

NHC Group

Report Q1 24



NHC

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Key figures

NHC Group

| Unaudited, in NOK million | Q1 24 | Q4 23 | Q1 23 | Q4 22 | FY 23 |
|-------------------------------|---------|---------|---------|---------|----------|
| Revenues & income | 2,955.6 | 2,869.7 | 2,484.4 | 2,003.5 | 10,772.2 |
| EBITDA | 397.5 | 341.1 | 321.5 | 241.4 | 1,366.2 |
| EBITDA (%) | 13.4 % | 11.9 % | 12.9 % | 12.1 % | 12.7 % |
| EBITA | 156.5 | 91.5 | 123.2 | 65.3 | 475.6 |
| EBITA (%) | 5.3 % | 3.2 % | 5.0 % | 3.3 % | 4.4 % |
| EBIT | 145.7 | 74.2 | 115.4 | 53.5 | 434.2 |
| EBIT (%) | 4.9 % | 2.6 % | 4.6 % | 2.7 % | 4.0 % |
| EBT | 10.9 | (72.7) | (2.7) | (15.5) | (47.0) |
| EBT (%) | 0.4 % | -2.5 % | -0.1 % | -0.8 % | -0.4 % |
| EBITDA - adjusted for IFRS 16 | 147.5 | 104.9 | 112.8 | 66.9 | 457.5 |
| EBITA - adjusted for IFRS 16 | 122.4 | 79.6 | 91.8 | 46.0 | 364.9 |

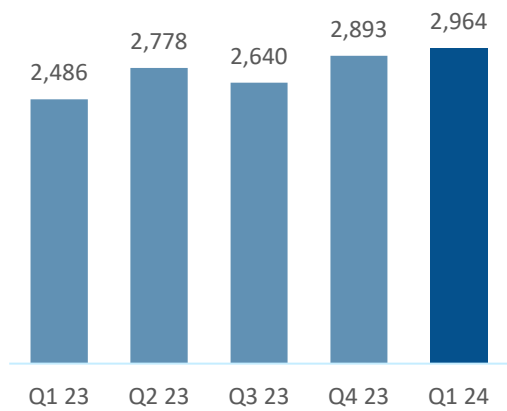
Figures are reported including effects from IFRS 16. The effects for IFRS 16 have not been allocated to the operating segments but are included under "Other" in the following tables.

Adjusted Revenue, EBITDA, EBITA, EBIT and profit before tax, adjusted for the effects from IFRS 16.

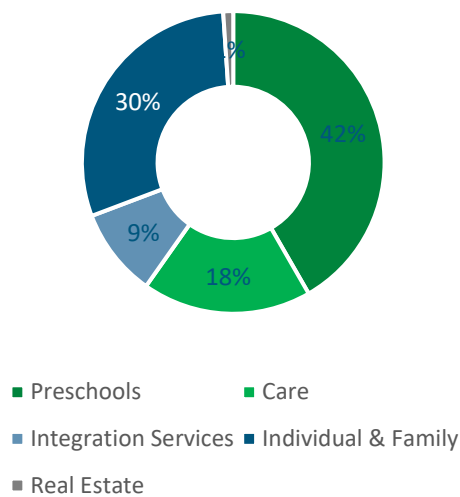
Q1 24 Highlights

- Q1 2024 revenues of NOK 2,956 million, a growth of 19 % YoY, mainly explained by the acquisition of Frösunda Group from February 2023 and growth within Preschools and Individual & Family
- Q1 2024 EBITDA adjusted for IFRS 16 effects (adj. EBITDA) of NOK 148 million, and adj. EBITA of NOK 122 million
- Preschools delivered an adj. EBITDA of NOK 77 million, up NOK 14 million YoY
- Care generated an adj. EBITDA of NOK -14 million, and although up NOK 8 million YoY, weaker than expected mainly explained by certain units that are loss-making and representing a material share of the segment's overall losses. Going forward, the combined losses related to our low performers should come down significantly, as one of these contracts has ended and another has been divested (after the balance sheet date), along with other ongoing processes where we aim at concluding shortly
- Integration Services delivered an adj. EBITDA of NOK 25 million, down on Q1 23 which is in line with our expectations as the portfolio has shifted from acute contracts to ordinary long-term contracts
- Individual & Family generated an adj. EBITDA of NOK 39 million, up NOK 7 million YoY through improvements within Frösunda Personal Assistance and solid development within other sub-segments
- Real Estate delivered an adj. EBITDA of NOK 19 million, following transactions in Norway and Finland

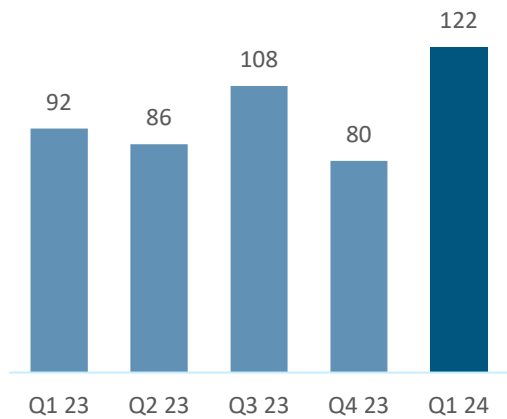
ADJ. REVENUE PER QUARTER (MNOK)



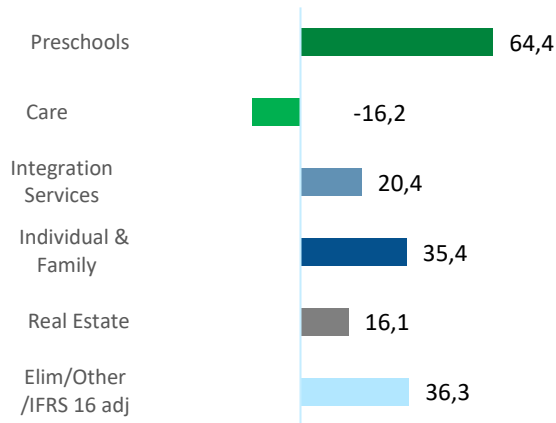
SEGMENT DISTRIBUTION Q1 24 (%)



ADJ. EBITA PER QUARTER (MNOK)

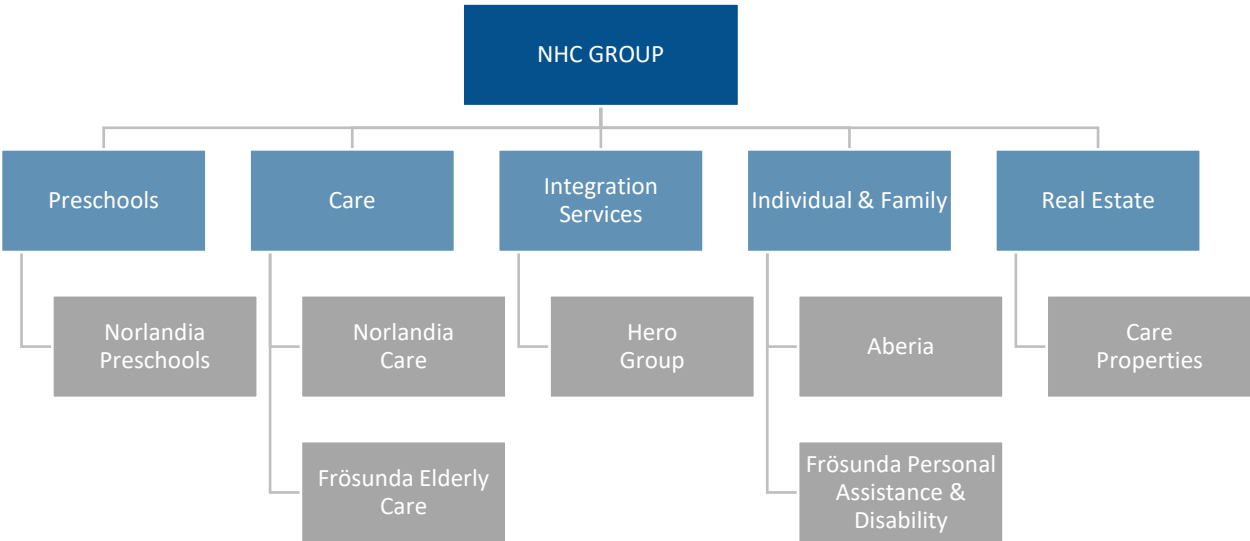


EBITA DISTRIBUTION Q1 24 (MNOK)



Norlandia Health & Care Group AS

NHC is a leading Nordic provider of care services operating within the following segments; Preschools, Care, Integration Services, Individual & Family and Real Estate. The Group has operations in Norway, Sweden, Finland, Poland, the Netherlands and Germany. Below is a simplified overview of the Group’s reporting structure and the operating companies within each segment. This should not be regarded as a legal structure for the Group. For further information on each segment, we refer to the 2023 Annual Report and the respective subsidiaries’ web pages.



