NHC Group
Report Q1 25

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Key figures

NHC Group

Unaudited, in NOK million	Q1 25	Q4 24	Q1 24	Q4 23	FY 24
Revenues & income	3,074.6	3,022.1	2,955.6	2,869.7	11,780.5
EBITDA	407.6	394.9	397.5	341.1	1,576.2
EBITDA (%)	13.3 %	13.1 %	13.4 %	11.9 %	13.4 %
EBITA	134.4	115.6	156.5	91.5	551.7
EBITA (%)	4.4 %	3.8 %	5.3 %	3.2 %	4.7 %
EBIT	125.4	107.4	145.7	74.2	515.0
EBIT (%)	4.1 %	3.6 %	4.9 %	2.6 %	4.4 %
EBT	(20.7)	(36.9)	10.9	(72.8)	(55.2)
EBT (%)	-0.7 %	-1.2 %	0.4 %	-2.5 %	-0.5 %
EBITDA - adjusted for IFRS 16	111.2	83.8	147.5	104.8	491.5
EBITA - adjusted for IFRS 16	84.8	66.8	122.4	79.6	390.7

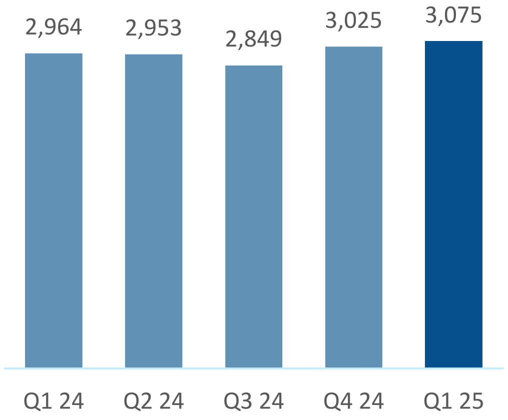
Figures are reported including effects from IFRS 16. The effects for IFRS 16 have not been allocated to the operating segments but are included under "Other" in the following tables.

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

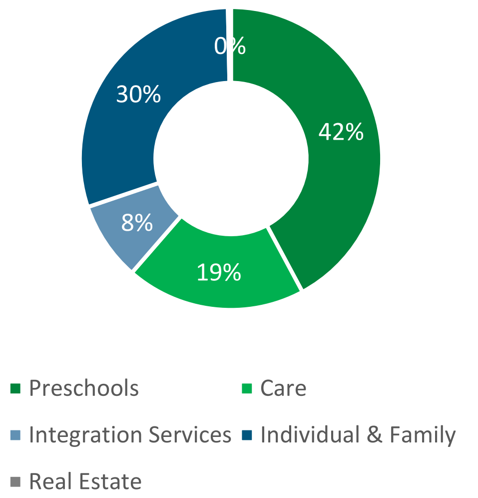
Q1 25 Highlights

- Q1 2025 revenues of NOK 3 075 million, a growth of 4 % YoY, mainly explained by price adjustments
- Q1 2025 EBITDA adjusted for IFRS 16 effects (adj. EBITDA) of NOK 111 million, down NOK 37 million YoY, mainly explained by Integration Services and Real Estate, offset by positive development within Care and Individual & Family
- Preschools delivered an adj. EBITDA of NOK 68 million, down 9 million YoY, explained by changes in the Norwegian parental pay model affecting the comparison quarter and temporary increased personnel costs in certain markets owing to high sick leave
- Care generated an adj. EBITDA of NOK -2 million, up NOK 12 million YoY, mainly related to increased occupancy, price adjustments, and efficiency improvements, offset by start-up costs related to a new own management unit (120 places)
- Integration Services delivered an adj. EBITDA of NOK 10 million, down NOK 15 million YoY, explained by reduced activity within Norwegian reception centres and start-up costs related to the opening of 6 new units in Germany
- Individual & Family generated an adj. EBITDA of NOK 58 million, up NOK 19 million YoY, explained by strong underlying development within all three subsegments
- Real Estate delivered an adj. EBITDA of NOK -5 million, down NOK 24 million YoY as no transactions were recorded during the quarter
- Current profitability levels are below our targets mainly due to an expected, although somewhat faster, normalization of Integration services, coupled with slower-than-anticipated development within the other segments combined
- We anticipate improvements going forward, particularly from the second half of 2025 and onwards, with more effects of the implemented and ongoing operational measures to be seen, along with further materialization of the improved fundamentals within Care – the Care segment is now on track to provide a meaningful contribution to the Group’s overall profitability in the coming years

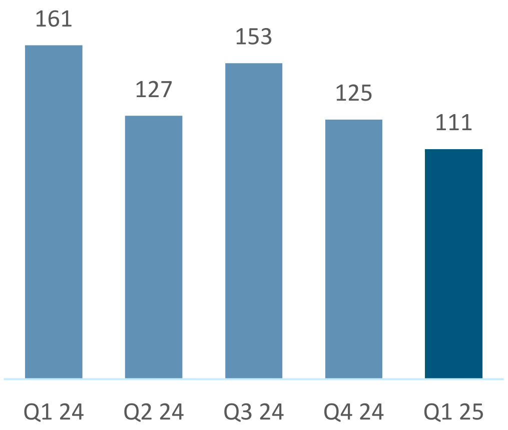
ADJ. REVENUE PER QUARTER (MNOK)



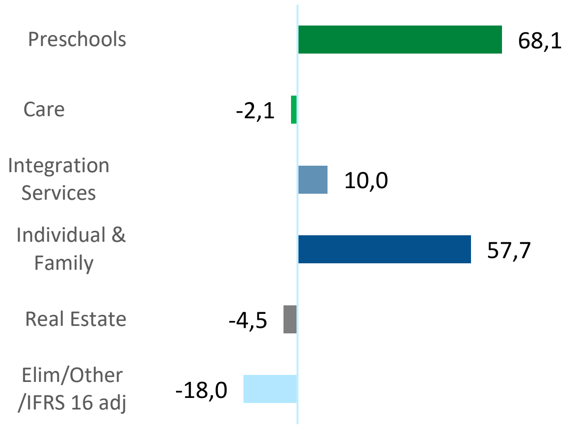
SEGMENT DISTRIBUTION Q1 25 (%)



