RISK

Cash-flow forecasting is performed by operating segment of the Group as part of the budget process and updated during the year. The Group keeps track of its liquidity requirements to ensure there is sufficient cash to meet both operational needs while maintaining financial capacity to continue the Group's M&A activity. 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 objective related to managing capital is 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 the Group 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 a temporary increase to provide sufficient funding for M&A.

Per December 31, 2023, the Group's equity ratio was 49.2% (47.9) and net debt/adjusted EBITDA LTM was 2.0 (2.1).



NOTE 21 FINANCIAL RISK MANAGEMENT, continued.

Specification of interest-bearing loans per currency	Dec 31, 2023	Dec 31, 2022
NOK million		
NOK	318.8	217.5
EUR	319.7	274.1
SEK	11.1	53.4
DKK	–	–
Total interest-bearing loans	649.6	544.9

LIQUIDITY RISK

Maturities of financial liabilities December 31, 2023

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	157.5	–	–	–	157.5	157.5
Earnout provisions	0.0	41.2	4.6	–	45.8	45.8
Other current liabilities	210.4	109.0	–	–	319.4	319.4
Lease liabilities	118.4	108.5	580.9	204.9	1,012.7	867.6
Revolving credit facility	–	601.0	–	–	601.0	601.0
Other bank loans	6.9	4.4	31.3	6.0	48.6	48.6
Total at December 31, 2023	493.1	864.1	616.8	210.9	2,185.0	2 039.9

LIQUIDITY RISK

Maturities of financial liabilities December 31, 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
Earnout 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 December 31, 2022	423.1	199.7	1,129.7	177.2	1,929.6	1,751.5

**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	2023	2022
Cash and cash equivalents	267.0	204.7
Restricted cash	-0.6	-5.1
Undrawn facility	500.0	610.9
Unused overdraft facility	50.0	50.0
Liquidity reserve	816.4	860.5

The major entities in the Group are members of a 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.

NOK million	Dec 31, 2023	Dec 31, 2022
Operational guarantees	120.3	78.8
Employee withholding tax guarantees	11.4	44.3
Total	131.7	123.1

NOTE 23 EARNINGS PER SHARE**Earnings per share**

NOK million (except per share amounts)	2023	2022
Net income	226.6	139.5
Weighted-average ordinary shares outstanding for the period	182,632,036	182,584,957
Basic earnings per share, NOK	1.24	0.76
Diluted earnings per share, NOK	1.24	0.76

As of December 31, 2023, Norva24 Group has one share class with equal rights. The Group has a long-term incentive program with potential dilutive effects, but as the program is out of the money, it has no dilutive effect.

During 2023, Norva24 Group AB has acquired own shares as part of the long-term incentive program II. See Note 6 for details.

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

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.