Financials

CONSOLIDATED INCOME STATEMENT AND CASH FLOWS

The Group reported consolidated revenues and income of NOK 2,955.6 million in Q1 24, a 19 % increase YoY, mainly explained by growth within Preschools and Individual & Family. EBITA for the quarter amounted to NOK 156.5 million, up from NOK 123.2 million in Q1 23, explained by improvements within all segments except Integration Services.

Net financial items amounted to NOK -134.7 million for Q1 24, reflecting interest expenses of NOK 71.9 million on mainly borrowings, interest related to capitalized leasing of NOK 56.1 million, interest income of NOK 0.7 million, and net unrealized currency loss of NOK 10.5 million.

Profit/(loss) before taxes amounted to NOK 10.9 million for Q1 24, up from a profit/(loss) before taxes of NOK -2.7 million one year prior. Adjusted for IFRS 16 effects, profit before taxes came in at NOK 32.9 million for the quarter, up from NOK 14.4 million in Q1 23.

Thus, the net effect of IFRS 16 amounted to NOK 22.0 million for Q1 24, reflecting depreciation charges of NOK 215.9 million and finance charges of 56.1 million. This was offset by reduced leasing expenses of NOK 257.9 million. See APM section for more details.

Net cash inflow from operating activities in Q1 24 was NOK 425.1 compared to an inflow of NOK 367.2 million in the same quarter last year, mainly driven by stronger underlying performance.

Net cash flow from investing activities resulted in an outflow of NOK 103.4 million in Q1 24, compared to an inflow of NOK 74.4 million in Q1 23. Net investments in property, plan and equipment amounted to NOK 73.6 million reflecting acquisitions of properties, costs related to property development projects, and maintenance capex of NOK 24.5 million.

Net cash outflow from financing activities amounted to NOK 417.9 million in Q1 24, compared to an outflow of NOK 235.3 million in Q1 23. The outflow this quarter related to lease payments of NOK 203.0 million, repayment of interest-bearing debt, and cash interest expenses, including lease liability related interest expenses, of NOK 127.1 million.

The Group generated total cash flows of NOK -96.2 million for Q1 24, of which NOK -132.8 million was related to reduced draw on the Group's short-term overdraft facility.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION PER 31 MARCH 2024

As of 31 March 2024, the Group had total non-current assets of NOK 11,669.5 million, an increase of NOK 167.0 million from year-end 2023. The increase is mainly explained by new leasing contracts resulting in higher right-of-use assets which was NOK 6,663.1 million as of 31 March 2024 compared to NOK 6 548.2 million at year-end 2023.

Cash and cash equivalents amounted to NOK 250.2 million on 31 March 2024, down from NOK 346.0 million on 31. December 2023- The Group have a short-term overdraft facility of NOK 350.0 million with DNB, and as of 31 March 2024 NOK 156.9 million was drawn, compared to NOK 289.7 million as of 31 December 2023.

Total assets amounted to NOK 13,124.2 million at the end of Q1 24 compared to NOK 13,133.4 at year-end 2023.

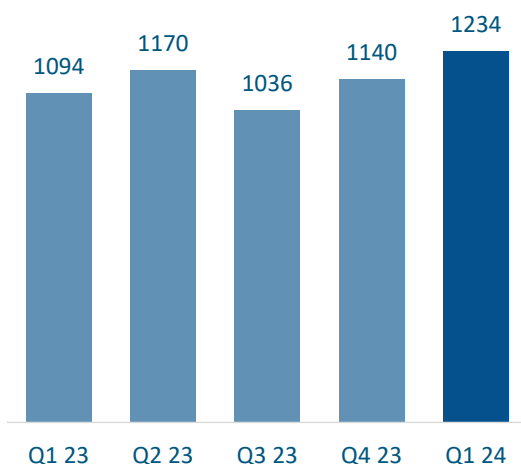
Total non-current liabilities as of 31 March 2024 amounted to NOK 9,410.3 million, including NOK 6,411.8 million classified as "Lease liabilities" under IFRS 16. Total borrowings amounted to NOK 2,662.6 million, mainly consisting of the NOK- and SEK-denominated bond loans as shown in note 8, as well as debt mainly related to Norwegian preschool properties of NOK 421.2 million. On 19 January 2023 the Group successfully placed a subsequent bond issue equivalent to NOK 522 million under the company's existing senior secured bond framework with ISINs NO0010997927 (the "NOK-tranche") and NO0010997943 (the "SEK-tranche").

Per 31 March 2024 the Group's total equity amounted to NOK 953.8 million compared to NOK 943.5 million at year-end 2023. The increase is mainly explained by the net income for the period.

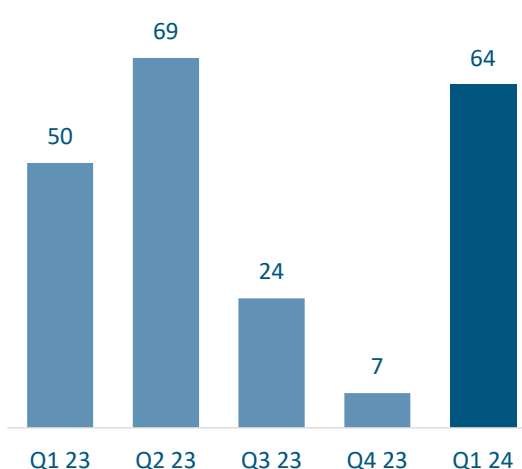
BUSINESS SEGMENTS

Preschools

Revenue per quarter (MNOK)



Adj. EBITA per quarter (MNOK)



The first quarter of 2024 generated revenues of NOK 1,234 million, up from NOK 1,094 million in Q1 23, where the 13 % YoY increase reflected growth in Sweden and Poland, along with price adjustments.

The segment reported an adj. EBITA of NOK 64 million in Q1 24, up NOK 14 million YoY. Our Swedish operations provided strengthened profitability YoY following increased occupancy within new units opened recent years and is expected to carry on the positive development going forward. Further, the International segment (Finland, the Netherlands, and Poland) delivered solid improvement YoY through increased prices and improved operational efficiency.

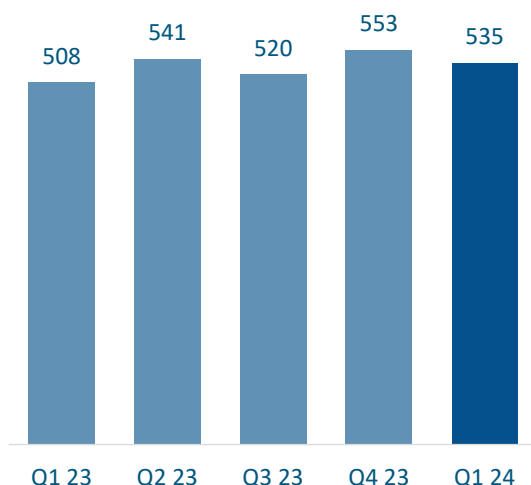
Although the Norwegian operations generate sustainable profitability, it is clear to us that the grant levels are lower than what we are entitled to in accordance with the Norwegian Kindergarten Act. Our ongoing litigation towards the Norwegian authorities is addressing this, and at the time of this writing the lawsuit is ongoing. And while we are confident of a final positive outcome, there are no downsides financially compared to the current situation in the event of a negative outcome from our point of view. Our confidence is based on an already Supreme Court decision outlining the rules of equal treatment, evidence of unequal treatment, as well as several recent court decisions supporting our overall case. We expect the case to carry on to Supreme Court decision, i.e. two to three more years with legal procedures.