ADJ. EBITDA PER QUARTER (MNOK)*



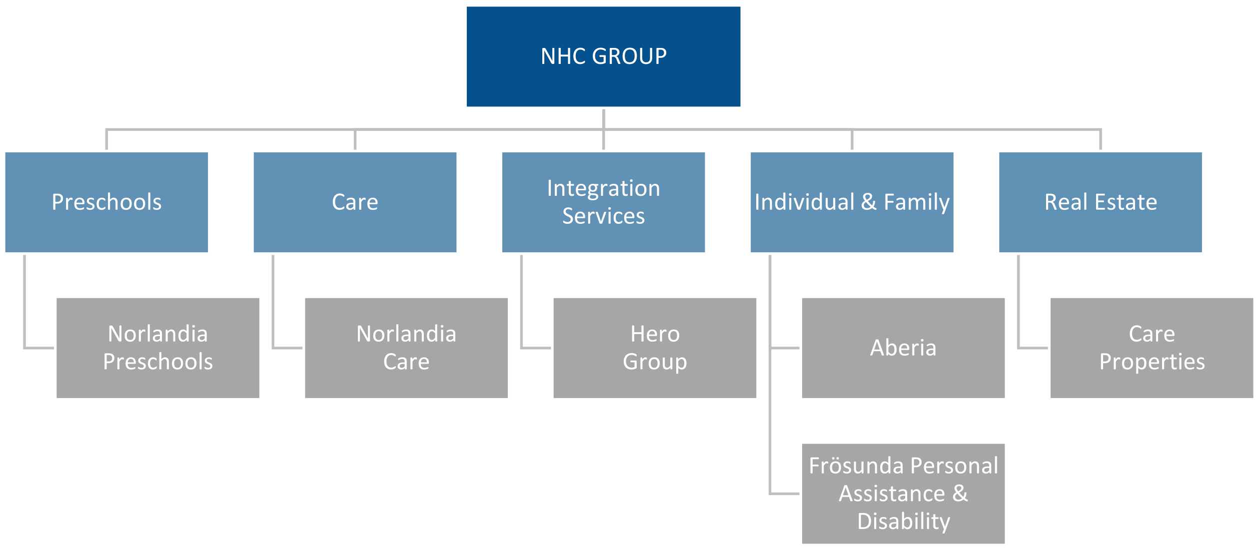
ADJ. EBITDA DISTRIBUTION Q1 25 (MNOK)*



**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

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 2024 Annual Report and the respective subsidiaries' web pages.



Financials

CONSOLIDATED INCOME STATEMENT AND CASH FLOWS

The Group reported consolidated revenues and income of NOK 3,074.6 million in Q1 25, an 4 % increase YoY, mainly explained by price adjustments.

Net financial items amounted to NOK -145.8 million for Q1 25, reflecting interest expenses of NOK 68.8 million on mainly borrowings, interest related to capitalized leasing of NOK 62.3 million, interest income of NOK 0.7 million, and net unrealized currency gain of NOK 13.7 million.

Profit/(loss) before taxes amounted to NOK -20.7 million for Q1 25, down from a profit/(loss) before taxes of NOK 10.9 million one year prior. Adjusted for IFRS 16 effects, profit before taxes came in at NOK -8.1 million for the quarter, down from NOK 32.9 million in Q1 24.

Thus, the net effect of IFRS 16 amounted to NOK 12.6 million for Q1 25, reflecting depreciation charges of NOK 246.7 million and finance charges of 62.3 million. This was offset by reduced leasing expenses of NOK 296.3 million. See APM section for more details.

Net cash inflow from operating activities in Q1 25 was NOK 273.1 compared to an inflow of NOK 425.1 million in the same quarter last year, mainly driven by change in working capital for the period.

Net cash flow from investing activities resulted in an outflow of NOK 53.4 million in Q1 25, compared to an outflow of NOK 103.4 million in Q1 24, mainly explained by lower investments in property, plant and equipment and net change in financial receivables. Maintenance capex amounted to NOK 20.7 million in Q1 2025, while the remaining investments related to growth initiatives mainly within the Real Estate segment.

Net cash outflow from financing activities amounted to NOK 408.8 million in Q1 25, compared to an outflow of NOK 417.9 million in Q1 24. The outflow this quarter is mainly explained by lease payments of NOK 236.1 million, and cash interest expenses, including lease liability related interest expenses and finance fees, of NOK 123.7 million.

The Group generated total cash flows of NOK -189.0 million for Q1 25.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION PER 31 MARCH 2025

As of 31 March 2025, the Group had total non-current assets of NOK 12,156.4 million, a decrease of NOK 27.5 million from year-end 2024. The decrease is mainly explained by lower right-of-use assets which was NOK 6,954.1 million as of 31 March 2025 compared to NOK 7,026.2 million at year-end 2024.

Cash and cash equivalents amounted to NOK 248.4 million on 31 March 2025, down from NOK 440.2 million on 31 December 2024. The Group has a short-term overdraft facility of NOK 500.0 million with DNB, and as of 31 March 2025, NOK 334.5 million was drawn, compared to NOK 392.8 million at 31 December 2024.

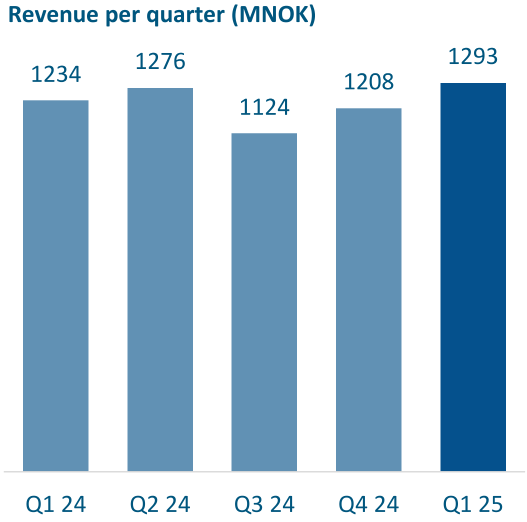
Total assets amounted to NOK 13,617.4 million at the end of Q1 25 compared to NOK 13,707.1 at year-end 2024.

