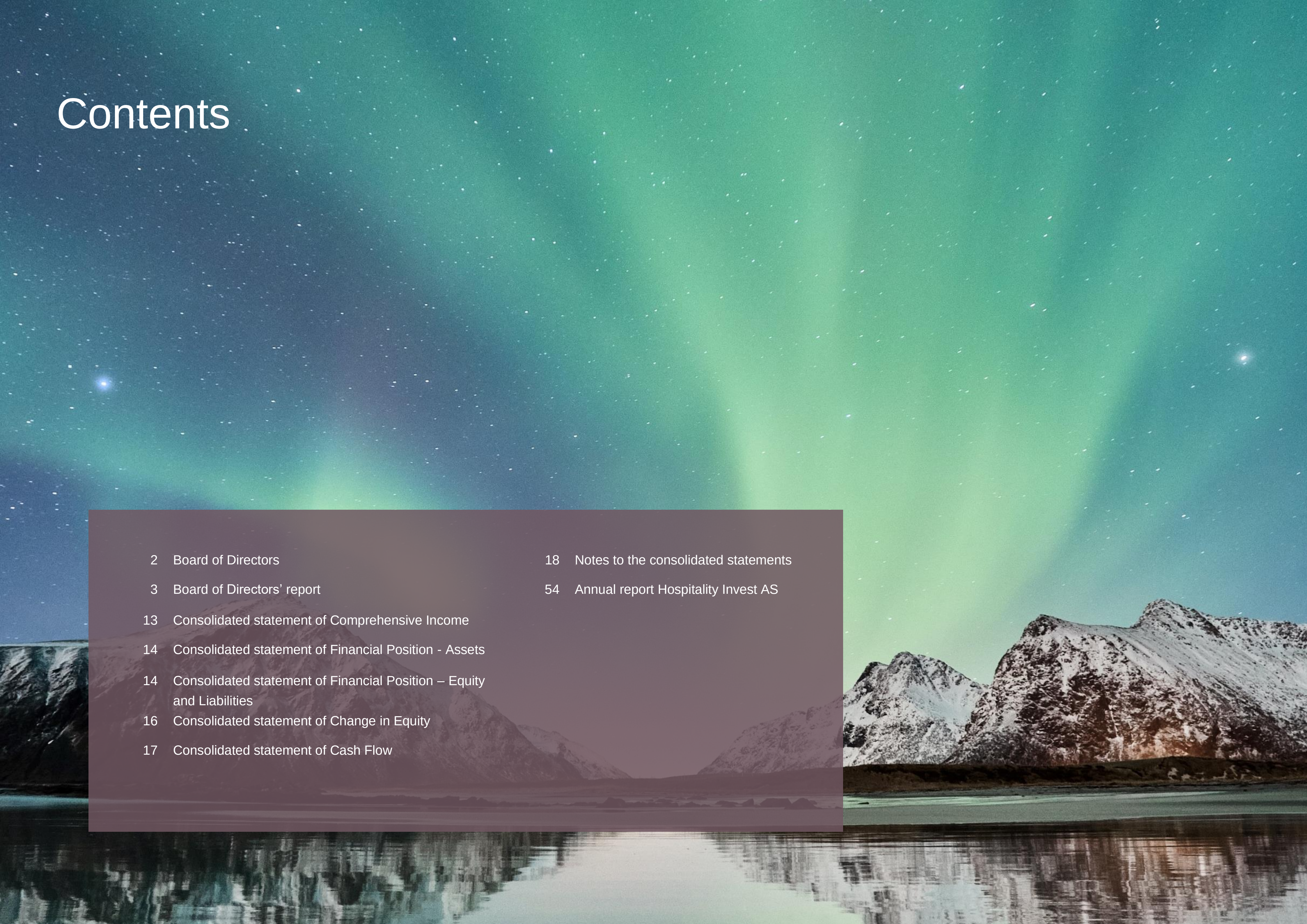
HOSPITALITY INVEST

ANNUAL REPORT
2024

HOSPITALITY INVEST AS



Contents

Board of Directors

Kristian A. Adolfsen

FOUNDER AND CHAIRMAN OF THE BOARD OF DIRECTORS

Kristian has an MBA from the University of Wisconsin from 1989 and a Master of Science in Business Administration from the Norwegian Business School, BI (siviløkonom) from 1986. He has more than 30 years of experience in business and real estate development and has founded a number of companies within the Adolfsen Group.

Roger Adolfsen

FOUNDER AND MEMBER OF THE BOARD OF DIRECTORS

Roger has an MBA from the University of Wisconsin in from 1990 and a Master of Science in Business Administration from the Norwegian Business School, BI (siviløkonom) from 1987. He has more than 30 years of experience in business and real estate development and has founded a number of companies within the Adolfsen Group.

Johnny Sundal

MEMBER OF THE BOARD OF DIRECTORS

Johnny has a bachelor from Norwegian Business School. He has more than 30 years of experience from various positions within economics, finance and management, including CFO in hotel operations and real estate during the period 2000-2016.

From October 2016 he holds the position as CEO in Norlandia Eiendom AS (within the Adolfsen Group).

The board of directors' report 2024

Company

Hospitality Invest AS is a private investment company with a diversified portfolio with four reporting segments: Care, Staffing, Hotel Operations and Other. The Company's main investments are Norlandia Health & Care Group AS, Otiga Group AS, Norlandia Hotel Group AS, Haneseth Gruppen AS and Ifront Kompetanse AS. The Company invests across a variety of sectors and geographies, mainly in the Nordic region.