In November 2023, Kunnskapsdepartementet (the Ministry of Education and Research) proposed changes to the Norwegian Kindergarten Act aimed at securing equal rights and high quality for all children in Norway. The proposal implies comprehensive changes to the sector, both in terms of governance and financing, and involves handing more of the responsibility burden and steering rights to local municipalities. We strongly disagree with the proposal and are certain that the proposed changes will increase differences and reduce parent's freedom of choice, rather than increasing quality. We are convinced that the proposition is in conflict with the obtained rights we are defending in the lawsuit against the Norwegian authorities. Financially, however, we expect sustainable profitability going forward regardless of the proposition, backed by a strong and constructive relationship with the majority of the municipalities in which we operate, developed over many years of cooperation.

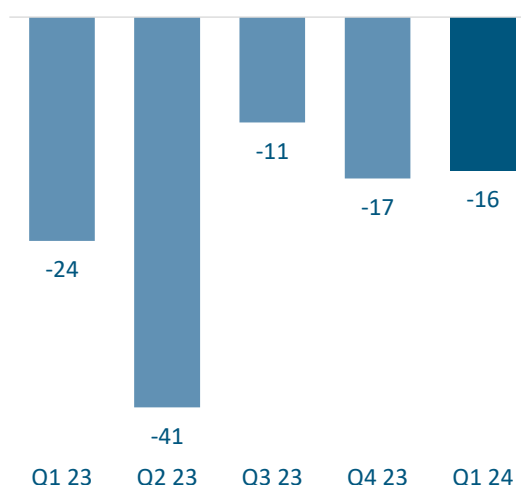
As of 31 March 2024, Norlandia Preschools operates 432 units. Of these, 32 units are owned 50% and operated by Wekita (Germany), which is consolidated in the Group as an associated company, and hence not reflected in the segment figures above.

Care

Revenue per quarter (MNOK)



Adj. EBITA per quarter (MNOK)



Including Frösunda Elderly Care from February 2023.

The Care segment reported revenues of NOK 535 million in Q1 24, up from NOK 508 million in Q1 23, explained by increased occupancy, start-up of a new own management unit in Sweden, and price adjustments, offset by ended tender contracts in Norway and Sweden. In addition, the comparison quarter included Frösunda Elderly Care from February 2023.

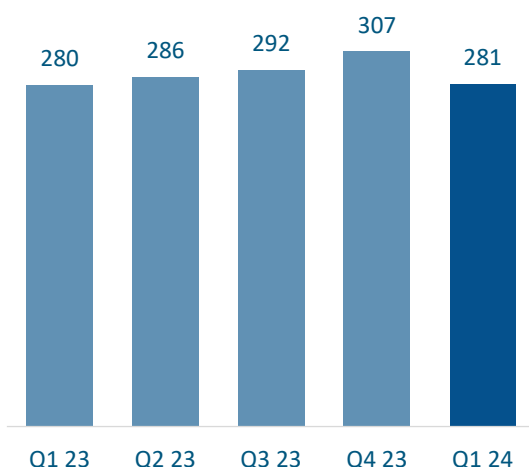
In Q1 24, the segment reported an adj. EBITA of NOK -16 million, up NOK 8 million YoY, partly explained by increased prices from 2024. Although delivering improved profitability YoY for the second consecutive quarter, Q1 24 came in lower than our expectations mainly related to certain units recording unsustainable losses. We divested one of these units after the balance sheet date, another significantly loss-making contract ended in Q1 24, and there are ongoing processes related to several other units representing a material share of the segment's losses where we aim at concluding shortly. For the remainder of the portfolio within Care, we are on an overall basis content with the development, although improvements are materializing at a somewhat slower rate than our target.

Occupancy within our own-management portfolio increased compared to Q4 23, although lower than expected. We regard the reduced occupancy growth rate as temporary and should see improvements short-term as demand is factually growing along with expected lower churn in the summer half-year. Our own-management portfolio, with the clear majority being immature units, currently generates losses combined, and it is taking longer than assumed to see the full financial effects of the ongoing initiatives. We are further strengthening our actions to mitigate losses and in the short-term reaching sustainable levels. When normalized, profit levels within own-management contracts are significantly higher than for ordinary tender contracts, and on an overall basis for Care this represents a material improvement potential from current levels.

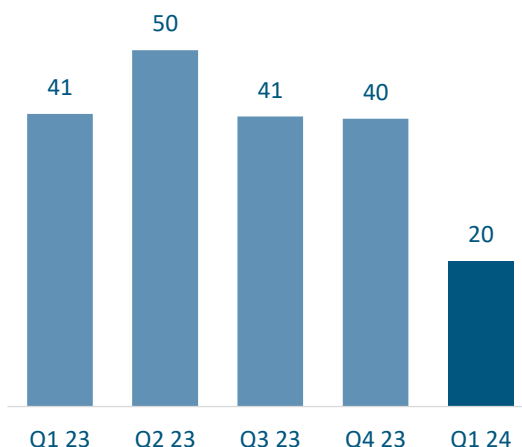
We acknowledge that it has taken considerably longer than assumed to reach the required occupancy levels to generate targeted profits levels. Our portfolio of own management units now account for approximately 50 % of the revenue base, up from 5-10 % pre Covid and then slowed materially by the pandemic. At the moment we have more than 550 new beds in start-up phase and new start-ups in pipeline. In addition, we see that it takes time and costs to develop and grow home based elderly care services in which we are inventing and introducing new concepts. We remain confident that the long-term fundamentals for Care are strong. In all our markets there is a clear growing demand for elderly care, and in Sweden, our biggest market within Care, this is underlined by Vårdförstagarna's (Private Health business organization in Sweden) estimated capacity requirement of 28,000 new places by 2032. Further, we positively regard Kommunal's (Sweden's largest trade union) acknowledgement of the Swedish welfare crisis, hereunder discarding the previously stated ambition of zero profits within welfare, underlining the need for private and public cooperation to ensure quality.

Integration services

Revenue per quarter (MNOK)



Adj. EBITA per quarter (MNOK)



Integration Services generated revenues of NOK 281 million in Q1 24, in line with Q1 23. Adj. EBITA amounted to NOK 20 million, down YoY explained by acute contracts being replaced by long-term ordinary contracts.

Although the two prior years are regarded as a peak, we expect continued high number of arrivals going forward, backed by indications from authorities in both Norway and Germany. Considering the present geopolitical landscape and the number of long-term ordinary contracts in the current portfolio, along with several prospects in pipeline, we anticipate a strong demand for our services going forward and revenues significantly higher level than the irregularly low years 2018 – 2021.

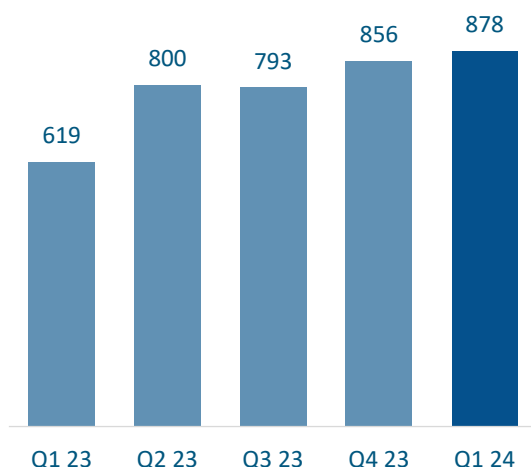
Profitability is expected to remain robust as Hero has developed a resilient cost base since the last wave of immigrants in 2015-2016. Lease contracts designed to better match UDI contracts, flexible operating costs such as personnel expenses, and a conservative approach to costs associated with closing of units are amongst the factors that underpin the resilient cost base.

In Germany, our accommodation services are progressing well both in terms of topline and strong underlying profitability. We now operate 9 reception centers in Germany and continue to pursue organic growth in a market with strong demand for our services going forward.