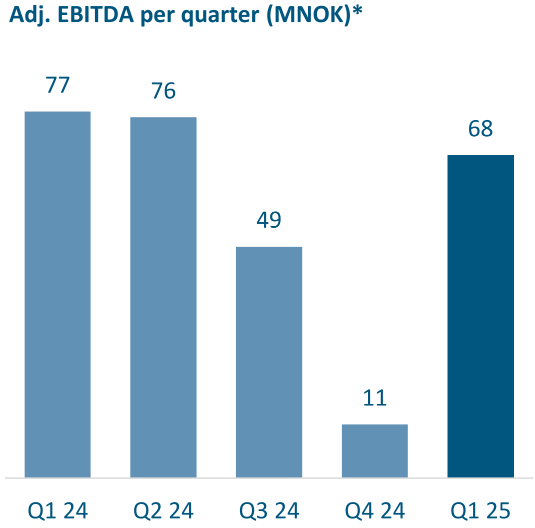
Total non-current liabilities as of 31 March 2025 amounted to NOK 9,715.9 million, including NOK 6,674.3 million classified as “Lease liabilities” under IFRS 16. Borrowings amounted to NOK 2,717.2 million, an increase of NOK 29.3 million from year-end 2024. In June 2024, NHC successfully placed a senior secured sustainability-linked bond with a tenor of 4 years. The bond consists of a NOK tranche of NOK 1,250 million and a SEK tranche of SEK 1,050 million, and the net proceeds were used to refinance the former bonds in July 2024. Refer to note 8 for more information.

Per 31 March 2025 the Group’s total equity amounted to NOK 897.8 million compared to NOK 899.7 million at year-end 2024.

BUSINESS SEGMENTS

Preschools





**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

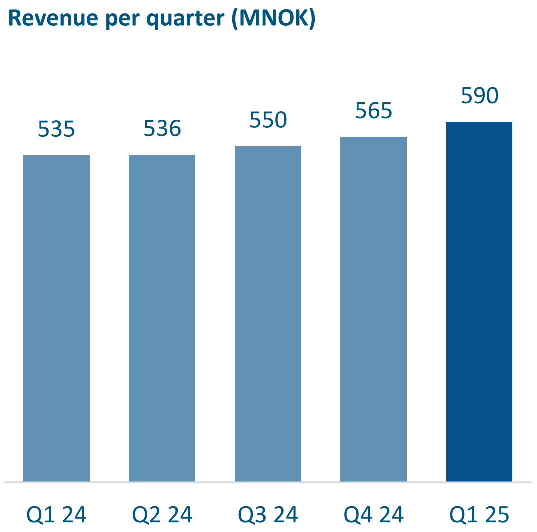
The first quarter of 2025 generated revenues of NOK 1,293 million, up from NOK 1,234 million in Q1 24. The 5 % increase YoY mainly related to price adjustments.

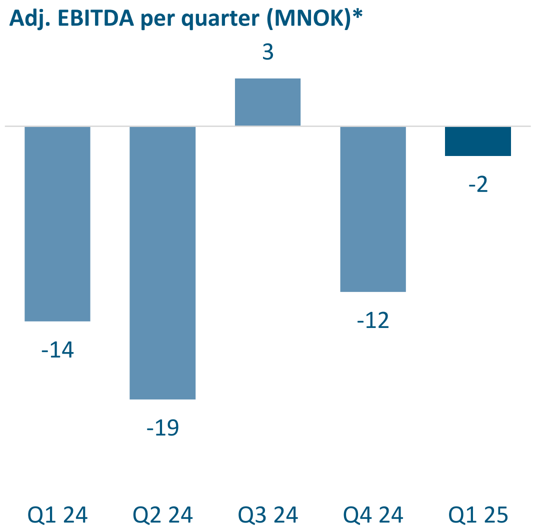
In Q1 25 the segment reported an adj. EBITDA of NOK 68 million, down NOK 9 million YoY, mainly explained by changes in the Norwegian parental pay model affecting the comparison quarter, normalized from 2025 and onwards, and temporary increased personnel costs in certain markets owing to high sick leave. Although the profitability decreased YoY, we are confident to see improvements overall in 2025 through effects of ongoing efficiency measures expected to materialize in the second half of the year and maturation of new established preschools (< 3 years old).

In a national wide report regarding customer satisfaction in preschools in Norway published earlier this year, the private preschools again stand out as high quality and outperform public preschools on all parameters. We are proud to report that Norlandia, compared to our competitors, had the highest relative share of top score. This confirms the role of private preschools to secure high quality at a lower cost for municipalities. For the ongoing lawsuit the private preschools aim to secure equal rights and high quality in a time where public spending is under pressure and municipalities need to seek cost effective solutions. Private preschools ensure lower costs. We advocate for a well-functioning market where operators develop together with equal rights.

As of 31 March 2025, Norlandia Preschools operates 433 units. Of these, 33 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





**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

The Care segment reported revenues of NOK 590 million in Q1 25, compared to NOK 535 million in Q1 24. Revenues increased following start-up of a new own management unit in Finland, increased occupancy, and price adjustments.

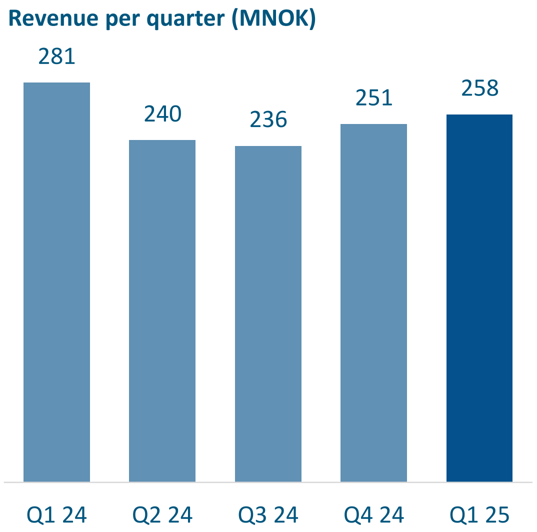
In Q1 25, Care reported an adj. EBITDA of NOK -2 million, up NOK 12 million YoY. The improvement mainly related to increased occupancy, price adjustments, and efficiency improvements. The continued positive development was offset by start-up costs related to a new own management unit in Finland. We expect the segment to deliver profits from 2025 and onwards backed by the solid development in underlying drivers and future demand outlook.