As a family-owned investment company, Hospitality Invest is targeting companies that align with the Company's vision of fostering sustainable and enduring values. Hospitality Invest prioritizes companies where it can contribute as a value-creating partner for management and co-owners. The Group employs approx. 31,000 people as of year-end 2024, equivalent to 16,204 FTE (full time equivalents).

Operations

Care

(Norlandia Health & Care Group AS)

Norlandia Health & Care Group AS ("NHC") is a leading Nordic provider of care services operating within five business areas: Preschools, Care, Integration Services, Individual & Family and Real Estate. The parent company is headquartered in Oslo, Norway.

The Preschools operations include the preschool activities within Norlandia Preschools. As of year-end 2024, Norlandia and Kidsa operated 431 preschool units in Norway, Sweden, Finland, Netherlands, Poland and Germany. In Germany, 32 of the units are owned 50% and operated by Wekita (Germany) and are consolidated within NHC as an associated company. Within Preschools, revenue continues to grow strongly as units are maturing. At the same time, demographic development has had an impact and the volatility during the year has increased. Combined with insufficient financing from municipalities and high sick leave, the need for excellence in staffing is essential. The Scandinavian operations are delivering healthy margins, despite significantly higher costs for municipal preschools compared to private operations. The international operations continue to perform well, with solid growth in revenues and profitability, despite inflation and a tight labor market. The ramp-up phase in Poland is ongoing, with occupancy steadily increasing and a profit reported for 2024.

The Care operations provide services within institutional elderly care, patient hotels and home care services in Norway, Sweden and Finland. As of year-end 2024, Norlandia operated 61 elderly care homes, with 51 in Sweden, 2 in Norway and 7 in Finland. 18 of the care homes were own-management projects, including generation concepts (preschool and elderly care) in some of the homes. Norlandia also operates a patient hotel in Norway and one in Finland. Additionally, Norlandia provides home care services in Finland, Norway and Sweden. The Care segment continued to deliver improvements in line with expectations, with maturing own-management units and enhanced operational performance. Combined with a catch-up on price levels. The long-term fundamentals for Care remain strong, supported by a government report highlighting a sharp rise in the elderly population without a corresponding increase in care personnel. Providers of care services must adapt to these trends and embrace innovation. The Norwegian operations are currently seeing limited growth due to the low number of tender contracts. However, an increase in the number of tenders and the need for innovative solutions is expected. In 2025, Norlandia was awarded two new tender contracts in Oslo, which demonstrate that municipalities are becoming more open to new business models that optimize staff utilization. In Finland, operations continue the steady growth with several new openings during 2024. There will be some start-up costs for the new units, but these are expected to contribute positively once they are matured. In Sweden, competition is intense, and profit margins are thin. Efficient operations and normalized occupancy are expected to enhance profitability, while the shift towards own-management operations should further improve performance and profit margins.

Integration Services are provided through Hero Group AS ("Hero"). Founded in 1987, Hero has expanded to become one of the largest private providers of care services related to forced migrants, refugees and asylum seekers in Norway. Hero also manages several reception centres in Germany. With the tragedy of the war in Ukraine, Hero has been central in the Government's effort to provide accommodation for Ukrainian refugees. With vast experience and resources across segments, Hero has succeeded in offering security for many of the victims in this tragedy. There is high activity within Hero as acute accommodation is scaling down and being replaced by an increasing number of long-term contracts. Hero currently operates multiple ordinary reception centers in Norway and is the only operator with frame agreements in all regions. The Norwegian accommodation operations now account for 70% of the Integration Service. Germany has experienced a significant inflow of refugees during 2023 and 2024, not only related to the war in Ukraine. Hero operates a growing number of reception centers and have meaningful profitability. The Interpretation segment has gone through a comprehensive reorganization over recent years. The operations continue to grow and reach new record-high levels of number of assignments, delivering solid profitability. Hero is positioned to deliver solid revenues and healthy profitability also when the Ukrainian crisis ends. Hero will remain a mobilized tool for immigration authorities to host asylum seekers and migrants in a respectful and dignified way.

The services within the Individual & Family segment are provided by Aberia, Frösunda Omsorg and Frösunda Personlig Assistans. The segment is a leading Nordic provider of welfare and care services for children and young people, as well as individuals with physical and mental disabilities. Three main types of services are provided: services related to childcare institutions and foster homes; care services for people within all age groups with physical and mental disabilities; and personal assistance. Most of the contracts in the segment are with the government, municipalities, or city district authorities.
In Norway, Aberia continues its strong development, both in terms of revenue and profitability. Most of the growth has been achieved organically through tender wins within core operations. The business is recognized for its strong quality and reputation, reflected in the growing volumes. Following the acquisition of Frösunda in 2023, the Individual & Family segment significantly increased its turnover, with improved diversification and more stable profitability. The consolidation was a strong fit with the existing business, combining highly complementary competencies across the organizations in Norway and Sweden. With unrealized synergy potential, there are high expectations for the segment going forward. The Individual & Family segment has now become one of the main pillars of NHC and a solid contributor to enhanced diversification.

The Real Estate segment had another solid year in 2024. During the year, NHC continued to develop the property portfolio and successfully secured financing and closed new transactions to drive further growth. Besides cash flow and profitability, most importantly, the segment will support NHC's operating companies through access to high-quality properties and a solid foundation for long-term operations.