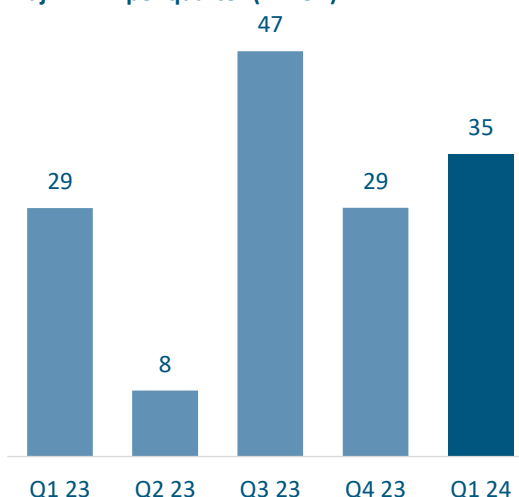
Our Norwegian and German operations are ready and able to rapid response when needed, as well as high volume quality accommodation services towards the general migration situation. Both of which we are currently witnessing. Although we consider the current situation as a peak, we foresee an underlying long-term strengthened trend as more and more people are fleeing, politics have become more positive, and the EU will be tougher on how the unfortunate burden is to be shared. Through proactivity in all our markets and backed by the current performances and outlook, Hero is positioned to deliver solid revenues and healthy profitability also when the Ukrainian crisis ends. As everyone else, Hero intensely wishes for the brutalities in Ukraine to end. For as long as it takes, Hero will remain a mobilized tool for immigration authorities to host asylum seekers and migrants in a respectful and dignified way.

Individual & family

Revenue per quarter (MNOK)



Adj. EBITA per quarter (MNOK)



Including Frösunda Personal Assistance and Frösunda Disability from February 2023.

The Individual & Family segment generated revenues of NOK 878 million in Q1 24, materially increased YoY following organic growth in Norway and the acquisition of Frösunda Personal Assistance and Frösunda Disability from February 2023 in the comparison quarter.

The acquisition of Frösunda significantly strengthens the Individual & Family segment, increasing the annual turnover to well above NOK 3 billion and providing more stability in terms of profitability. We regard the consolidation as a perfect fit combining highly complementary competencies across the organizations in Norway and Sweden, with unrealized synergy potential, and have great expectations for the segment going forward.

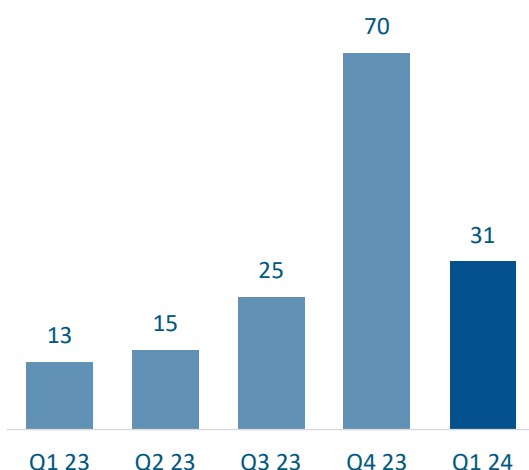
In Q1 24, the segment recorded an adj. EBITA of NOK 35 million. Although delivering improved profitability YoY related to operational improvements, profit levels within Frösunda Personal Assistance are unreasonable low. Over time, the Personal Assistance sector in Sweden has been systematically underfinanced significantly reducing margins to unsustainable levels. The price increase in 2024 came in at only 2.5 % and there are ongoing and intensified discussions to increase the prices back to healthy levels and ensure quality in a challenging sector. Frösunda Disability, on the other hand, delivered another solid quarter on the back of efficient operations and satisfactory occupancy levels.

The core operations in Norway, Child Care and Respite Care services, delivered material organic growth YoY and solid profitability. Established in 2010, Aberia has grown quickly to now reach an annual turnover of more than NOK 1,200 million. The core operations are strong on quality and reputation, profitable and growing, and the segment is clearly moving in the right direction and should be generating healthy profitability going forward.

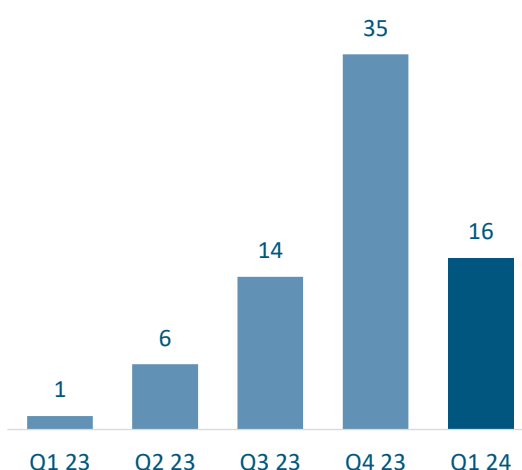
Both Aberia and Frösunda have performed extensive work to improve internal processes and routines to mitigate risks and strengthen quality of our operations. Aberia's personal assistance was subject to inspection by the Swedish Health and Social Care Inspectorate (IVO) in 2022, which resulted in a retained license for Aberia and thus continued operations.

Real Estate

Revenue per quarter (MNOK)



Adj. EBITA per quarter (MNOK)



The Real Estate segment recorded revenues of NOK 31 million in Q1 24, with an adj. EBITA of NOK 16 million, following transactions in Norway and Finland.

With a growing need for services within welfare, we observe a strong demand for social infrastructure that we provide within our Real Estate division. The number of elderly people is increasing, and the current capacity is significantly lower than the future requirements. Existing infrastructure especially within Care and Preschools in the mature markets is aging and needs to be replaced by new modern buildings suited to provide high quality welfare services. With the future lack of personnel, new innovations are needed, to provide better and more efficient infrastructure and social meeting points. NHC Real Estate has a well-diversified pipeline with both long- and short-term projects, including existing concepts and innovative property projects. In 2024 we plan to initiate two larger development projects, both projects considered major innovations within our markets. The projects will create significant value for our segments and place the group in a good position to face the challenges of the future.

The prior quarter, NHC signed an LOI with a total sales volume of NOK 120 million. Parts of the LOI were closed during Q4 23 and the remainder is expected to be closed during 2024. Multiple ongoing development projects in addition to currently owned assets serve as further potential for the coming quarters. Over time NHC has obtained a significant and growing long-term real estate portfolio consisting of properties leased internally, creating underlying liquidity within real estate to facilitate further growth.

The overall market for commercial real estate has been heavily challenged recently with significant yield increases across real estate segments. Increasing interest rates and unstable economic conditions globally have dried up both the transaction and development markets in general. Although we have seen a slight softening in yields in our sales processes, we note that we outperform the overall markets significantly in terms of yield increase. NHC is regarded as a solid lease counterpart with a healthy portfolio and good diversification. Furthermore, we still experience high demand for our properties and healthy returns on investments. We believe this is a result of our companies being perceived as solid long-term tenants, strong company history, rational investment strategy and long-term collaborations.

OUTLOOK AND MAIN RISK FACTORS

The present geopolitical landscape is undeniably fraught with increased tension and challenges in several areas around the world. Devastating scenes continue to unfold in the Middle East, in addition to the war in Ukraine that now has lasted for more than two years. These two tragic conflicts are, rightly so, being brought to our highest attention through various media channels, and additionally, there are growing complexities in other relationships across the globe. UDI prepares for a continued high number of refugees in 2024 and considering the highly uncertain geopolitical climate going forward, we are mobilized to maintain our position as a central provider of accommodation for refugees being Norway's largest operator of immigration and refugee centers.

In September 2023, the Norwegian municipal election was held, and we regard the results highly positive, both in terms of certain local outcomes yielding a favourable climate for private providers and especially acknowledging the majority of the population's provable positiveness towards freedom of choice within welfare services. In an article published in Q4 2023, the important labor union Kommunal in Sweden acknowledges the crisis within Swedish welfare and addressed the need for private and public cooperation to ensure quality, discarding the previously stated ambition of zero profits within welfare. This is necessary to establish sustainable and predictable conditions for serious service providers and most importantly ensuring an attractive workplace with competitive salary levels for employees. Regardless of these positive events in the two most important markets for the Group, we continue to actively take steps to limit our exposure to unfavourable political- and market shifts through diversification across services, countries, and municipalities.