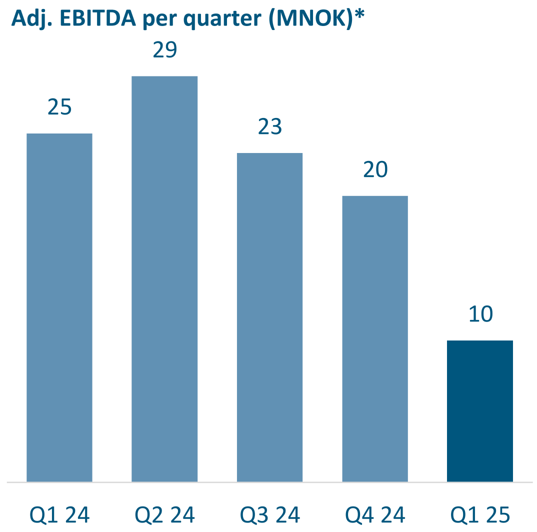
We are pleased to announce that Norlandia during the quarter won two large nursing home tenders in Oslo starting up in June 2025, representing a substantial increase to the top-line in Norway following challenging years with political headwind. Although we do expect start-up costs in the first quarters, of which considered in the segment's overall expectation of delivering profits in 2025, both contracts should provide healthy results once normalized from 2026.

In our two other markets, Sweden and Finland, we have increased the share of own management units to approximately half of the nursing home revenue base through multiple openings since 2020. It has taken considerably longer than assumed, primarily explained by the pandemic, to reach the required occupancy levels to generate targeted EBITDA levels. When normalized, however, margins within own-management contracts are significantly higher than for ordinary tender contracts. This represents a material improvement potential from current levels for the segment overall.

We are currently experiencing a clear increase in demand for elderly care services across all our markets. This growth is driven by demographic trends and a heightened focus on delivering high-quality, person-centered care. At the same time, there is a strong push for innovation in the sector, creating new opportunities to enhance service delivery through technology and new care models. These developments position us well to respond to emerging needs and to play a leading role in shaping the future of elderly care in the Nordic region. Following several highly challenging years, Care is now on track to recovery and should become a material contributor to the Group's overall profitability in the years ahead.

Integration services





**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

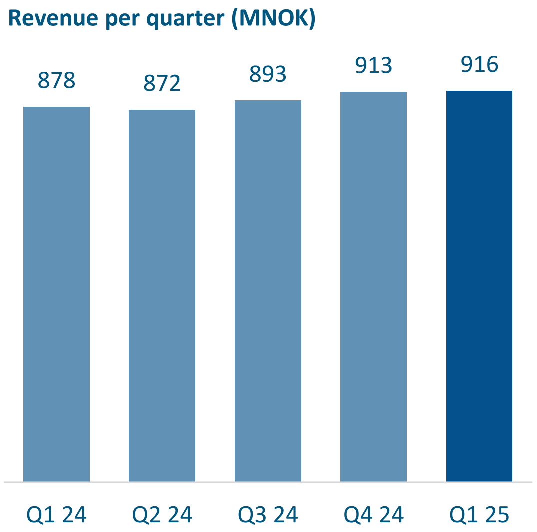
Integration Services generated revenues of NOK 258 million and adj. EBITDA of NOK 10 million in Q4 24, down YoY explained by reduced activity within Norwegian reception centers and start-up costs in Germany.

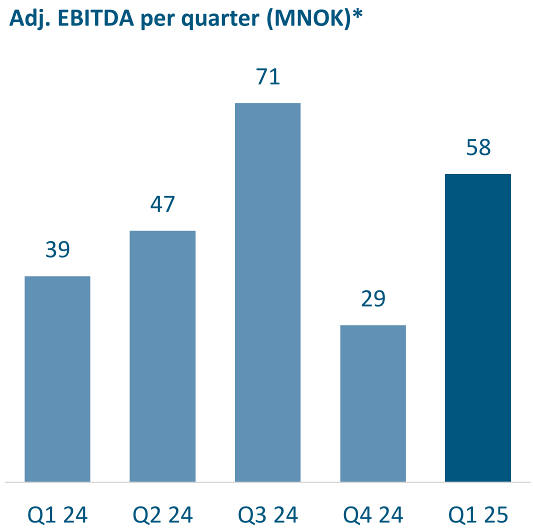
The geopolitical landscape is uncertain, and demand may vary. In their most recent estimate, UDI plans for 17,000 arrivals, representing a reduction compared to prior years. The trend in 2025 indicates that the estimated arrivals might be revised downwards. As a result, we expect decreased profitability in 2025 versus 2024 due to lower volumes. However, our resilient and flexible cost base allows us to adapt efficiently, and we anticipate maintaining healthy margins despite the decline. Our focus remains on operational efficiency and quality service delivery, ensuring we remain well-positioned even in a more challenging market environment.

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. 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. 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.

Our Interpretation services are rapidly growing and achieving new milestones due to winning new tenders. With technology driving new opportunities, the competitive landscape is constantly evolving. We are closely monitoring these changes and remain a key player in this dynamic market.

Individual & family





**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

The Individual & Family segment generated revenues of NOK 916 million in Q1 25, up NOK 38 million YoY mainly explained by organic growth in Norway and price adjustments.

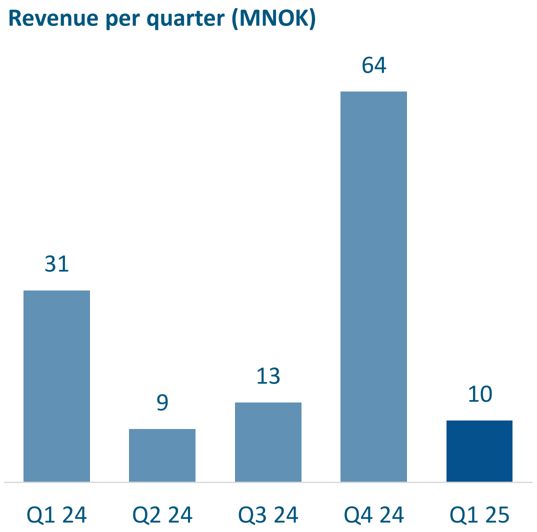
In Q1 25 the segment recorded an adj. EBITDA of NOK 58 million, up 19 million YoY, explained by strong underlying development within all three subsegments and higher personnel costs in the comparison quarter where easter holiday occurred.