Terms and conditions of 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	Corporate ID	Country of Incorporation	Acquisition date	Ownership percentage
Norva24 Group AB (publ)	559226-2553	Sweden	2021-06-30	ultimate parent
Norva24 Holding AS	914 881 447	Norway	2021-06-30	99.8%
Norva24 MipCo AB	559341-1886	Sweden	2021-12-08	94.2%
Norva24 AS	914 881 463	Norway	2015-01-09	100%
Spyleteknikk AS	888 299 092	Norway	2015-04-01	100%
Norva24 Øst AS	951 141 836	Norway	2015-04-01	100%
Østfold Høytrykk AS	984 382 286	Norway	2015-09-01	100%
Norva24 Vest AS*	971 057 440	Norway	2015-11-01	100%
Ringerike Septikservice AS	945 559 705	Norway	2016-05-01	100%
Flagstad AS	998 326 648	Norway	2016-10-01	100%
Norva24 Sørmiljø AS	915 684 092	Norway	2017-06-01	100%
Kjeldsberg Transport AS	925 704 458	Norway	2021-02-01	100%
Gravco AS	998 586 259	Norway	2023-01-19	100%
Septik Tank Co AS	921 665 938	Norway	2023-01-19	100%
Norva24 Deutschland GmbH	HRB 236395 B	Germany	2019-03-01	100%
ExRohr GmbH	HRB 6052 HL	Germany	2019-03-01	100%
Behne Entsorgungsservice GmbH	HRB209237	Germany	2020-09-01	100%
Rohrreinigung Falkenhagen GmbH	HRB 20275 HL	Germany	2020-09-01	100%
Kommunaltechnik Segler GmbH	HRB 20412 HL	Germany	2020-09-01	100%
Norva24 Erwerbs GmbH	HRB 236185	Germany	2020-11-01	100%
Kanal-Türpe Gochsheim GmbH & Co. KG	HRB 895	Germany	2020-11-01	100%
Kanal-Türpe Gochsheim Verwaltungs GmbH	HRB 5302	Germany	2020-11-01	100%
Kanal-Türpe Blomberg GmbH	HRB 7822	Germany	2020-11-01	100%
Kanal-Türpe Rohrreinigung GmbH	HRB 7758	Germany	2020-11-01	100%
Kanal-Türpe Entsorgung GmbH & Co. KG	HRB 9850	Germany	2020-11-01	100%
Kanal-Türpe Entsorgung Verwaltungs GmbH	HRB 7558	Germany	2020-11-01	100%
Mayer Kanalmanagement GmbH	HRB 7054 FF	Germany	2021-04-01	100%
Krüger Wasserhochdrucktechnik GmbH	HRB 3274 FF	Germany	2021-04-01	100%
MBR Umwelttechnik + Rohrreinigung GmbH	HRB 111982	Germany	2021-06-30	100%
AWT Decker GmbH	HRB 112557	Germany	2021-06-30	100%
AWT Decker Berlin GmbH	HRB 199804 B	Germany	2021-06-30	100%
Rohr Frei Schnelldienst Axel Zimmerbeutel GmbH	HRB 14724	Germany	2022-04-13	100%
Jutzy Haustechnik und Service GmbH	HRB 15932	Germany	2022-09-01	100%
CKS Express Baumanagement GmbH	HRB 67745 B	Germany	2022-10-04	100%
CKS Rohr Express e.K.	HRB 245639 B	Germany	2022-10-04	100%

**NOTE 25 SUBSIDIARIES**, continued.

Company name	Corporate ID	Country of Incorporation	Acquisition date	Ownership percentage
Norva24 AB	559113-9653	Sweden	2017-08-01	100%
A Söderlindhs AB	556700-5151	Sweden	2017-08-01	100%
Norva24 Miljövision AB	556360-0484	Sweden	2019-12-01	100%
LGT:s Högtryck AB	556335-6285	Sweden	2020-01-01	100%
Solna Högtrycksspolning AB	556229-5658	Sweden	2020-09-01	100%
GJ & Son AB	556545-1159	Sweden	2021-02-01	100%
G R Avloppsrensning AB	556502-5805	Sweden	2021-06-01	100%
Malmberg Miljöhantering AB	556292-9322	Sweden	2021-06-01	100%
Ulvby Miljö AB	559235-2073	Sweden	2021-06-30	100%
FM Miljö Holding AB	559301-9671	Sweden	2021-06-30	100%
Filipstad Miljösanering AB	556520-2889	Sweden	2021-06-30	100%
IRG Rörinspektion AB	556212-9345	Sweden	2022-04-05	100%
Stockholm Relining AB	556779-2691	Sweden	2022-07-07	100%
ControTech i Malmö AB	556480-2618	Sweden	2023-11-09	100%
Norva24 Danmark A/S	10 206 987	Denmark	2017-01-01	100%
Thorvig Jensen A/S	41 247 622	Denmark	2022-07-01	100%
J.S. Overfladebehandling ApS	16 585 580	Denmark	2022-07-01	100%
Tom's Kloakservice ApS	29 609 233	Denmark	2023-08-01	100%

* During the year Bergen Rørinspeksjon was merged into Norva24 Vest.

NOTE 26 SUBSEQUENT EVENTS**ACQUISITIONS**

- Norva24 acquired in January 2024 Baier Rohrreinigung GmbH in Germany and in February 2024 the UIM operations of Svein Klungtveit AS in Norway in a carve-out transaction. In April 2024, Norva24 acquired Vitek Miljø AS in Norway. Through these acquisitions the Group has added close to NOK 200 million of yearly revenues.

Initial accounting for the business combinations is incomplete at the time the financial statements are authorised for issue.