The health personnel commission in Norway and the productivity commission in Sweden both signal a need for increased occupancy within our sectors. With smarter organization of services and more intense use of technology, our societies must achieve a massive increase in productivity. On the flip side, we should see the emergence of a sustainability index by which service offerings are measured against available resources in the future: manpower, competencies, and funds. Our strategic plan commits us to being on the forefront of productivity development.

Climate change is one of the greatest challenges of our time. NHC has taken this concern very seriously for some time and our bond, issued in Q2 21, is sustainability-linked with specific ESG commitments. We wish and expect to be judged by our stakeholders on our ability to live up to our stated expectations for ESG performance. We work to reduce our emissions, protect the environment, and empower employees and customers to make more sustainable choices in their daily lives. The extreme weather we have seen over the last years in many parts of the world is a powerful reminder that all members of society must renew, intensify, and increase their commitments to actions which contribute to a sustainable environment. The COP28 UN Climate Change Conference which finished up in Dubai in December importantly acknowledged that fossil fuels were the cause of the warming climate for the first time. The final decision text from the conference called for the "transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner" to achieve net-zero emissions by 2050. NHC is absolutely contributing to this transitioning.

USE OF ALTERNATIVE PERFORMANCE MEASURES (APM)

Alternative Performance Measures (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework, often used to enhance the stakeholders understanding of the Group's performance. Norlandia Health & Care Group's financial information is prepared in accordance with International Reporting Standards (IFRS). In addition, the Group presents the financial measure "EBITDA", "EBITA" and "EBIT" in its quarterly reports, which are not financial measures as defined in IFRS. The reported numbers are included in the financial statements and can be directly reconciled with official IFRS line items. The APMs are used consistently over time, accompanied by comparatives for the corresponding previous periods and regularly reviewed by management.

On January 1, 2019, Norlandia Health & Care Group adopted the new leasing standard which had a material impact on the financial statements. Consolidated figures for the Group are presented according to the new leasing standard. For the presentation of the business segments "EBITA-adjusted" is used, which exclude the IFRS 16 effects.

| Measure | Description | Purpose |
|---|---|---|
| EBITDA | Earnings before net financial items, tax, depreciation, amortisation and impairment, and share of net income from associated companies. | Used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries. |
| Adjusted EBITDA | Same as above excluding IFRS 16 effects | Same as above excluding IFRS 16 effects, which is the parameter used for internal performance analysis. |
| EBITA | Earnings before net financial items, tax, and amortisation, and share of net income from associated companies. | Used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries. |
| Adjusted EBITA | Same as above excluding IFRS 16 effects | Same as above excluding IFRS 16 effects, which is the parameter used for internal performance analysis. |
| EBIT – operating profit/(loss) | Earnings before net financial items, tax, and share of net income from associated companies | Enables comparability of profitability regardless of capital structure or tax situation. |
| Adjusted EBIT – operating profit/(loss) | Same as above excluding IFRS 16 effects | Same as above excluding IFRS 16 effects, which is the parameter used for internal performance analysis. |

Reconciliation of reported profit/(loss) before taxes to adjusted figures

| (NOK million) | Q1 24 | Q1 24 - IFRS 16 | Q1 24 - Adjusted | Q1 23 | Q1 23 - IFRS 16 | Q1 23 - Adjusted |
|---|----------------|--------------------|---------------------|----------------|--------------------|---------------------|
| Operating revenues | 2,938.9 | - | 2,938.9 | 2,479.7 | - | 2,479.7 |
| Other income | 16.6 | 7.9 | 24.6 | 4.7 | 1.2 | 5.9 |
| Total | 2,955.6 | 7.9 | 2,963.5 | 2,484.4 | 1.2 | 2,485.6 |
| Direct cost of goods and services | (108.5) | - | (108.5) | (96.9) | - | (96.9) |
| Personnel expenses | (2,109.4) | - | (2,109.4) | (1,694.5) | - | (1,694.5) |
| Other operating expenses | (340.1) | (257.9) | (598.1) | (371.6) | (209.9) | (581.5) |
| EBITDA | 397.5 | (250.0) | 147.5 | 321.5 | (208.7) | 112.8 |
| Depreciation | (241.0) | 215.9 | (25.1) | (198.3) | 177.3 | (21.0) |
| EBITA | 156.5 | (34.1) | 122.4 | 123.2 | (31.4) | 91.8 |
| Amortisation | (10.8) | - | (10.8) | (7.8) | - | (7.8) |
| Operating profit/(loss) - EBIT | 145.7 | (34.1) | 111.6 | 115.4 | (31.4) | 83.9 |
| Net financial items | (134.7) | 56.1 | (78.7) | (118.1) | 48.5 | (69.6) |
| Share of net income from associated companies | - | - | - | 0.1 | (0.0) | 0.1 |
| Profit/(loss) before taxes - EBT | 10.9 | 22.0 | 32.9 | (2.7) | 17.1 | 14.4 |

RESPONSIBILITY STATEMENT FROM THE BOARD OF DIRECTORS

The interim financial statements are, to the best of our knowledge and based on our best opinion, presented in accordance with International Financial Reporting Standards and the information provided in the financial statements give a true and fair view of the Company's and Group's assets, liabilities, financial position, and result for the period. The financial report provides an accurate view of the development, performance and financial position of the Company and the Group and includes a description of the key risks and uncertainties the Group is faced with.

Oslo, 21 May 2024

Board of Directors of Norlandia Health & Care Group AS

Kristian A. Adolfsen
Chairman of the Board

Roger Adolfsen
Member of the Board

Ingvild Myhre
Member of the Board

Yngvar Tov Herbjørnssønn
CEO

For more information:

Roger Larsen

CFO

roger.larsen@norlandia.com

Anders Belsvik

Finance Manager & Investor Relations

anders.belsvik@norlandia.com

Ticker codes:

Norlandia Health & Care Group AS has issued two bond loans listed on Oslo Stock Exchange (www.euronext.com) with the following names and ticker codes:

Norlandia Health & Care Group AS 21/25 FRN FLOOR C

Ticker: NHCG01 ESG

Norlandia Health & Care Group AS 21/25 FRN SEK FLOOR C

Ticker: NHCG02 ESG

The report is available on www.oslobors.no.

Interim condensed financial

Consolidated Income Statement

NHC Group

| Unaudited, in NOK million | Notes | Q1 24 | Q1 23 | FY 23 |
|---|----------|----------------|----------------|-----------------|
| Operating revenues | | 2,938.9 | 2,479.7 | 10,696.4 |
| Other income | | 16.6 | 4.7 | 75.7 |
| Total | 3 | 2,955.6 | 2,484.4 | 10,772.2 |
| Direct cost of goods and services | | (108.5) | (96.9) | (351.2) |
| Personnel expenses | | (2,109.4) | (1,694.5) | (7,640.0) |
| Other operating expenses | | (340.1) | (371.6) | (1,414.8) |
| EBITDA | | 397.5 | 321.5 | 1,366.2 |
| Depreciation | | (241.0) | (198.3) | (890.7) |
| EBITA | 3 | 156.5 | 123.2 | 475.6 |
| Amortisation | 4 | (10.8) | (7.8) | (41.4) |
| Operating profit/(loss) - EBIT | | 145.7 | 115.4 | 434.2 |
| Net financial items | 5 | (134.7) | (118.1) | (482.0) |
| Share of net income from associated companies | | - | 0.1 | 0.8 |
| Profit/(loss) before taxes | | 10.9 | (2.7) | (47.0) |
| Income taxes | 6 | (1.0) | 2.6 | 12.5 |
| Net income | | 9.9 | (0.0) | (34.5) |
| Net income attributable to: | | | | |
| Equity holders of the parent company | | 11.9 | 1.1 | (39.0) |
| Non-controlling interests | | (2.0) | (1.1) | 4.5 |

Consolidated Statement of Comprehensive Income

NHC Group

| Unaudited, in NOK million | Q1 24 | Q1 23 | FY23 |
|--|-------------|--------------|---------------|
| Net income | 9.9 | (0.0) | (34.5) |
| Currency translation differences | 0.6 | 49.6 | 44.6 |
| Items that may be subsequently reclassified to P&L | 0.6 | 49.6 | 44.6 |
| Remeasurement of defined benefit pension plans | - | - | 10.6 |
| Income taxes related to these items | - | - | (3.0) |
| Items that will not be subsequently reclassified to P&L | - | - | 7.6 |
| Other comprehensive income/(loss), net of taxes | 0.6 | 49.6 | 52.2 |
| Total comprehensive income | 10.5 | 49.5 | 17.7 |
| Total comprehensive income attributable to | | | |
| Equity holders of the parent company | 14.8 | 54.1 | 19.5 |
| Non-controlling interests | (4.3) | (4.6) | (1.8) |