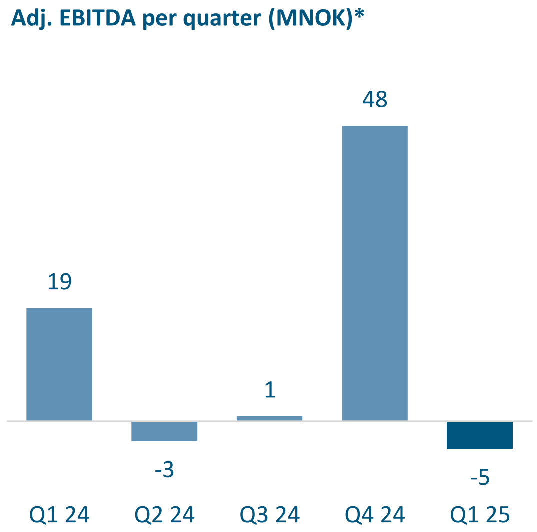
Aberia, the Norwegian operations, continued the organic, and healthy growth. Established in 2010, Aberia has grown to now reach an annual turnover of more than NOK 1,500 million. The core operations are strong on quality and reputation and should generate healthy EBITDA going forward.

Disability care in Sweden delivered solid contributions on the back of high operational efficiency along with satisfactory occupancy levels. The sub-segment has generated strong EBITDA consistently over time and has a promising outlook in terms of top-line and EBITDA development through an increasing pipeline of new units.

Considering the current unreasonably low-price level, Personal assistance in Sweden delivered a satisfactory financial performance, owing to improved operational efficiency. Over time, the personal assistance sector in Sweden has been systematically underfinanced significantly, reducing margins to unsustainable levels.

Real Estate





**Measurement performance indicators are changed from adj. EBITA to adj. EBITDA as of Q3 24*

The Real Estate segment recorded revenues of NOK 10 million in Q1 25, with adj. EBITDA of NOK -5 million. No sales transactions were recorded during the quarter. Our target EBITDA in 2025 remains at NOK 60 million, which, if reached, will mark the sixth consecutive year of meeting this target.

With a growing need for services within welfare, we observe a strong demand for social infrastructure provided through 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. NHC Real Estate has a well-diversified pipeline with both long- and short-term projects, including existing concepts and innovative property projects.

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 in terms of yield increases. To ensure the continuation of attractive yield levels going forward and optimal long term value creation, NHC will reevaluate our balance between holding properties based on attractive property financing, selling case by case, and build certain size portfolio before selling on sale lease back.

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

Overall, the group is well-positioned for continued progress in 2025, with each segment contributing to a balanced and resilient portfolio. Structural drivers such as demographic shifts, political prioritization of welfare services, and the demand for quality care and education provide a strong foundation for improvements going forward. Our diversified operations, strong market positions, and focus on quality and innovation enable us to adapt to changing conditions and pursue sustainable value creation across all business areas.

Within Preschools, continued efficiency measures and the maturation of newly established preschools are anticipated to support performance improvements. High customer satisfaction scores for private preschools, where Norlandia is a top performer, reinforce the value private providers bring in delivering quality services cost-effectively. We remain committed to advocating for equal treatment of private providers to ensure a fair and sustainable childcare sector.

The Care segment is on a clear path to recovery and long-term growth. New nursing home contracts in Oslo represent a significant step forward in Norway and are expected to enhance revenue and profitability once fully implemented. In Sweden and Finland, a greater focus on own management units is set to strengthen margins as occupancy stabilizes. Demographic trends and an increasing emphasis on high-quality, person-centered care continue to drive demand across all our markets.

While demand within Integration Services may fluctuate due to geopolitical uncertainty, our adaptable cost structure allows us to respond effectively to volume changes. We expect reduced profitability within Integration Services in 2025 but remain confident in our ability to deliver stable margins. Our operations in Norway and Germany are well-equipped for rapid mobilization, and we see long-term potential as migration pressures persist and political sentiment evolves. Additionally, our interpretation services continue to grow strongly, supported by new tenders and a dynamic market shaped by technological advances. We remain focused on maintaining a competitive edge and delivering high-quality services in this evolving landscape.

The Individual & Family segment is expected to continue its solid development, driven by strong performance across all subsegments. In Norway, Aberia's organic growth reflects a well-established and reputable operation that is positioned for sustained profitability. In Sweden, both the disability care and personal assistance services have shown resilience, with the former maintaining high efficiency and the latter adapting well despite structural underfunding. We anticipate further improvements supported by a growing pipeline of new units and continued focus on operational excellence across markets.

The Real Estate segment continues to address the growing need for modern social infrastructure. Although the broader commercial real estate market remains challenging due to higher interest rates and economic uncertainty, our portfolio has demonstrated resilience. Demand for our properties remains strong, underpinned by our reputation as a solid and stable lease counterpart. We continue to acquire and establish properties at attractive prices, while carefully analyzing whether this is a period to hold back on sales in anticipation of yields coming down.

The market fundamentals within NHC's operating areas remain strong, and so do our motivation to be a progressive part of our growing markets. After recent rapid growth, we continue to consolidate and steadily execute actions on efficiency and profitability. This will evolve into higher operating margins as growth initiatives in recent years mature.