Notes to the Parent Company financial statements

NOTE 1 GENERAL INFORMATION

The reporting entity reflected in the parent company financial statements is Norva24 Group AB (publ). Norva24 Group AB (the Company) is a Swedish entity domiciled in Stockholm, Sweden, with corporate registration number 559226-2553. The financial statements are presented in million Swedish Kronor (SEK million) unless otherwise stated. Amounts in brackets concern the comparative period.

NOTE 2 SUMMARY OF IMPORTANT ACCOUNTING PRINCIPLES

The parent company applies the accounting principles of the group as described in Note 3 to the consolidated financial statements. The most important accounting principles applied and any differences with the group accounting policies are listed below. These principles have been applied consistently for all periods presented, unless otherwise stated. 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 included in 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 are presented as required by the Annual Accounts Act. The statement of changes in equity follows the presentation format of the Group but also includes columns specified in the Annual Accounts Act.

Naming of several can be different compared to the consolidated financial statement, this is mainly the case for financial income, expenses and equity.

FINANCIAL INSTRUMENTS

IFRS 9 is not applied in the financial statements of Norva24 Group AB (publ). The Company instead applies the requirements specified in RFR 2. Financial instruments are initially measured and recognized at their acquisition value. Subsequently, financial assets

acquired with the intention of being held only for a 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. Accounts receivable reported at amortized cost with bad debt provision recognized in the Group's consolidated financial statements in accordance with IFRS 9, will also be recognized in the Company's financial statements.

NOTE 3 RELATED PARTY TRANSACTIONS

Loan to shareholders

SEK million	2023	2022
At the beginning of the period	–	0.1
Repayment of loan	–	–0.1
Amortized amounts	–	–
Interests	–	–
Paid interest	–	–
At the end of the period	–	–

Non-current loan to subsidiaries

SEK million	2023	2022
At the beginning of the period	866.7	879.8
New loan issue	–	4.5
Repayment of loan	–0.2	–41.9
Reclassification current to non-current loan	–	11.3
Amortized amounts	–	–
Interests	37.6	12.9
Paid interest	0.1	–
At the end of the period	904.3	866.7

Current loan to subsidiaries

SEK million	2023	2022
At the beginning of the period	–	11.3
New loan issue	–	–
Reclassification current to non-current loan	–	–11.3
Amortized amounts	–	–
Interests	–	–
Paid interest	–	–
Other	–	–
At the end of the period	–	–

The company has no provisions for doubtful receivables attributable to related parties. No bad debt has been recognized related to receivables from related parties. The company does not hold any security for the receivables.

**NOTE 4 SUBSIDIARIES**

Subsidiaries	Corporate registration number	Domicile and country of registration and operations	Ownership- and voting percentage	Number of shares	Carrying amount Dec 31, 2022	Carrying amount Dec 31, 2023
Norva24 Holding AS	914 881 447	Stryn, Norway	97.0%	10,417,573	2,795.7	2,799.7
Norva24 Mipco AB	559341-1886	Stockholm, Sweden	94.2%	9,284,793	80.0	80.3
Total					2,875.6	2,880.0

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	2023	2022
SEK million		
Legal, audit and consultancy fees	6.7	-3.2
Miscellaneous office expenses	-	-0.0
Other	10.2	-5.4
Total	16.9	-8.7

Specification of fees paid to auditors

	2023	2022
SEK million		
Audit	1.6	1.6
Other audit-related services	-	-
Tax consultancy services	-	0.1
Other consultancy services	-	-
Total	1.6	1.7

NOTE 6 FINANCIAL ITEMS

Specification of financial items	2023	2022
SEK million		
Interest income on loans to subsidiaries	37.7	13.0
Currency exchange gain	0.6	0.4
Gain sale of MipCo shares	-	7.8
Other financial income	0.1	-
Financial income	38.3	21.2
Interest cost on loans from subsidiaries	-0.3	-0.3
Currency exchange loss	-0.4	-0.8
Other financial expenses	-3.4	-4.9
Financial expenses	-4.1	-6.0
Net financial items	34.2	15.2

**NOTE 7 TAXES**

Calculation of deferred tax/ deferred tax benefit SEK million	Dec 31, 2023	Dec 31, 2022
Tax losses carried forward	51.0	79.5
Basis for deferred tax (asset)	51.0	79.5
Deferred tax (asset)	10.9	-16.4
Deferred tax in the balance sheet	10.9	16.4