Consolidated Statement of Financial Position

NHC Group

| Unaudited, in NOK million | Notes | 31.03.2024 | 31.03.2023 | 31.12.2023 |
|--|-------|-----------------|-----------------|-----------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant & equipment | | 975.4 | 838.1 | 957.9 |
| Right-of-use assets | | 6,663.1 | 6,427.0 | 6,548.2 |
| Goodwill | 7 | 3,192.6 | 3,157.7 | 3,175.2 |
| Intangible assets | 7 | 514.7 | 531.3 | 522.7 |
| Deferred tax assets | | 224.6 | 201.4 | 225.0 |
| Investment in associated companies | | 34.5 | 33.3 | 34.5 |
| Other investments | | 31.9 | 27.4 | 21.3 |
| Other non-current receivables | | 32.7 | 18.9 | 17.7 |
| Total non-current assets | | 11,669.5 | 11,235.0 | 11,502.5 |
| Current assets | | | | |
| Inventories | | 8.8 | 6.7 | 7.7 |
| Trade receivables | | 665.5 | 668.2 | 746.8 |
| Other current receivables | | 530.2 | 423.3 | 530.4 |
| Cash and cash equivalents | | 250.2 | 482.4 | 346.0 |
| Total current assets | | 1,454.7 | 1,580.6 | 1,630.9 |
| Total assets | | 13,124.2 | 12,815.7 | 13,133.4 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | | 496.1 | 496.1 | 496.1 |
| Other equity | | 463.4 | 506.9 | 448.6 |
| Equity attributable to owners of the parent | | 959.5 | 1,003.0 | 944.7 |
| Non-controlling interests | | (5.7) | (4.4) | (1.2) |
| Total equity | | 953.8 | 998.6 | 943.5 |
| Liabilities | | | | |
| Pension liabilities | | 2.2 | 10.3 | 1.4 |
| Borrowings | 8 | 2,662.6 | 2,581.7 | 2,617.7 |
| Lease liabilities | | 6,411.8 | 6,161.6 | 6,297.8 |
| Deferred tax liabilities | | 216.2 | 221.2 | 218.3 |
| Other non-current liabilities | | 117.4 | 125.0 | 142.1 |
| Total non-current liabilities | | 9,410.3 | 9,099.8 | 9,277.3 |
| Trade payables | | 307.1 | 205.2 | 347.0 |
| Current borrowings | 8 | 249.9 | 346.2 | 381.6 |
| Current lease liabilities | | 792.2 | 694.7 | 764.1 |
| Taxes payable | | 12.6 | 0.9 | 11.8 |
| Other current liabilities | | 1,398.3 | 1,470.3 | 1,408.0 |
| Total current liabilities | | 2,760.1 | 2,717.2 | 2,912.6 |
| Total liabilities | | 12,170.4 | 11,817.0 | 12,189.9 |
| Total equity and liabilities | | 13,124.2 | 12,815.7 | 13,133.4 |

Consolidated Statement of Cash Flows

NHC Group

| Unaudited, in NOK million | Q1 24 | Q1 23 | FY 23 |
|---|----------------|----------------|------------------|
| Cash flow from operating activities | | | |
| EBITDA | 397.5 | 321.5 | 1,366.2 |
| Net taxes paid and other EBITDA cash adjustments | (25.7) | (24.2) | (107.9) |
| Change in net working capital | 53.3 | 69.9 | 54.8 |
| Net cash flow from operating activities | 425.1 | 367.2 | 1,313.1 |
| Cash flow from investing activities | | | |
| Net investment in property, plant and equipment and intangible assets | (73.6) | (50.7) | (244.3) |
| Net investments in shares in subsidiaries | (5.0) | 106.9 | 62.7 |
| Net investment in shares in associates and other investments | (10.6) | - | (8.0) |
| Proceeds from sale of assets | - | 17.8 | 60.3 |
| Net change in financial receivables | (15.0) | 0.4 | 19.3 |
| Interest received | 0.7 | - | 11.6 |
| Net cash flow from investing activities | (103.4) | 74.4 | (98.4) |
| Cash flow from financing activities | | | |
| Net change in interest-bearing debt | (87.6) | 225.0 | 187.4 |
| Proceeds from non-current bonds | - | 501.4 | 501.4 |
| Repayment of current bond | - | (657.0) | (657.0) |
| Repayment of lease liabilities | (203.0) | (161.4) | (724.0) |
| Distribution to non-controlling interest | (0.2) | - | - |
| Net interest paid and other financial items | (127.1) | (143.2) | (462.4) |
| Net cash flow from financing activities | (417.9) | (235.3) | (1,154.7) |
| Changes in cash and cash equivalents | | | |
| Net change in cash and cash equivalents | (96.2) | 206.3 | 60.0 |
| Effects of changes in exchange rates on cash | 0.4 | 4.4 | 14.2 |
| Cash and cash equivalents at the beginning of period | 346.0 | 271.7 | 271.7 |
| Cash and cash equivalents at end of period | 250.2 | 482.4 | 346.0 |

Consolidated Statement of Changes in Equity

NHC Group

| 2024 | Attributable to equity holders of the parent | | | | | | Non-controlling interests | Total equity |
|---|--|---------------|----------------------|-------------------|-------------------------|---------------------------------------|---------------------------|--------------|
| | Share capital | Share premium | Other paid in equity | Retained earnings | Translation differences | Total equity to holders of the parent | | |
| Unaudited, in NOK million | | | | | | | | |
| Equity as of 1 January 2024 | 496.1 | 372.2 | 10.0 | 2.7 | 63.7 | 944.7 | (1.2) | 943.5 |
| Net income for the period | - | - | - | 11.9 | - | 11.9 | (2.0) | 9.9 |
| Other comprehensive income for the period | - | - | - | - | 2.9 | 2.9 | (2.3) | 0.6 |
| Total comprehensive income for | - | - | - | 11.9 | 2.9 | 14.8 | (4.3) | 10.5 |
| Contributions by and distributions | | | | | | | | |
| Distribution to non-controlling interests | - | - | - | - | - | - | (0.2) | (0.2) |
| Total contributions and | - | - | - | - | - | - | (0.2) | (0.2) |
| Equity as of 31 March 2024 | 496.1 | 372.2 | 10.0 | 14.6 | 66.6 | 959.5 | (5.7) | 953.8 |

| 2023 | Attributable to equity holders of the parent | | | | | | Non-controlling interests | Total equity |
|---|--|---------------|----------------------|-------------------|-------------------------|---------------------------------------|---------------------------|--------------|
| | Share capital | Share premium | Other paid in equity | Retained earnings | Translation differences | Total equity to holders of the parent | | |
| Unaudited, in NOK million | | | | | | | | |
| Equity as of 1 January 2023 | 312.0 | 167.8 | - | 108.4 | 12.8 | 600.9 | 0.2 | 601.2 |
| Net income for the period | - | - | - | (39.0) | - | (39.0) | 4.5 | (34.5) |
| Other comprehensive income for the period | - | - | - | 7.6 | 50.9 | 58.5 | (6.3) | 52.2 |
| Total comprehensive income for | - | - | - | (31.4) | 50.9 | 19.5 | (1.8) | 17.7 |
| Contributions by and distributions | | | | | | | | |
| Capital increase | 184.1 | 204.4 | - | - | - | 388.5 | - | 388.5 |
| Group contribution to owner | - | - | 10.0 | - | - | 10.0 | - | 10.0 |
| Effect of business combination under common control, predecessor accounting | - | - | - | (74.2) | - | (74.2) | - | (74.2) |
| Distribution to non-controlling interest | - | - | - | - | - | - | (0.1) | (0.1) |
| Transactions with non-controlling interests | - | - | - | - | - | - | 0.5 | 0.5 |
| Total contributions and | 184.1 | 204.4 | 10.0 | (74.2) | - | 324.2 | 0.4 | 324.6 |
| Equity as of 31 December 2023 | 496.1 | 372.2 | 10.0 | 2.7 | 63.7 | 944.7 | (1.2) | 943.5 |

Notes to the consolidated statements

1. GENERAL

The consolidated financial statements of Norlandia Health & Care Group AS comprise the company and its subsidiaries, collectively referred to as the Group. The Group operates within markets that involve certain operational risk factors. The Group is further exposed to risk that arise from its use of financial instruments. The various companies within the Group are systematically working to mitigate and manage risk on all levels. The annual report for 2023 offers additional description of the Group's objectives, policies, and processes for managing those risk elements and the methods used to measure them.