Operating revenues for the Care segment increased from NOK 10,696.4 million in 2023 to NOK 11,700.1 million in 2024, primarily due to the full-year inclusion of Frösunda within group financials. Profit from operations was NOK 515.0 million in 2024, up from NOK 434.2 million in 2023.

As of year-end 2024, NHC had a cash balance of NOK 440.0 million, up from NOK 346.0 million last year. In addition, NHC has a revolving credit facility of NOK 500 million with DNB Bank ASA. NHC had total assets of NOK 13,707.1 million per year-end 2024, compared to NOK 13,133.4 million in 2023. Total non-current liabilities amounted to NOK 9,727.1 million in 2023, up from NOK 9,277.3 million in 2023, driven by increased lease liabilities.

Staffing
(Otiga Group AS)
Otiga Group ("Otiga") is a Nordic staffing and recruitment group comprised of 10 specialized brands. The group offers a complete range of staffing services within most major sectors in the Nordics, including temporary and permanent staffing, search and selection, out-placement and consulting. The group is present in Norway, Sweden, Denmark and Finland, headquartered in Oslo. Otiga employs approximately 7,000 unique temporary workers and performs over 2,000 permanent placements per year for its customers. Otiga has more than 400 full-time employees in the administration.

In 2024, Otiga navigated a challenging Nordic market environment, demonstrating strong competitiveness through growing its market share. Demand for the group's services declined slightly compared to previous years but remains strong amid increased competition. Throughout the period, the group, in line with industry-wide trends, faced lower margins and increased delivery expenses across multiple sectors.

In Norway, the prevailing political views of the current government continued to constrain supply in an effort to curb demand. Nevertheless, there remains a clear and pressing need for the group’s services. Furthermore, the market has been characterized by a great deal of uncertainty subject to a toughening economic climate. The group’s direct exposure to segments subject to regulatory changes continued to be limited and mitigated where possible. Overall, the group's Norwegian operations experienced a decelerated growth compared to prior expectations, particularly noticeable towards the end of the year coupled with a margin contraction driven by lower gross margins and higher operational costs.

The Swedish operations saw a slight revenue decline compared to 2023 but expanded the group’s footprint in a challenging market by increasing its market share. In addition to slightly declining revenues, the group’s brands faced a disappointing downturn in margin performance relative to 2023, attributed to a more competitive market environment combined with elevated costs, similar to what the group experienced in Norway. The latter part of 2024 saw a sharp decline in key segments for the group’s Swedish brands due to a weaker industry sentiment in Sweden.

The Finnish operations experienced a sizeable decline in revenue, but reported reduced operational losses compared to 2023 following a series of strategic restructurings and a divestment of part of the business. The Finnish division encountered difficulties in expanding its market share within the construction sector and gains in other areas were insufficient to offset these losses. This segment continued to be heavily affected by the war in Ukraine, leading to diminished activity in both the industrial and construction sectors in Finland.

Through 2024 Otiga has increased its share in Evolutio in accordance with the SPA, enforcing the third of four tranches to acquire the full ownership of the company.

In total, revenues reached NOK 2,681.7 million in 2024, down from NOK 3,040.8 million in 2023, representing a decrease of 11.8%. Profit from operations ended at NOK -57.7 million, up from NOK -79.8 million in 2023.

Hotel Operations

Norlandia Hotel Group (“NHG”) is a multi-brand hotel operator with significant experience in the Norwegian and Swedish hotel markets. The group currently operates 37 hotels in Norway and Sweden. Norlandia Hotel Group’s multi-brand strategy enables the company to choose the best suited brand for each location. The hotels are operated under strong and well-established brands, including but not limited to Thon Hotels, Scandic, Radisson, Strawberry and Best Western.

The Hotel Operations segment delivered NOK 1,616.2 million in revenue in 2024 compared to NOK 1,251.4 million in 2023. A strong fourth quarter contributed to making 2024 another record year for the hotels. Most hotels showed growth compared to the previous year, especially the hotels in Northern Norway, where Bodø, as the European Capital of Culture in 2024, stood out. The newly renovated Thon Partner Hotel Forum in Stavanger and Thon Partner Hotel Victoria in Hamar also achieved significant growth. In addition to organic growth, the portfolio was expanded with four new hotels during the year, two of which through joint ownership (joint venture). The occupancy rate for the year ended at 51.4%, a slight decrease from 52.6% in 2023. This is mainly due to changes in the hotel portfolio. Adjusted for this, the occupancy rate for a like-for-like portfolio was 54.7%, representing a slight increase from the previous year. Sales in food and beverages grew by 10.1%, while revenue from meetings and events remained virtually unchanged from the previous year.

The hotel business delivered profits from operations of NOK 105.3 million in in 2024 compared to NOK 54.8 million in 2023. The improvement is mainly due to increased room prices, which have had a positive effect on profitability. A comprehensive upgrade of the hotels' technological platform was carried out in 2024. The investment is expected to contribute to increased efficiency, better digital guest experiences, and AI-driven dynamic pricing of rooms based on demand and market data. The hotel group added four new hotels during the year, resulting in start-up costs and use of central resources. Furthermore, there have been extensive renovations at Thon Partner Hotel Ullevaal Stadion, Thon Partner Hotel Stavanger Forum, Notodden Hotel, Thon Partner Hotel Andrikken, and Havna Tjøme Hotel. Renovations are still ongoing for the latter three at the end of the year. In the new year, renovations will also start at Best Western Kalmarsund Hotel.