Specification of income tax expense

SEK million	2023	2022
Payable tax on profits for the year	-	-
Change in deferred tax	-5.5	-0.3
Other differences	-0.2	-
Income tax expense	-5.7	-0.3

Reconciliation of income tax expense

SEK million	2023	2022
Profit before income tax	26.4	9.2
Nominal tax rate of the group	20.6%	20.6%
Tax at nominal tax rate	5.4	1.9
Tax effect of permanent differences	0.3	-2.2
Income tax expense	-5.7	-0.3
Effective tax rate	22%	3%

NOTE 8 OTHER CURRENT LIABILITIES

Specification of other current liabilities SEK million	Dec 31, 2023	Dec 31, 2022
Accrued expenses	2.7	2.7
Bank overdrafts	10.8	-
Other	3.5	2.7
Total	17.0	5.4



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 IFRS® Accounting Standards as 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 19, 2024

Vidar Meum
Chairman

Allan Engström
Board member

Arild Bødal
Board member

Pontus Boman
Board member

Mats Lönnqvist
Board member

Linus Lundmark
Board member

Monica Reib
Board member

Ulrika Östlund
Board member

Henrik Norrbom
Group CEO

Our audit report was submitted April 19, 2024

Öhrlings PricewaterhouseCoopers AB

Nicklas Kullberg
Authorized Public Accountant



Five-year summary

FIVE-YEAR SUMMARY

NOK million	2023	2022	2021	2020	2019
Revenue from customer contracts	3,131.9	2,445.3	2,006.3	1,512.4	1,279.2
Other operating revenue	20.1	21.1	19.0	10.1	8.3
Total operating revenue	3,151.9	2,466.5	2,025.2	1,522.5	1,287.5
Operating expenses					
Operational service expenses	-524.3	-320.7	-220.4	-173.7	155.4
Personnel expenses	-1,288.2	-1,040.8	-879.3	-672.6	567.9
Vehicle operating expenses	-445.2	-390.4	-288.1	-191.1	189.7
Other operating expenses	-272.0	-232.1	-246.7	-143.3	130.4
Other gains	0.5	5.0	40.3	-	-
Total operating expenses	-2,529.2	-1,979.0	-1,594.2	-1,180.8	1,043.5
Earnings before interest, taxes, depreciation and amortization (EBITDA)	622.7	487.5	431.0	341.8	244.0
Total depreciation	-289.9	-241.4	-209.6	-145.6	-105.5
Earnings before interest, taxes and amortization (EBITA)	332.8	246.0	221.5	196.2	138.5
Total amortization	-49.0	-34.3	-28.0	-17.0	-9.3
Earnings before interest and taxes (EBIT)	283.9	211.7	193.5	179.2	129.3
Financial items					
Financial income	70.2	42.8	9.6	23.6	9.4
Financial expenses	-120.3	-58.3	-123.0	-57.4	-55.4
Net financial items	-50.1	-15.5	-113.4	-33.9	-45.9
Profit before income tax (EBT)	233.7	196.3	80.2	145.3	83.2
Income tax expense	-7.2	-56.8	5.8	-33.3	-25.0
Profit for the period	226.6	139.5	86.0	112.0	58.2
Adjusted EBITA	347.7	246.0	257.7	211.9	143.6
Adjusted EBITA margin	11.0%	11.3%	12.7%	13.9%	11.2%