2. BASIS FOR PREPARATION

The interim financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements for the year ended 31 December 2023. They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS® Accounting Standards as adopted by the EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The interim financial statements are unaudited.

2.1 BUSINESS COMBINATION UNDER COMMON CONTROL

In Q1 2023 NHC Group acquired control over Frösunda Omsorg AB ("Frösunda") including its parent company Brado AB ("Brado"), which was defined as a business combination under common control as the ultimate owners of both NHC Group and Brado are the same. In addition, NHC Group acquired control over the shares in Agito Norge AS, Agito Sverige AB and Agito Nordic AB in Q4 2023 which was also a business combination under common control.

There is currently no specific guidance on accounting for common control transactions that involve the transfer of control over one or more businesses under IFRS Standards, as IFRS 3 Business Combinations does not address the appropriate accounting for business combinations under common control. In the absence of specific guidance, the Group has developed and selected an appropriate accounting policy using the hierarchy described in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors as used in earlier years as well when this was relevant.

Considering relevant facts and circumstances for common control transactions the principles used and assessed by the management is broadly described as predecessor accounting. The principles of predecessor accounting are that assets and liabilities of the acquired entity are stated at predecessor carrying values, and fair value measurement is not required. No new goodwill arises in predecessor accounting. Any difference between the consideration given and the aggregate carrying value of the assets and liabilities of the acquired entity at the date of the transaction is included in equity in retained earnings.

A prospective presentation method is applied, where the acquired entity's results and balance sheet are incorporated prospectively from the date on which the business combination between entities under common control occurred.

Please refer to note 9 for further information about the transaction regarding Brado AB.

3. REVENUE, EBITDA, EBITA AND EBIT BY SEGMENT

The Group has identified operation segments in accordance with the reporting requirement in IFRS 8. Based on the legal structure and the internal reporting the reportable segments are; “Preschool”, “Care”, “Integration Services”, “Individual & Family” and “Real Estate”. The segment “Other” includes both Group eliminations as well as Other operating revenue not related to the identified segments.

| (NOK million) | Q1 24 | Q1 23 | FY 2023 |
|---------------------------------------|----------------|----------------|-----------------|
| Revenues and income by segment | | | |
| Preschools | 1,233.5 | 1,094.3 | 4,440.7 |
| Care | 535.1 | 508.2 | 2,122.1 |
| Integration services | 280.5 | 279.6 | 1,164.7 |
| Individual & Family | 878.3 | 618.9 | 3,067.8 |
| Real Estate | 31.5 | 12.6 | 122.8 |
| Other/Elim/IFRS 16 adj | (3.3) | (29.2) | (145.8) |
| Total | 2,955.6 | 2,484.4 | 10,772.2 |

| (NOK million) | Q1 24 | Q1 23 | FY 2023 |
|--------------------------|--------------|--------------|----------------|
| EBITDA by segment | | | |
| Preschools | 77.3 | 63.1 | 204.5 |
| Care | (13.7) | (21.6) | (83.3) |
| Integration services | 24.5 | 42.5 | 182.5 |
| Individual & Family | 38.6 | 31.3 | 123.1 |
| Real Estate | 18.5 | 2.8 | 63.5 |
| Other/Elim/IFRS 16 adj | 252.3 | 203.3 | 875.8 |
| Total | 397.5 | 321.5 | 1,366.2 |

| (NOK million) | Q1 24 | Q1 23 | FY 2023 |
|-------------------------|--------------|--------------|--------------|
| EBITA by segment | | | |
| Preschools | 64.4 | 49.7 | 149.9 |
| Care | (16.2) | (23.6) | (92.8) |
| Integration services | 20.4 | 41.1 | 172.1 |
| Individual & Family | 35.4 | 29.1 | 113.2 |
| Real Estate | 16.1 | 1.2 | 56.8 |
| Other/Elim/IFRS 16 adj | 36.3 | 25.7 | 76.3 |
| Total | 156.5 | 123.2 | 475.6 |

| (NOK million) | Q1 24 | Q1 23 | FY 2023 |
|------------------------|--------------|--------------|--------------|
| EBIT by segment | | | |
| Preschools | 56.9 | 44.8 | 129.6 |
| Care | (17.1) | (24.5) | (105.5) |
| Integration services | 20.4 | 41.1 | 172.1 |
| Individual & Family | 33.0 | 27.1 | 104.9 |
| Real Estate | 16.1 | 1.2 | 56.8 |
| Other/Elim/IFRS 16 adj | 36.3 | 25.7 | 76.3 |
| Total | 145.7 | 115.4 | 434.2 |

| (NOK million) | Q1 24 | Q1 23 | FY 2023 |
|--|----------------|----------------|-----------------|
| Operating revenues by geography | | | |
| Norway | 1,243.1 | 1,150.2 | 4,682.8 |
| Sweden | 1,246.2 | 986.7 | 4,567.2 |
| International | 437.9 | 363.4 | 1,543.6 |
| Other/Elimination | 11.7 | -20.5 | (97.1) |
| Total revenues by geography | 2,938.9 | 2,479.7 | 10,696.4 |

| 2024 | Preschools | Care | Integration services | Individual & Family | Other / Elim |
|------------------------------------|-------------|-------------|----------------------|---------------------|--------------|
| Norway | 49% | 12% | 88% | 38% | 0% |
| Sweden | 24% | 76% | 0% | 62% | 0% |
| International | 27% | 12% | 12% | 0% | 0% |
| Real Estate/Other/Elimination | 0% | 0% | 0% | 0% | 100% |
| Total revenues by geography | 100% | 100% | 100% | 100% | 100% |

| 2023 | Preschools | Care | Integration services | Individual & Family | Other / Elim |
|------------------------------------|-------------|-------------|----------------------|---------------------|--------------|
| Norway | 48% | 14% | 89% | 39% | 0% |
| Sweden | 24% | 76% | 1% | 61% | 0% |
| International | 28% | 9% | 10% | 0% | 0% |
| Real Estate/Other/Elimination | 0% | 0% | 0% | 0% | 100% |
| Total revenues by geography | 100% | 100% | 100% | 100% | 100% |

4. AMORTIZATION

Primarily relates to amortization of excess values in Norlandia Care Group AS and investments in subsidiaries within the Care segment.

5. NET FINANCIAL ITEMS

The finance income and loss are presented net as Net Financial Items in the Income Statement whereas the split is shown in the table below. The non-realized currency effect mainly relates to the bond issued in SEK and has a direct impact in the Income Statement. As the Group has net investments in SEK, the effect is partially offset by a corresponding opposite effect through Currency translation differences in the Statement of Comprehensive income.

| (NOK million) | Q1 24 | Q1 23 | FY 23 |
|-------------------------------------|----------------|----------------|----------------|
| Interest income | 0.7 | 0.9 | 11.6 |
| Interest expenses | (71.9) | (59.3) | (273.5) |
| Interest expenses lease liability | (56.1) | (48.5) | (209.5) |
| Net foreign exchange gains/(losses) | (10.5) | (11.5) | (7.0) |
| Other finance income | 3.7 | 0.0 | (0.3) |
| Other finance expenses | (0.7) | 0.2 | (3.3) |
| Net financial items | (134.7) | (118.1) | (482.0) |

6. TAX CALCULATIONS

Calculation of income tax is calculated yearly and presented in the annual statements. Tax expense recognized in the quarterly reports relates to tax effects from the amortization of intangible assets.