At the beginning of 2025, an agreement was signed for a new hotel in Mo i Rana. The hotel has 145 rooms, a restaurant, and banquet facilities, and an attractive location by the fjord. The building is owned by Movika Eiendom. It will undergo extensive renovation, and at the same time, a franchise agreement with Thon Hotels has been signed. The hotel is expected to reopen in June 2025 under the name Thon Partner Hotel Mo i Rana and will be operated by NHG. Furthermore, franchise agreements have been signed with Thon Hotels for the newly renovated Notodden Hotel, which became part of the Thon Partner chain in February 2025, and the new hotel in Drammen, which is expected to open in 2026. The hotel in Drammen will be a full-service hotel with 220 rooms and will have the city’s largest conference and meeting facilities. The hotel will be named Thon Partner Hotel Drammen. Additionally, a new hotel with 185 rooms is planned in Jåttåvågen in Stavanger. The hotel will be established in a building that currently serves as office space for Aker, but is now being converted into a hotel, among other things. It will be located near important business areas such as Hinna Park, the new hospital, Lyse Arena, and the sea.

To ensure a profitable and favourable portfolio composition, continuous assessments are made as to which lease contracts are strategically right to retain. Although the hotel portfolio has grown steadily in recent years, it was decided at the end of 2024 that two lease contracts are best continued by another operator. As a result, agreements were made that Comfort Helsingborg and Comfort Jönköping would leave the portfolio during 2025. Certain termination costs related to Comfort Helsingborg, which left the portfolio at the start of 2025, were accounted for in 2024.

At the beginning of 2025, booking levels are somewhat behind 2024, but ahead of 2023. The extraordinarily high booking intake at the start of 2024 was due to several large one-off events and projects, such as Bodø's status as the European Capital of Culture, Melodifestivalen in Eskilstuna, and the construction of the TikTok center in Hamar. Some of this decline is compensated by increased bookings at other destinations, but overall, a somewhat weaker first quarter is expected than in 2024.

Other Operations

The Other segment includes diverse investments across various industries, which are not part of other reporting segments. Most investments are within HI Capital AS, a wholly owned subsidiary of Hospitality Invest AS.

Haneseth Gruppen AS (“Haneseth”), owned 52% by Hospitality Invest, delivered total revenues of NOK 813.3 million in 2024 compared to NOK 695.8 million in 2023. The profit from operations ended at NOK 51.9 million in 2024, an increase from NOK 42.1 million in 2023. Haneseth has been facing a softer private service market but managed to secure key contracts with industrial clients within aquaculture, ensuring a stable topline and solid margin. Haneseth is expected to remain a robust and reliable contributor to Hospitality Invest’s performance in coming years.

Ifront Kompetanse AS (“Ifront”), owned 53% by Hospitality Invest, is developing well and contributed positively to the Other segment. Continuing its trend of securing several contract-wins in 2023, revenue increased to NOK 260.9 million in 2024 compared to NOK 194.3 million in 2023. Operating profit increased to NOK 14.9 million in 2024 from NOK 5.1 million in 2023, despite a higher cost base as the company strategically positioned itself for significant forthcoming tenders.

In total, revenues for the Other segment reached NOK 1,607.3 million in 2024, up from NOK 911.0 million in 2023. Profits from operations ended at NOK 54.1 million, a decrease from NOK 67.9 million in 2023, mainly due to higher share of post-tax profits from associates in 2023.

Comments to the consolidated financial statements

The Group’s consolidated revenues increased from NOK 15,948.1 million in 2023 to NOK 17,652.7 million in 2024, representing an increase of 10.7 %, primarily explained by increase in three of the segments. The Care and Hotel Operations segments both delivered revenue growth in 2024 compared to 2023 while the Other segment increased due to the consolidation of Caracap for the three first quarters of the year in addition to Ifront Karriere increasing revenue. Net profit increased from NOK -250.8 million in 2023 to NOK -183.3 million in 2024.

Staff costs increased from NOK 11,071.0 million in 2023 to NOK 11,896.3 million in 2024, implying a 7.5 % increase in staff cost. Share of associates was mainly affected by gain on disposal of shares of NOK 65.0 million and shares of post-tax profits from associates ending at NOK 13.9 million giving a net effect of NOK 78.9 million. The full year profit from operations for 2024 ended at NOK 618.4 million compared to NOK 430.8 million in 2023.

Cash flow from operating activities increased from NOK 1,357.5 million in 2023 to NOK 1,799.2 million in 2024. Net cash flows from investing activities increased from NOK -57.1 million in 2023 to NOK -359.7 million in 2024. Net cash flows from financing activities amounted to NOK -1,376.5 million in 2024, an decrease from NOK -1,365.0 million in 2023, as NOK -2,889.4 million of long-term debt has been repaid and proceeds from borrowings offset part of the interest payments made.

The Group's financial position is sound and adequate to settle short-term obligations with the Group's liquid assets. The liquidity reserve at of 31.12.2024 amounted to NOK 810.9 million, an increase from NOK 752.8 million last year. The Group also has a revolving credit facility of NOK 500 million as of 31st December 2024.

The Group's long-term debt amounted to NOK 3,650.0 million, of which NOK 2,352.9 million relates to the bond loan in Norlandia Health & Care Group, with the remaining amount comprising various bank loans in subsidiaries, falling due between 2025 and 2027. At year-end, the bond loan of NOK 720.5 million (including due interests) in Hospitality Invest AS is classified as short-term debt due to its maturity in October 2025. 20th March 2025 Hospitality Invest AS completed a new NOK 850 million senior unsecured bond issue with a tenor of 4 years. Net proceeds from the bond issue will be used to call the Company's outstanding senior unsecured bonds.