QUARTERLY DATA FOR THE CONSOLIDATED GROUP

NOK million	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Total operating revenue								
Norway	213.1	243.5	222.7	225.6	249.2	270.5	274.5	271.4
Germany	157.0	173.7	203.4	278.8	251.8	298.3	300.9	332.5
Sweden	85.5	114.0	103.2	124.2	110.5	127.5	113.8	140.0
Denmark	70.7	77.9	83.4	91.0	97.1	104.1	103.5	113.0
Corporate	0.0	-0.6	-0.7	0.0	-4.0	-0.9	-0.5	-1.2
Group	526.4	608.5	612.0	719.5	704.6	799.4	792.2	855.7
EBITA								
Norway	29.1	44.8	40.4	19.9	30.6	40.7	64.3	21.5
Germany	19.0	25.3	31.2	20.0	25.3	39.4	44.5	43.4
Sweden	4.6	13.8	15.3	15.0	9.7	12.2	18.5	17.3
Denmark	-0.3	2.4	7.5	0.5	5.0	6.2	9.2	6.6
Corporate	-9.1	-14.4	-8.9	-10.1	-13.6	-20.2	-13.5	-14.4
Group	43.3	71.9	85.5	45.3	57.0	78.4	123.1	74.4
Adjusted EBITA								
Norway	29.1	47.5	40.6	20.2	32.0	40.9	64.7	21.5
Germany	19.0	27.4	33.3	45.2	25.3	39.4	44.5	46.8
Sweden	4.6	14.6	16.7	15.0	9.7	12.2	18.5	18.0
Denmark	-0.3	2.4	5.0	0.5	5.0	6.2	9.8	6.6
Corporate	-9.1	-14.4	-8.9	-9.9	-12.6	-16.0	-13.6	-11.3
Group	43.3	77.6	86.7	71.0	59.4	82.7	124.0	81.6
Adjusted EBITA margin								
Norway	13.6%	19.5%	18.2%	9.0%	12.8%	15.1%	23.6%	7.9%
Germany	12.1%	15.8%	16.4%	16.2%	10.1%	13.2%	14.8%	14.1%
Sweden	5.4%	12.8%	16.1%	12.1%	8.8%	9.6%	16.3%	12.8%
Denmark	-0.4%	3.1%	6.0%	0.5%	5.1%	5.9%	9.5%	5.9%
Corporate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Group	8.2%	12.7%	14.2%	9.9%	8.4%	10.4%	15.7%	9.5%



Key performance indicators

KEY FIGURES

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES, NOT DEFINED UNDER IFRS

Line ID	NOK million	Source	Calculation	2023	2022
A	Total operating revenue	P&L		3,151.9	2,466.5
	Profit/(Loss) for the period	P&L		226.6	139.5
	Earnings per share (basic and diluted), NOK	P&L		1.24	0.76
	Average number of ordinary shares outstanding			182,632,036	182,584,957
	Growth in total revenue, %			27.8	21.8
	Organic growth in total revenue, %			13.7	7.7
	Organic growth in total revenue, currency adjusted %			6.3	8.9
	Acquired growth in total operating revenue, %			14.1	14.1
B	Total operating expenses	P&L		-2,529.2	-1,979.0
C	EBITDA (earnings before interest, taxes, depreciation and amortization)		C=A-B	622.7	487.5
	EBITDA margin, %		C/A	19.8	19.8
D	Depreciation of tangible assets (PPE and leasing right-of-use assets)	P&L		-289.9	-241.4
E	EBITA		E=C-D	332.8	246.0
	EBITA margin, %		E/A	10.6	10.0
F	Depreciation, amortization and impairment of tangible and intangible assets	P&L		-338.9	-275.7
G	EBIT		G=C-F	283.9	211.7
	EBIT margin, %		G/A	9.0	8.6
H	Non-recurring items, expenses	Note 5		14.9	32.5
H2	Non-recurring items, depreciation and amortization	Note 5		-	-
I	Adjusted EBITDA		I=C+H	637.6	520.0
	Adjusted EBITDA margin, %		I/A	20.2	21.1
J	Adjusted EBITA		J=E+H+H2	347.7	278.6
	Adjusted EBITA margin, %		J/A	11.0	11.3
K	Adjusted EBIT		K=G+H+H2	298.8	244.3
	Adjusted EBIT margin, %		K/A	9.5	9.9
L	Leasing payments	Note 6		222.9	176.9
M	Capital expenditures (purchases minus disposals)	Note 7		151.6	60.1
N	Cash capital expenditures		N=L+M	374.5	237.0
O	Net cash inflow from operating activities	Cash flow Statement		553.9	343.3
P	Cash conversion, %		O/I	86.9	66.0