7. INTANGIBLE ASSETS AND GOODWILL

The intangible assets in the Group primarily relates to goodwill, excess value on customer contracts and trademark, which were generated through the various acquisitions within the Group.

8. BORROWINGS

The debt financing for the Group is made up of bond loans, property debt and a revolving credit facility.

| (NOK million) | 31.03.2024 | 31.03.2023 | 31.12.2023 |
|---|----------------|----------------|----------------|
| Bond loans | 2,295.6 | 2,205.1 | 2,271.5 |
| Non-current revolving credit facility | - | - | - |
| Current overdraft facilities | 156.9 | 325.1 | 289.7 |
| Property debt outside ringfence structure | 421.2 | 388.1 | 394.3 |
| Other debt/property debt | 39.0 | 9.5 | 43.8 |
| Total current and non-current borrowings | 2,912.6 | 2,927.9 | 2,999.3 |

| Bond Loans (NOK million) | Maturity | Nominal value | Currency | Nominal value |
|----------------------------------|----------|----------------|----------|----------------|
| Norlandia Health & Care Group AS | 5/2025 | 1,130.0 | NOK | 1,130.0 |
| Norlandia Health & Care Group AS | 5/2025 | 1,102.0 | SEK | 1,102.0 |
| Total | | 2,232.0 | | 2,232.0 |

In May 2021, the Group successfully placed a senior secured sustainability-linked bond due in May 2025. The bond consists of a NOK and SEK tranche with a total amount of NOK 1,700 million. The bond loan has a minimum liquidity covenant, of NOK 100 million.

On 19 January 2023 the Group successfully placed a subsequent bond issue equivalent to NOK 522 million under the company's existing senior secured bond framework with ISINs NO0010997927 (the "NOK-tranche") and NO0010997943 (the "SEK-tranche").

In March 2023, the long-term credit facility was repaid, and in replacement, the Group secured a short-term overdraft facility of NOK 350 million by DnB.

9. BUSINESS COMBINATIONS UNDER COMMON CONTROL

2024

There have been no significant acquisitions under common control in the first quarter.

2023

In Q1 23 NHC Group acquired control over Frösunda Omsorg AB ("Frösunda") including its parent company Brado AB ("Brado"), which was defined as a business combination under common control as the ultimate owners of both NHC Group and Brado Group are the same.

Frösunda was founded in 1994 and have become a leading supplier of private care services in Sweden. The Group is a diversified care operator within Disability, Personal Assistance and Elderly Care, which significantly strengthens NHC's operations within the Individual and Family and Care segments.

In addition, the Group acquired control over the shares in Agito Norway, Agito Sverige AB and Agito Nordic AB as of late December 2023. This transaction was also defined as a business combination under common control and resulted in a net effect booked against retained earnings of NOK 31.4 million. As this transaction was not material for the Group, the carrying values are not shown below.

The table below shows the carrying values of assets and liabilities from Brado Group included in the NHC Group as from the acquisition date:

Allocation of purchase value of Brado AB Group

| (NOK million) | Book value |
|--|----------------|
| Goodwill | 1,108.4 |
| Other intangible assets | 6.5 |
| Deferred tax asset | 16.1 |
| Property plant and equipment | 21.5 |
| Right-of-use-assets | 838.8 |
| Total non-current assets | 1,991.2 |
| Receivables | 294.2 |
| Cash and cash equivalents | 23.9 |
| Total current assets | 318.1 |
| Deferred tax liability | 5.0 |
| Non-current lease liability | 766.3 |
| Other non-current liabilities | 19.1 |
| Total non-current liabilities | 790.3 |
| Current interest-bearing debt | 582.1 |
| Current lease liability | 128.7 |
| Other current liabilities | 339.3 |
| Total non-current liabilities | 1,050.2 |
| Total net assets purchased | 468.8 |
| Total consideration* | 511.6 |
| Effect of business combination under common control, equity | (42.8) |

*Part of the consideration was settled as a way of a seller's credit of NOK 388.5 million which were transported to the ultimate parent company Hospitality Invest AS, and then converted to equity in NHC as shown in the statement of equity. In addition, an earn-out was recognized as a non-current liability at the time of the acquisition.

10. EVENTS AFTER BALANCE SHEET DATE

No known material events have occurred after the balance sheet date which would have had any effect on the reported figures as of 31 March 2024.

Financial statements for the parent company

Income statement

Norlandia Health & Care Group AS

| Unaudited, in NOK thousands | Note | Q1 24 | Q1 23 | FY 23 |
|-----------------------------------|------|-----------------|-----------------|-----------------|
| Revenues | | 1,172 | 1,178 | 4,712 |
| Total | | 1,172 | 1,178 | 4,712 |
| Personnel expenses | | (629) | (728) | (2,578) |
| Other operating expenses | | 8,527 | (2,946) | (17,150) |
| Operating profit/(loss) | | 9,070 | (2,497) | (15,017) |
| Net financial items | 1 | (46,327) | (85,438) | 76,289 |
| Profit/(loss) before taxes | | (37,257) | (87,934) | 61,272 |
| Income taxes | | - | - | (13,991) |
| Net income | | (37,257) | (87,934) | 47,281 |

Statement of financial position

Norlandia Health & Care Group AS

| Unaudited, in NOK thousands | Note | 31.03.2024 | 31.03.2023 | 31.12.2023 |
|--|------|------------------|------------------|------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Deferred tax asset | | - | - | - |
| Shares in subsidiaries and associates | | 2,165,402 | 2,150,701 | 2,165,402 |
| Loans to group companies | | 1,101,681 | 1,117,640 | 1,073,279 |
| Total non-current assets | | 3,267,083 | 3,268,341 | 3,238,681 |
| Current assets | | | | |
| Current group receivables | | 582,176 | 479,211 | 689,975 |
| Other current receivables | | 147 | 11,563 | 127 |
| Cash and cash equivalents | | 36,047 | 17,382 | 37,667 |
| Total current assets | | 618,370 | 508,156 | 727,768 |
| Total assets | | 3,885,453 | 3,776,498 | 3,966,450 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | | 496,053 | 496,053 | 496,053 |
| Share premium reserve | | 372,190 | 372,190 | 372,190 |
| Share premium reserve | | 10,005 | - | 10,005 |
| Total restricted equity | | 878,248 | 868,243 | 878,248 |
| Retained earnings | | 335,901 | 237,943 | 373,159 |
| Total equity | | 1,214,150 | 1,106,186 | 1,251,407 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Bond loans | 1 | 2,243,383 | 2,210,723 | 2,220,187 |
| Non-current non-interest-bearing debt | | 92,757 | 102,322 | 102,525 |
| Total non-current liabilities | | 2,336,141 | 2,313,046 | 2,322,712 |
| Current liabilities | | | | |
| Trade payables | | 690 | 8 | 263 |
| Current liabilities to group companies | | 123,706 | 28,959 | 48,679 |
| Current overdraft facilities | | 156,882 | 325,130 | 289,687 |
| Other current liabilities | | 53,884 | 3,169 | 53,702 |
| Total current liabilities | | 335,162 | 357,266 | 392,331 |
| Total liabilities | | 2,671,303 | 2,670,311 | 2,715,043 |
| Total equity and liabilities | | 3,885,453 | 3,776,498 | 3,966,450 |

Notes

1. FINANCE COSTS

Finance Costs in Q1 24 includes NOK 60.8 million in interest expense related to the bond loan. Net currency movement for the period was NOK -21.7 million for the quarter.

On 19 January 2023 Norlandia Health & Care Group AS successfully placed a subsequent bond issue equivalent to NOK 522 million under the company's existing senior secured bond framework with ISINs NO0010997927 (the "NOK-tranche") and NO0010997943 (the "SEK-tranche").

In March 2023, the long-term credit facility was repaid, and in replacement, the company secured a short-term overdraft facility of NOK 350 million by DnB.

Group web pages

NORLANDIA CARE GROUP AS

www.norlandia.no

HERO GROUP AS

www.hero.no

NORLANDIA BARNEHAGENE AS

www.norlandiabarnehagene.no

KIDSA DRIFT AS

www.kidsabarnehager.no

ABERIA HEALTHCARE AS

www.aberia.no

NHC Group

Karl Johans gate 37

0162 Oslo

Norway