Total assets of the Group increased from NOK 17,452.4 million in 2023 to NOK 18,068.0 million in 2024, mainly due to an increase in non-current assets. The equity ratio is 8.3 % at year-end 2024 compared to 9.8 % in 2023.

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

Comments to the parent company financial statements

The financial year 2024 was marked by both challenges and opportunities, with major shifts in the investment landscape unveiling new and promising prospects.

Operating profit for the parent company amounted to NOK -11.5 million in 2024, reduced from NOK -8.7 million in 2023. Net financials decreased from NOK -3.0 million in 2023, to NOK -172.2 million in 2024 mainly due to write-down of shares in Otiga. Profit from the year amounted to NOK -177.3 million, down from NOK -40.4 million in 2023.

Total assets at year-end 2024 were NOK 2,052.4 million.

Total long-term debt at year-end 2024 was NOK 2.6 million while short-term debt was NOK 842.5 million. The bond loan in Hospitality Invest AS has been reclassified as short-term debt due to its maturity in October 2025. In March 2025, after the balance sheet date, the bond loan was successfully refinanced through a new 4-year senior unsecured bond issue of NOK 850 million.

Total equity amounted to NOK 1,207.2 million in 2024, down from NOK 1,392.9 million in 2023, resulting in an equity ratio of 58.8 % at the end of 2024.

Going concern

In accordance with the Norwegian Accounting Act § 3-3a, Hospitality Invest confirms that the financial statements have been prepared on a going concern basis. This assumption is based on profit forecasts for 2025 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

Future challenges and market outlook

The geopolitical landscape remains volatile, with ongoing conflict in Ukraine and continued instability in the Middle East. UDI is preparing for a high number of refugees in 2025, though slightly lower than in 2024. Against this backdrop, Hero is well-positioned to remain Norway's leading provider of immigration and refugee centre services.

In the Care segment, several structural megatrends continue to drive long-term demand for NHC's services. Urbanization supports growth in the preschool portfolio, while the increasing prevalence of functional variations, mental health issues, and substance abuse fuels demand for personalized care. An aging population, both in absolute and relative terms, will require substantial capacity expansion in the coming years.

The Norwegian Ministry of Finance's 2024 "Long-Term Perspectives" report underscores this demographic shift, highlighting the urgent need for innovation and investment in health infrastructure. These challenges cannot be met by the public sector alone.

While the political climate for private providers in elderly care has been demanding, especially in Sweden and Finland, there are signs of a shifting narrative. Dialogue is increasingly centred on cooperation, diversity of services, and freedom of choice, rather than ideological divides. This change, combined with demographic trends, positions NHC favourably to contribute meaningfully to a more sustainable and responsive care sector.

The hotel industry remains cyclical by nature, with demand in 2025 likely to be shaped by a combination of macroeconomic and geopolitical factors, including currency fluctuations, interest rates, and global trade dynamics following the U.S. presidential transition. Geopolitical unrest and potential regulatory changes, such as a proposed tourist tax in Norway, add an additional layer of uncertainty to the operating environment.

Norway and Sweden continue to be attractive destinations, supported by their natural beauty, cool climate, strong healthcare systems, and high safety standards. A persistently weak Nordic currency also enhances the region's appeal to international travellers.

To secure long-term profitability and flexibility, the Hotel Operations segment continuously evaluates its lease portfolio, with a clear focus on optimizing strategic location, cost-efficiency, and brand performance. This disciplined approach positions the business well to adapt to evolving market dynamics and capture growth opportunities in the years ahead.

The Staffing segment has maintained its market share in a declining overall market and is now seeing early signs of a potential turnaround in 2025. Although the expected market recovery has been delayed, key economic indicators such as PMI, GDP forecasts, and unemployment rates are showing positive trends. Combined with falling interest rates in the Nordics, the Staffing segment remains cautiously optimistic about the year ahead. However, uncertainty persists, driven by macroeconomic factors such as the ongoing conflicts in Ukraine and the Middle East, as well as potential economic shifts under the new U.S. administration.

The Staffing segment is closely monitoring employment trends across industries and is prepared to implement necessary measures if conditions change. The market players continue to hold varied perspectives on staffing and recruitment trends, which further adds to the complexity of forecasting. External factors may impact customers' financial stability, which in turn could affect the Staffing segment's performance. In Norway, political discussions and regulatory changes continue to shape the labour market. Stricter regulations on temporary employment have negatively impacted sectors such as logistics, construction, and call/customer centres, while the industry, healthcare, and offshore sectors continue to grow. In Sweden, new legislation requiring permanent employment after 24 months poses challenges for both staffing companies and temporary workplaces, potentially reducing labour mobility. However, the impact remains uncertain, as surveys from Kompetensföretagen indicate that many workers still prefer flexible job arrangements over permanent employment.

Financial risk

The Group is exposed to financial risk in different areas, including operational risk, market risk, exchange rate risk and credit risk. The goal is to reduce the financial risk as much as possible. In general, the Group seeks to mitigate risk through operational and geographical diversification. The Group has operations across a wide range of segments and operates in several countries, reducing cyclicality. The Group's current strategy does not include active use of hedging instruments to reduce financial risk, however, each company in the Group is continuously assessing this.