Balance sheet key financials			Dec 31,	Dec 31,
Line ID	NOK million	Source	2023	2022
AA	Non-current and current loans	Financial position	649.6	544.9
AB	Non-current and current lease liabilities	Financial position	867.6	733.8
AC	Cash and cash equivalents	Financial position	267.0	204.7
AD	Net debt	AD=AA+AB-AC	1,250.2	1,074.1
AE	Net debt/LTM adjusted EBITDA	AE=AD/I	1.96	2.07
BA	Inventories	Financial position	18.7	12.7
BB	Accounts receivable	Financial position	441.9	340.1
BC	Other current receivables	Financial position	201.0	147.8
BD	Accounts payable	Financial position	157.5	135.8
BE	Other current payables	Financial position	319.4	313.1
BF	Net working capital	BF= BA+BB+BC-BD-BE	184.7	51.7
BG	Net working capital/LTM total revenue, %	BG=BF/A	5.9	2.1
CA	Total assets	Financial position	4,206.4	3,607.8
CB	Current liabilities	Financial position	807.2	661.2
CC	Capital employed	CC=CA-CB	3,399.2	2,946.6
CD	Return on capital employed, %	CD=G(LTM)/CC	8.4	7.2

LTM – Last twelve months



Segment key performance indicators

SEGMENT KEY PERFORMANCE INDICATORS

NOK million	2023	2022	Change, %
Norway			
Total operating revenue	1,065.7	904.9	17.8
EBITA	157.1	134.2	17.1
EBITA margin, %	14.7	14.8	-0.1 pp
Adjusted EBITA	159.1	137.5	15.7
Adjusted EBITA margin, %	14.9	15.2	-0.3 pp
Germany			
Total operating revenue	1,183.4	812.9	45.6
EBITA	152.6	95.5	59.8
EBITA margin, %	12.9	11.7	1.1 pp
Adjusted EBITA	156.0	124.9	24.9
Adjusted EBITA margin, %	13.2	15.4	-2.2 pp
Sweden			
Total operating revenue	491.7	426.9	15.2
EBITA	57.8	48.8	18.5
EBITA margin, %	11.7	11.4	0.3 pp
Adjusted EBITA	58.5	50.9	14.8
Adjusted EBITA margin, %	11.9	11.9	0 pp
Denmark			
Total operating revenue	417.7	323.0	29.3
EBITA	27.0	10.1	167.3
EBITA margin, %	6.5	3.1	3.3 pp
Adjusted EBITA	27.6	7.6	263.8
Adjusted EBITA margin, %	6.6	2.4	4.3 pp
Corporate & other			
Total operating revenue	-6.6	-1.3	
EBITA	-61.7	-42.5	
EBITA margin, %	n.a.	n.a.	
Adjusted EBITA	-53.5	-42.3	
Adjusted EBITA margin, %	n.a.	n.a.	
Norva24 Group			
Total operating revenue	3,151.9	2,466.5	27.8
EBITA	332.8	268.8	35.3
EBITA margin, %	10.6	10.9	0.6 pp
Adjusted EBITA	347.7	278.6	24.8
Adjusted EBITA margin, %	11.0	11.3	-0.3 pp



ALWAYS HERE
TO HELP!



Auditor's report

Unofficial translation

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 2023 except for the corporate governance statement on pages 78-88. The annual accounts and consolidated accounts of the company are included on pages 72-129 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 2023 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 2023 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 78-88. 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

Key audit matters

We refer to notes 3 Significant accounting principles

The Group's recognised turnover amounted to approximately MNOK 3 132 in 2023. 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.

How our audit addressed the Key audit matter

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

Key audit matters

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 2023-12-31. The impairment tests are based on the budgets for year 2023 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. 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.

How our audit addressed the Key audit matter

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

Key audit matters

We refer to notes 3 Significant accounting principles and 20 Business combinations.

The company performed 4 acquisitions during 2023. Acquisitions in 2023 included companies in all segments, except for Germany. 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.

How our audit addressed the Key audit matter

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 2023-12-31.

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 1-71, 130-135 and 141-146. 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 2023 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' 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 2023.

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 78-88 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/ the Annual Accounts Act for Credit Institutions and Securities Companies/ the Annual Accounts Act for Insurance Companies.

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 25, 2023 and has been the company's auditor since May 31, 2021.