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 25	Q1 25 - IFRS 16	Q1 25 - Adjusted	Q1 24	Q1 24 - IFRS 16	Q1 24 - Adjusted
Operating revenues	3,074.6	-	3,074.6	2,938.9	-	2,938.9
Other income	(0.0)	(0.1)	(0.1)	16.6	7.9	24.6
Total	**3,074.6**	**(0.1)**	**3,074.5**	**2,955.6**	**7.9**	**2,963.5**
Direct cost of goods and services	(101.7)	-	(101.7)	(108.5)	-	(108.5)
Personnel expenses	(2,221.8)	-	(2,221.8)	(2,109.4)	-	(2,109.4)
Other operating expenses	(343.5)	(296.3)	(639.8)	(340.1)	(257.9)	(598.1)
EBITDA	**407.6**	**(296.4)**	**111.2**	**397.5**	**(250.0)**	**147.5**
Depreciation	(273.1)	246.7	(26.4)	(241.0)	215.9	(25.1)
EBITA	**134.4**	**(49.7)**	**84.8**	**156.5**	**(34.1)**	**122.4**
Amortisation	(9.0)	-	(9.0)	(10.8)	-	(10.8)
Operating profit/(loss) - EBIT	**125.4**	**(49.7)**	**75.8**	**145.7**	**(34.1)**	**111.6**
Net financial items	(145.8)	62.3	(83.5)	(134.7)	56.1	(78.7)
Share of net income from associated companies	(0.4)	-	(0.4)	(0.0)	-	(0.0)
Profit/(loss) before taxes - EBT	**(20.7)**	**12.6**	**(8.1)**	**10.9**	**22.0**	**32.9**

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 2025

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

Linda Hofstad Helleland
Member of the Board

Yngvar Tov Herbjørnssønn
CEO

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Anders Belsvik
Finance Manager & Investor Relations
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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 24/28 FRN FLOOR C
Ticker: NHCG04 ESG

Norlandia Health & Care Group AS 24/28 FRN SEK FLOOR C
Ticker: NHCG03 ESG

The report is available on www.oslobors.no.

Interim condensed financial

Consolidated Income Statement

NHC Group

Unaudited, in NOK million	Notes	Q1 25	Q1 24	FY 24
Operating revenues		3,074.6	2,938.9	11,700.1
Other income		(0.0)	16.6	80.4
Total	3	**3,074.6**	**2,955.6**	**11,780.5**
Direct cost of goods and services		(101.7)	(108.5)	(459.7)
Personnel expenses		(2,221.8)	(2,109.4)	(8,435.6)
Other operating expenses		(343.5)	(340.1)	(1,309.0)
EBITDA		**407.6**	**397.5**	**1,576.2**
Depreciation		(273.1)	(241.0)	(1,024.5)
EBITA	3	**134.4**	**156.5**	**551.7**
Amortisation	4	(9.0)	(10.8)	(36.7)
Operating profit/(loss) - EBIT		**125.4**	**145.7**	**515.0**
Net financial items	5	(145.8)	(134.7)	(568.6)
Share of net income from associated companies		(0.4)	(0.0)	(1.6)
Profit/(loss) before taxes		**(20.7)**	**10.9**	**(55.2)**
Income taxes	6	0.1	(1.0)	19.0
Net income		**(20.6)**	**9.9**	**(36.2)**
Net income attributable to:				
Equity holders of the parent company		(19.0)	11.9	(27.9)
Non-controlling interests		(1.6)	(2.0)	(8.3)

Consolidated Statement of Comprehensive Income

NHC Group

Unaudited, in NOK million	Q1 25	Q1 24	FY24
Net income	**(20.6)**	**9.9**	**(36.2)**
Currency translation differences	7.4	0.6	11.3
Items that may be subsequently reclassified to P&L	**7.4**	**0.6**	**11.3**
Remeasurement of defined benefit pension plans	-	-	(5.7)
Income taxes related to these items	-	-	1.3
Items that will not be subsequently reclassified to P&L	**-**	**-**	**(4.5)**
Other comprehensive income/(loss), net of taxes	**7.4**	**0.6**	**6.8**
Total comprehensive income	**(13.2)**	**10.5**	**(29.4)**
Total comprehensive income attributable to			
Equity holders of the parent company	(12.3)	14.8	(17.5)
Non-controlling interests	(0.9)	(4.3)	(11.9)

Consolidated Statement of Financial Position

NHC Group

Unaudited, in NOK million	Notes	31.03.2025	31.03.2024	31.12.2024
ASSETS				
Non-current assets				
Property, plant & equipment		1,003.8	975.4	983.9
Right-of-use assets		6,954.1	6,663.1	7,026.2
Goodwill	7	3,246.2	3,192.6	3,217.7
Intangible assets	7	498.7	514.7	503.7
Deferred tax assets		236.1	224.6	231.8
Investment in associated companies		76.5	34.5	76.6
Other investments		29.2	31.9	33.0
Other non-current receivables		111.8	32.7	111.0
Total non-current assets		**12,156.4**	**11,669.5**	**12,183.9**
Current assets				
Inventories		14.7	8.8	8.4
Trade receivables		711.4	665.5	683.2
Other current receivables		486.5	530.2	391.4
Cash and cash equivalents		248.4	250.2	440.2
Total current assets		**1,461.0**	**1,454.7**	**1,523.2**
Total assets		**13,617.4**	**13,124.2**	**13,707.1**
EQUITY AND LIABILITIES				
Equity				
Share capital		496.1	496.1	496.1
Other equity		402.3	463.4	414.6
Equity attributable to owners of the parent		**898.3**	**959.5**	**910.6**
Non-controlling interests		(0.5)	(5.7)	(11.0)
Total equity		**897.8**	**953.8**	**899.7**
Liabilities				
Pension liabilities		3.4	2.2	3.5
Borrowings	8	2,717.2	2,662.6	2,687.9
Lease liabilities		6,674.3	6,411.8	6,730.7
Deferred tax liabilities		183.5	216.2	179.9
Other non-current liabilities		137.5	117.4	125.2
Total non-current liabilities		**9,715.9**	**9,410.3**	**9,727.1**
Trade payables		241.8	307.1	245.0
Current borrowings	8	396.3	249.9	455.1
Current lease liabilities		901.6	792.2	908.1
Taxes payable		4.1	12.6	5.1
Other current liabilities		1,459.9	1,398.3	1,466.9
Total current liabilities		**3,003.8**	**2,760.1**	**3,080.3**
Total liabilities		**12,719.6**	**12,170.4**	**12,807.4**
Total equity and liabilities		**13,617.4**	**13,124.2**	**13,707.1**