Market risk

The Group's investments, results of operations and financial conditions are influenced by a broad range of factors across the Nordic region, including developments within hospitality services, staffing services and hotel accommodation. While certain segments, such as NHC are more directly affected by public policy and the political climate, the Group's diversified portfolio provides balanced exposure and supports resilience through varying market cycles. For NHC, a significant part of the Group is affected by public policies and the political climate. Demand for NHC's services is influenced by factors such as birth rates, the geopolitical situation, and broader economic conditions. In the hotel segment, demand is closely linked to the general economic climate in the region, relative competitiveness as a destination, and currency fluctuations. Activity levels in the staffing market are typically aligned with overall macroeconomic trends and the political environment.

Exchange rate risk

The Group has operations in several countries including Norway, Sweden, Denmark, Finland, Netherlands, Poland and Germany. Currency fluctuations may have a negative effect on the Group's financial conditions and results of operations. The Group is predominantly exposed to the SEK/NOK exchange rate as the financial statements are presented in NOK and around 30% of revenues are generated in SEK. However, the Group has a corresponding share of costs in SEK, whereas approximately 35% of its bond debt is denominated in SEK, both representing natural hedges to the operations. The Group has a relatively small but growing exposure to the EUR/NOK exchange rate as operations in the Netherlands, Poland, Germany and Finland are growing within the Care segment. The Group is monitoring the exposure and will consider hedging this exposure in the future. The Group is further exposed to changes in interest rates as most long-term debt in the Group is subject to floating interest rates. The Group has not established any interest rate hedging mechanisms.

Credit risk

The risk of losses on receivables are considered low in the Group as a considerable part of revenues is towards governmental entities, municipalities or city districts. The Group has not yet experienced any considerable loss on its receivables.

Liquidity risk

The Group's liquidity remains healthy at year-end 2024. The bond loan of NOK 700 million issued by Hospitality Invest AS, originally maturing in October 2025, represented a large refinancing event for the Group for 2025. In March 2025, after the balance sheet date, the bond loan was successfully refinanced through a new 4-year senior unsecured bond issue of NOK 850 million.

Regulatory risk

The Group's operations in the Care segment are subject to regulatory frameworks and public sector agreements, which may change in the future. Changes in legislation or conditions governing the operation of preschools, nursing homes, reception centres or similar services, such as restrictions on profits, dividends or private ownership, may impact the Group's business model or financial flexibility. However, the Group has long-standing experience operating in regulated markets and maintains close dialogue with relevant authorities to ensure compliance and adaptability to changing conditions.

Corporate governance

Hospitality Invest is a limited liability company organized under Norwegian law with a governance structure based on Norwegian corporate law. The Company's corporate governance model is structured to provide a foundation for long-term value creation and to ensure control. Corporate policies, as exercised by the Board of Directors of Hospitality Invest and its portfolio companies, include high ethical standards, a conviction that all employees are the most valuable resource, regulatory and contractual compliance, and a non-tolerance for corruption.

The Company has a board with three directors, including the two largest shareholders and a director from one of Hospitality Invest's associated companies. The governance structure is further based on the Norwegian Code of Practice for Corporate Governance and the Company is continuously seeking to adopt a larger part of the recommendations.

Hospitality Invest publishes quarterly interim financial statements in addition to annual financial statements. The reports comply with legal and regulatory requirements and are prepared in accordance with adopted accounting principles, and follow the timeline set by the board. The financial close process, financial reporting, and key risk analysis are reported monthly to the group management of each portfolio company and consolidated on a quarterly basis.

The board reports, including financial and qualitative data for each segment, are thoroughly reviewed by the boards of the respective companies and shared with Hospitality Invest's management.

The Board of Directors of Hospitality Invest has decided to act as Audit Committee. The board has established routines and instructions for their work, including an annual plan for audit committee matters, with recurring topics to ensure continuous improvement and control. The Company's Audit Committee met five times during 2024. Management also holds separate meetings with the external auditor to review risk factors and measures related to financial reporting.

The Group has reporting routines and risk management processes in place within each segment, tailored to the size, complexity, and risk profile of each business. These routines focus on identifying impacts and managing risks as well as capturing opportunities.

THE WORKING ENVIRONMENT AND THE EMPLOYEES

Total number of employees in the Group amounted to around 33,000 at the end of 2024 equivalent to 16,204 FTE. NHC reaches around 70,000 people including clients, users, parents and relatives throughout the various businesses and operations.

The working environment is considered to be good and efforts for improvements are made on an ongoing basis. The Group aims to be a workplace with equal opportunities and seeks to prevent gender discrimination in all aspects of the operations. Leave of absence is an important performance indicator and is measured throughout the Group's operational entities, but not yet on a consolidated basis, although initiatives are in place to be able to do so going forward. There has been no significant leave of absence in Hospitality Invest AS during 2024.

Corporate Social Responsibility

Sustainability is a core element of Hospitality Invest's vision and is embedded in how the Company acts as an owner, investor, and contributor to society. As an active owner, the Company is uniquely positioned to influence positive and lasting change across its portfolio. Sustainability-related risks are assessed as an integral part of the investment due diligence process, alongside financial and operational risks.

Hospitality Invest is committed to operating as a responsible and trustworthy company. With a strong presence in the delivery of social services, the Company acknowledges its societal role and strives to provide high-quality services to its users. The Company's reputation is closely tied to ethical conduct, transparency, and the consistent demonstration of integrity. Governance policies, as overseen by the Board of Directors, emphasize high ethical standards, employee wellbeing, legal and contractual compliance, and a zero-tolerance approach to corruption.