Stockholm 19 April 2024

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 2023 on pages 42-62 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 19 April 2024

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 comparative period, i.e., the previous year or quarter.	Change in total operating revenue reflects the Group'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 comparative period.	Organic total operating revenue growth excludes the effects of changes in the Group structure, which enables a comparison of operating revenue over time.
Acquisition growth	Change in total operating revenue as the percentage change from the comparative period of total operating revenue during the comparative 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.	Acquisition 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 Group'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 Group's operating earnings capacity.
EBIT margin	Earnings before interest and taxes (EBIT) in relation to total operating revenue.	Operating margin enables comparison of the Group's profitability regardless of capital structure or tax situation.
Non-recurring items	Items affecting comparability such as acquisition costs, integration costs and restructuring costs.	Enables comparison of profitability measures without items affecting comparability.
Adjusted EBITDA	EBITDA adjusted for non-recurring items.	Enables comparison of EBITDA excluding items affecting comparability with other periods. Adjusted EBITDA is a measure that the Group regards as relevant to understand income generation before investments in non-current 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 Group regards as relevant to understand income generation before investments in non-current 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 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 a measure 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 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.
Net debt	Total interest-bearing liabilities less cash and cash equivalents. Total interest-bearing liabilities consists of non-current and current loans, and 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 Group uses the Net debt ratio to monitor the level of financial leverage.
Net working capital	Net working capital includes 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 Group 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 Group'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 Group to monitor how efficiently the Group 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 Group uses for calculating the return on capital employed and for measuring how efficient the Group 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 2024 of Norva24 will be held on May 22, 2024. For further information about the Annual General Meeting 2024, please refer to Norva24's website, www.norva24.com.

CONTACT INFORMATION

Henrik Norrbom, Group CEO
Tel: +46 727 08 15 15
henrik.norrbom@norva24.com

Stein Yndestad, Group CFO
Tel: +47 916 86 696
stein.yndestad@norva24.com

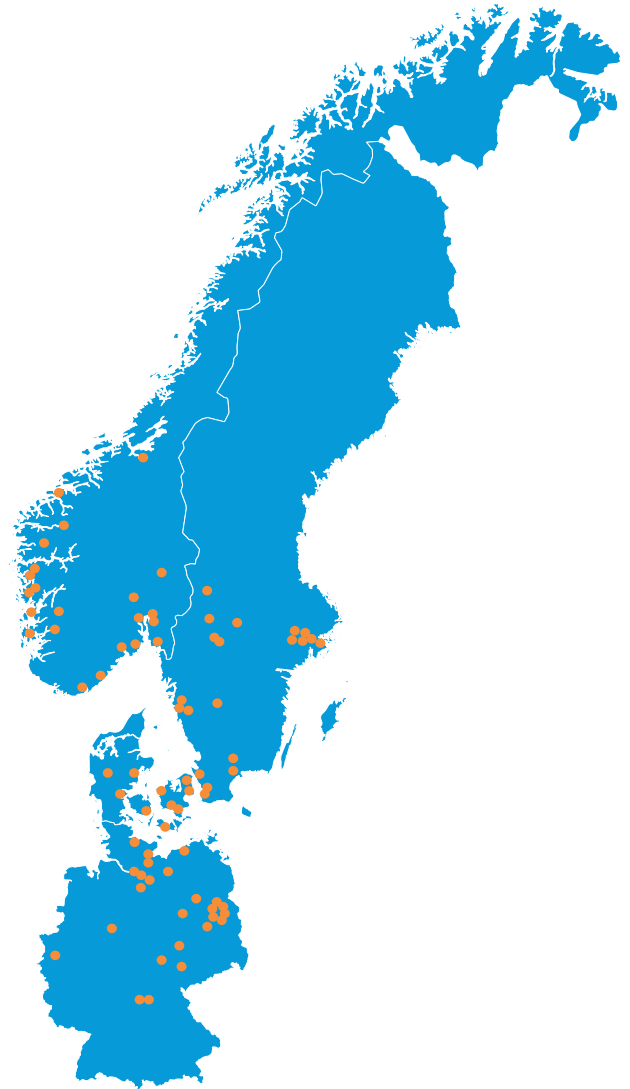
ir@norva24.com

FINANCIAL CALENDAR

Interim report January-March 2024	May 22, 2024
Annual General Meeting 2024	May 22, 2024
Interim report January-June 2024	August 15, 2024
Interim report January-September 2024	November 15, 2024
Year-end report January-December 2024	February 19, 2025

ALWAYS HERE
TO HELP!

NORVA²⁴



Norva24
ir@norva24.com
www.norva24.com