Consolidated Statement of Cash Flows

NHC Group

Unaudited, in NOK million	Q1 25	Q1 24	FY 24
Cash flow from operating activities			
EBITDA	407.6	397.5	1,576.2
Net taxes paid and other EBITDA cash adjustments	(19.5)	(25.7)	(87.1)
Change in net working capital	(115.0)	53.3	81.0
Net cash flow from operating activities	**273.1**	**425.1**	**1,570.2**
Cash flow from investing activities			
Net investment in property, plant and equipment and intangible assets	(48.4)	(73.6)	(327.9)
Net investments in shares in subsidiaries	(8.3)	(5.0)	(59.9)
Net investment in shares in associates and other investments	3.4	(10.6)	(10.8)
Proceeds from sale of assets	-	-	170.7
Net change in financial receivables	(0.9)	(15.0)	(4.8)
Interest received	0.7	0.7	6.9
Net cash flow from investing activities	**(53.4)**	**(103.4)**	**(225.8)**
Cash flow from financing activities			
Net change in interest-bearing debt	(48.8)	(87.6)	158.3
Proceeds from non-current bonds	-	-	2,278.5
Repayment of current bond	-	-	(2,238.3)
Repayment of lease liabilities	(236.1)	(203.0)	(855.3)
Distribution to non-controlling interest	(0.2)	(0.2)	-
Net interest paid and other financial items	(123.7)	(127.1)	(548.3)
Distributions to/from owners	0.0	-	(45.0)
Net cash flow from financing activities	**(408.8)**	**(417.9)**	**(1,250.0)**
Changes in cash and cash equivalents			
Net change in cash and cash equivalents	(189.0)	(96.2)	94.3
Effects of changes in exchange rates on cash	(2.8)	0.4	(0.1)
Cash and cash equivalents at the beginning of period	440.2	346.0	346.0
Cash and cash equivalents at end of period	**248.4**	**250.2**	**440.2**

Consolidated Statement of Changes in Equity

NHC Group

2025	Attributable to equity holders of the parent							
Unaudited, in NOK million	Share capital	Share premium	Other paid in equity	Retained earnings	Translation differences	Total equity to holders of the parent	Non-controlling interests	Total equity
Equity as of 1 January 2025	**496.1**	**372.2**	**10.0**	**(46.2)**	**78.6**	**910.6**	**(11.0)**	**899.7**
Net income for the period	-	-	-	(19.0)	-	**(19.0)**	(1.6)	**(20.6)**
Other comprehensive income for the period	-	-	-	-	6.7	**6.7**	0.7	**7.4**
Total comprehensive income for the period	**-**	**-**	**-**	**(19.0)**	**6.7**	**(12.3)**	**(0.9)**	**(13.2)**
Contributions by and distributions								
Distribution to non-controlling interests	-	-	-	-	-	**-**	(0.2)	**(0.2)**
Acquisition of subsidiary with NCI							11.5	**11.5**
Total contributions and distributions	-	-	-	0.0	-	**0.0**	11.3	**11.3**
Equity as of 31 March 2025	**496.1**	**372.2**	**10.0**	**(65.1)**	**85.2**	**898.3**	**(0.6)**	**897.8**

2024	Attributable to equity holders of the parent							
Unaudited, in NOK million	Share capital	Share premium	Other paid in equity	Retained earnings	Translation differences	Total equity to holders of the parent	Non-controlling interests	Total equity
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	-	-	-	(27.9)	-	**(27.9)**	(8.3)	**(36.2)**
Other comprehensive income for the period	-	-	-	(4.5)	14.9	**10.4**	(3.6)	**6.8**
Total comprehensive income for the period	**-**	**-**	**-**	**(32.4)**	**14.9**	**(17.5)**	**(11.9)**	**(29.4)**
Contributions by and distributions								
Group contribution to owner	-	-	-	(22.5)	-	**(22.5)**	-	**(22.5)**
Effect of business combination under common control	-	-	-	7.3	-	**7.3**	-	**7.3**
Distribution to non-controlling interest	-	-	-	-	-	**-**	(0.2)	**(0.2)**
Transactions with non-controlling interests	-	-	-	(1.3)	-	**(1.3)**	2.2	**0.9**
Total contributions and distributions	**-**	**-**	**-**	**(16.6)**	**-**	**(16.6)**	**2.1**	**(14.5)**
Equity as of 31 December 2024	**496.1**	**372.2**	**10.0**	**(46.2)**	**78.6**	**910.6**	**(11.0)**	**899.7**

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 2024 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 2024. 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.

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 25	Q1 24	FY 2024
Revenues and income by segment			
Preschools	1,292.8	1,233.5	4,842.1
Care	589.7	535.1	2,186.5
Integration services	258.2	280.5	1,008.3
Individual & Family	915.7	878.3	3,556.3
Real Estate	10.1	31.5	117.3
Other/Elim/IFRS 16 adj	8.0	(3.3)	70.0
Total	**3,074.6**	**2,955.6**	**11,780.5**

(NOK million)	Q1 25	Q1 24	FY 2024
EBITDA by segment			
Preschools	68.1	77.3	213.5
Care	(2.1)	(13.7)	(41.1)
Integration services	10.0	24.5	96.2
Individual & Family	57.7	38.6	186.1
Real Estate	(4.5)	18.5	64.4
Other/Elim/IFRS 16 adj	278.4	252.3	1,057.1
Total	**407.6**	**397.5**	**1,576.2**

(NOK million)	Q1 25	Q1 24	FY 2024
EBITA by segment			
Preschools	54.1	64.4	156.7
Care	(4.7)	(16.2)	(51.7)
Integration services	5.4	20.4	78.7
Individual & Family	54.6	35.4	174.1
Real Estate	(6.6)	16.1	49.4
Other/Elim/IFRS 16 adj	31.6	36.3	144.5
Total	**134.4**	**156.4**	**551.7**

(NOK million)	Q1 25	Q1 24	FY 2024
EBIT by segment			
Preschools	48.8	56.9	133.7
Care	(5.9)	(17.1)	(55.7)
Integration services	5.4	20.4	78.7
Individual & Family	52.1	33.0	164.4
Real Estate	(6.6)	16.1	49.4
Other/Elim/IFRS 16 adj	31.6	36.3	144.5
Total	**125.4**	**145.6**	**515.0**