NHC implemented a Sustainability Linked Finance Framework during 2021. The Framework covers the issuance of Sustainability-Linked Bonds and Loans and is aligned with the ICMA Sustainability-Linked Bond Principles and the LMA Sustainability-Linked Loan Principles.

Hospitality Invest applies overarching sustainability principles across all investments, while each portfolio company adapts its governance documentation to its specific sector and risk profile. Accordingly, the relevant stakeholders, material topics, and sustainability challenges vary between business segments.

In 2024, the Company intensified its ESG efforts, engaging with both majority-owned and selected minority-owned entities. A key milestone was the initiation of a group-wide strategy to align with the EU Taxonomy Regulation for the 2024 annual report, enhancing transparency across operations. Hospitality Invest also published a Transparency Act Statement in accordance with Norwegian legislation, which is available on the Company's website.

Looking forward, the Company will strengthen its commitment to safeguarding human rights and ensuring decent working conditions. This includes implementing a unified Code of Conduct across the group. The Company will also continue to publish annual reports in accordance with the Transparency Act.

The complete Transparency Act Statement from Hospitality Invest is available for reference on our official website.

Hospitality Invest ended 2024 by initiating a Double Materiality Assessment based on ESG impacts, risks and opportunities for Hospitality Invest and our portfolio companies. The findings from the materiality analysis provided the basis for where Hospitality Invest focuses its reporting and are the foundation for the Company's ESG efforts going forward.

Environmental report

The Group's operations are not harmful to the environment and are not regulated by any licenses related to waste handling. Nevertheless, Hospitality Invest is committed to manage its environmental responsibilities and initiated a process of certifying our portfolio companies according to the ISO 14001 standard more than three years ago. The first company was certified in 2015, and this work continues going into 2025.

Allocation of income in the parent company

Hospitality Invest AS result for 2024 ended at NOK -177.3 million. The Board of Directors has proposed the net profit of Hospitality Invest AS to be allocated as follows:

To other equity: NOK -177.3 million

Events after balance sheet date

20th March 2025 Hospitality Invest AS completed a new NOK 850 million senior unsecured bond issue with a tenor of 4 years. The new bond issue will carry an interest rate of 3-month NIBOR + 5.00% p.a.

Net proceeds from the bond issue will be used to call the Company's outstanding NOK 700 million senior unsecured bonds with ISIN NO0012708165 in full at a call price of 100.5% of par value and for general corporate purposes.

The new bond will be listed on Nordic ABM within 6 months of the issue date 7 April 2025.

.

Oslo, 29 April 2025

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen
Chairman of the Board

Roger Adolfsen
Chief Executive Officer

Johnny Sundal
Member of the Board

Statement from the Board of Directors

Hospitality Invest AS' consolidated financial statements have been prepared and presented in accordance with IFRS® Accounting Standards as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act, effective as of 31.12.2024. The separate financial statements for Hospitality Invest AS have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as of 31.12.2024. The Board of Directors report for the group and the parent company is in accordance with the requirements of the Norwegian Accounting Act and Norwegian accounting standard, as of 31.12.2024.

To the best of our knowledge:

The consolidated and separate annual financial statements for 2023 have been prepared in accordance with applicable accounting standards.

The consolidated and separate annual financial statements give a true and fair view of the assets, liabilities, financial position, and result of operations as a whole as of 31.12.2024, for the Group and the Parent company.

The Board of Directors' report for the Group and the Parent company include a true and fair review of:

The development and performance of the business and the position of the Group and the Parent company.

The principal risks and uncertainties the Group and the Parent company face.

Oslo, 29 April 2025

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen
Chairman of the Board

Roger Adolfsen
Chief Executive Officer

Johnny Sundal
Member of the Board

HOSPITALITY INVEST - CONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME

(all amounts in NOK 1,000)

	Note	2024	2023
OPERATING REVENUE AND OTHER INCOME			
Operating revenue	4	17,571,538	15,870,407
Other income	4	81,186	77,679
OPERATING REVENUE AND OTHER INCOME		17,652,724	15,948,086
OPERATING EXPENSES			
Raw materials and consumables used		1,693,760	1,003,733
Staff costs	5	11,896,333	11,071,032
Depreciation and amortisation expense	8,9,17	1,310,011	1,244,636
Other operating expenses	5	2,200,804	2,249,653
TOTAL OPERATING EXPENSES		17,100,908	15,569,053
Share of post-tax profits of associates	11	66,550	51,727
PROFIT FROM OPERATIONS		618,366	430,759
FINANCE			
Finance income	6	86,397	99,593
Finance expense	6.17	874,401	760,541
Net foreign exchange gain / (-) loss	6	4,078	-4,113
NET FINANCE		-783,926	-665,060
PROFIT / LOSS BEFORE TAX		-165,560	-234,301
Tax profit / expense	7	17,702	16,501
PROFIT / LOSS		-183,262	-250,802

	Note	2024	2023
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations	18	-5,718	10,643
Deferred tax on remeasurement of post employment benefit obligation	15	1,258	-3,016
Total items that will not be reclassified to profit or loss		-4,460	7,627
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		25,979	30,391
Total items that may be subsequently reclassified to profit or loss		25,979	30,391
TOTAL OTHER COMPREHENSIVE INCOME		21,519	38,018
TOTAL COMPREHENSIVE INCOME		-161,743	-212,783
Profit attributable to shareholders of the company		-142,761	-218,516
Profit attributable to non-controlling interests	11	-40,502	-32,286
PROFIT / LOSS		-183,262	-250,802
Total comprehensive income attributable to shareholders of the company		-121,228	-183,402
Total comprehensive income attributable to non-controlling interests		-40,515	-29,381
TOTAL COMPREHENSIVE INCOME		-161,743	-212,783