(NOK million)	Q1 25	Q1 24	FY 2024
Operating revenues by geography			
Norway	1,303.6	1,243.1	4,951.3
Sweden	1,265.3	1,246.2	4,902.6
International	487.5	437.9	1,739.0
Other/Elimination	18.2	11.7	107.2
Total revenues by geography	**3,074.6**	**2,938.9**	**11,700.1**

YTD 2025	Preschools	Care	Integration services	Individual & Family	Other / Elim
Norway	47%	14%	90%	43%	0%
Sweden	24%	73%	0%	57%	0%
International	28%	14%	10%	0%	0%
Real Estate/Other/Elimination	0%	0%	0%	0%	100%
Total revenues by geography	**100%**	**100%**	**100%**	**100%**	**100%**

2024	Preschools	Care	Integration services	Individual & Family	Other / Elim
Norway	48%	13%	88%	41%	0%
Sweden	24%	74%	0%	59%	0%
International	28%	13%	12%	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 25	Q1 24	FY 24
Interest income	0.7	0.7	6.3
Interest expenses	(68.8)	(71.9)	(332.4)
Interest expenses lease liability	(62.3)	(56.1)	(242.4)
Net foreign exchange gains/(losses)	(13.7)	(10.5)	6.9
Other finance income	0.0	3.7	5.3
Other finance expenses	(1.6)	(0.7)	(12.3)
Net financial items	**(145.8)**	**(134.7)**	**(568.6)**

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, as well as leased assets in Q4.

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)	31.03.2025	31.03.2024	31.12.2024
Bond loans	2,377.7	2,295.6	2,353.0
Current overdraft facilities	334.5	156.9	392.8
Property debt outside ringfence structure	390.5	421.2	384.1
Other debt/property debt	10.8	39.0	13.1
Total current and non-current borrowings	**3,113.5**	**2,912.6**	**3,143.0**

Bond Loans (NOK million)	Maturity	Nominal value	Currency	Nominal value
Norlandia Health & Care Group AS	7/2028	1,250.0	NOK	1,250.0
Norlandia Health & Care Group AS	7/2028	1,050.0	SEK	1,050.0
Total		**2,300.0**		**2,300.0**

In June 2024, the Group successfully placed a senior secured sustainability-linked bond. The bond consists of a NOK and SEK tranche with a total amount of NOK 2,300 million, and it has a minimum liquidity covenant of NOK 125 million. The bond is due in July 2028.

The bonds will pay a margin of 550 bps p.a. above NIBOR and STIBOR respectively, and the net proceeds were used to refinance the former bonds which were called and fully repaid in July 2024.

The Group has a short-term overdraft facility of NOK 500.0 million with DNB, and as of 31 March 2025, NOK 334.5 million was drawn.

9. 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 2025.

Financial statements for the parent company

Income statement

Norlandia Health & Care Group AS

Unaudited, in NOK thousands	Note	Q1 25	Q1 24	FY 24
Revenues		2,207	1,172	4,702
Total		**2,207**	**1,172**	**4,702**
Personnel expenses		(947)	(629)	(2,853)
Other operating expenses		(1,824)	8,527	(13,019)
Operating profit/(loss)		**(563)**	**9,070**	**(11,170)**
Net financial items	1	(40,270)	(46,327)	(77,645)
Profit/(loss) before taxes		**(40,832)**	**(37,257)**	**(88,815)**
Income taxes		-	-	-
Net income		**(40,832)**	**(37,257)**	**(88,815)**

Statement of financial position

Norlandia Health & Care Group AS

Unaudited, in NOK thousands	Note	31.03.2025	31.03.2024	31.12.2024
ASSETS				
Non-current assets				
Shares in subsidiaries and associates		2,213,920	2,165,402	2,213,920
Loans to group companies		1,147,388	1,101,681	1,192,268
Total non-current assets		**3,361,308**	**3,267,083**	**3,406,188**
Current assets				
Current group receivables		570,249	582,176	527,106
Other current receivables		774	147	522
Cash and cash equivalents		55,849	36,047	100,261
Total current assets		**626,872**	**618,370**	**627,889**
Total assets		**3,988,179**	**3,885,453**	**4,034,077**
EQUITY AND LIABILITIES				
Equity				
Share capital		496,053	496,053	496,053
Share premium reserve		372,190	372,190	372,190
Other paid-in capital		10,005	10,005	10,005
Total restricted equity		**878,248**	**878,248**	**878,248**
Retained earnings		221,011	335,901	261,844
Total equity		**1,099,259**	**1,214,150**	**1,140,092**
Liabilities				
Non-current liabilities				
Bond loans	1	2,325,503	2,243,383	2,299,688
Non-current non-interest-bearing debt		70,587	92,757	68,881
Total non-current liabilities		**2,396,090**	**2,336,141**	**2,368,570**
Current liabilities				
Trade payables		480	690	153
Trade payables group companies		2,274	-	-
Current liabilities to group companies		102,082	123,706	75,354
Current overdraft facilities		334,526	156,882	392,807
Other current liabilities		53,468	53,884	57,101
Total current liabilities		**492,830**	**335,162**	**525,415**
Total liabilities		**2,888,920**	**2,671,303**	**2,893,985**
Total equity and liabilities		**3,988,179**	**3,885,453**	**4,034,077**

Notes

1. FINANCE COSTS

Finance Costs in Q1 25 includes NOK 58.8 million in interest expense related to the bond loan. Net currency movement for the period was NOK -13.4 million for the quarter.

In June 2024, the Group successfully placed a senior secured sustainability-linked bond. The bond consists of a NOK and SEK tranche with a total amount of NOK 2,300 million, and it has a minimum liquidity covenant of NOK 125 million. The bond is due in July 2028.

The bonds will pay a margin of 550 bps p.a. above NIBOR and STIBOR respectively, and the net proceeds were used to refinance the former bonds which were called and fully repaid in July 2024.

The Group has a short-term overdraft facility of NOK 500.0 million with DNB, and as of 31 March 2025, NOK 334.5 million was drawn.

Group web pages

NORLANDIA CARE AS
www.norlandiacare.no

HERO GROUP AS
www.hero.no

NORLANDIA BARNEHAGENE AS
www.norlandiabarnehagene.no

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