HOSPITALITY INVEST - CONSOLIDATED

STATEMENT OF FINANCIAL POSTION

(all amounts in NOK 1,000)

	Note	2024	2023
ASSETS			
NON-CURRENT ASSETS			
Deferred tax asset	15	160,649	124,180
Property, plant and equipment	8	1,165,594	1,151,547
Right-of-use assets	17	8,060,588	7,526,278
Goodwill	9, 10	3,635,010	3,588,418
Intangible assets	9, 10	749,821	787,078
Investment in associated companies	11	831,760	741,285
Loan to associated companies	12	101,211	46,822
Other investments	3	183,780	241,416
Other receivables	12, 20	242,310	224,949
TOTAL NON-CURRENT ASSETS		15,130,723	14,431,972
CURRENT ASSETS			
Inventories		84,558	84,083
Trade and other receivables	12, 20	2,007,843	2,089,046
Market based investments	3	33,894	94,471
Cash and cash equivalents	21	810,944	752,849
TOTAL CURRENT ASSETS		2,937,238	3,020,449
TOTAL ASSETS		18,067,962	17,452,421

	Note	2024	2023
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	24,279	24,279
Own shares		-52	-52
Share premium reserve		468,299	468,299
Other equity		877,534	1,045,447
Total equity attributable to owners of the parent		1,370,060	1,537,974
Non-controlling interest	11	133,246	171,066
TOTAL EQUITY		1,503,306	1,709,040
LIABILITIES			
NON-CURRENT LIABILITIES			
Pension liabilities	18	8,330	5,660
Loans and borrowings	14	3,649,951	4,186,162
Deferred tax liability	15	107,413	123,404
Lease Liability	17	7,713,677	7,204,101
TOTAL NON-CURRENT LIABILITIES		11,479,370	11,519,327
CURRENT LIABILITIES			
Trade and other payables	16	2,768,877	2,827,886
Loans and borrowings	14	1,269,692	475,439
Lease liability	17	1,039,682	897,591
Taxes payable		7,035	23,138
TOTAL CURRENT LIABILITIES		5,085,285	4,224,055
TOTAL LIABILITIES		16,564,656	15,743,381
TOTAL EQUITY AND LIABILITIES		18,067,962	17,452,421

Oslo, 29 April 2025

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen
Chairman of the Board

Roger Adolfsen
Chief Executive Officer

Johnny R. Sundal
Member of the Board

HOSPITALITY INVEST - CONSOLIDATED

STATEMENT OF CHANGES IN EQUITY

(all amounts in NOK 1,000)

	Share capital	Own Shares	Share premium	Retained earnings	Translation differences	Non-controlling interests	Total equity
31 DECEMBER 2022	20,408	-52	171,915	1,294,239	12,653	224,531	1,723,695
Comprehensive Income for the year							
Profit	-	-	-	-218,516	-	-32,286	-250,802
Other comprehensive Income	-	-	-	4,723	30,391	2,904	38,018
		-					
Total comprehensive Income for the year	-	-	-	-213,793	30,391	-29,381	-212,783
Contributions by and distributions to owners							
Capital increase	3,871	-	296,384	-	-	-	300,255
Distribution to non-controlling interest	-	-	-	13,179	-	-324	12,855
Effects from acquisition and sale of subsidiary	-	-	-	-91,222	-	-23,759	-114,981
Total contributions by and distributions to owners	3,871	-	296,384	-78,043	-	-24,083	180,457
31 DECEMBER 2023	24,279	-52	468,299	1,002,403	43,045	171,066	1,709,040
Comprehensive Income for the year							
Profit	-	-	-	-142,761	-	-40,502	-183,262
Other comprehensive Income	-	-	-	-4,446	25,979	-14	21,519
Total comprehensive Income for the year	-	-	-	-147,207	25,979	-40,515	-161,743
Contributions by and distributions to owners							
Distribution to non-controlling interest	-	-	-	1,604	-	-25,893	-24,289
Effects from acquisition and sale of subsidiary	-	-	-	-48,290	-	28,588	-19,702
Total contributions by and distributions to owners	-	-	-	-46,686	-	2,695	-43,991
31 DECEMBER 2024	24,279	-52	468,299	808,510	69,024	133,246	1,503,306

HOSPITALITY INVEST - CONSOLIDATED

STATEMENT OF CASH FLOWS

(all amounts in NOK 1,000)

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		-183,262	-250,802
Adjustments for:			
Depreciation and amortisation	8,9,17	1,310,011	1,244,636
Share of post-tax profits of associates	11	-66,550	-51,727
Net gain/loss on sale of assets		-81,186	-77,679
Changes in fair value market-based investments	6	54,503	24,582
Interest income/interest expense	6	783,926	665,060
Income tax expense	7	17,702	16,501
Changes in working capital			
Changes in trade receivables and other current assets		77,728	-571,098
Increase in inventories		-322	-10,189
Increase in trade payables and other current liabilities		-104,932	380,209
Increase in provisions and employee benefits		7,715	8,421
CASH GENERATED FROM OPERATIONS		1,815,333	1,377,914
Income taxes paid		-16,103	-20,447
NET CASH FLOW FROM OPERATING ACTIVITIES		1,799,229	1,357,467
INVESTING ACTIVITIES			
Proceeds from sale of assets		170,726	60,327
Purchases of property, plant and equipment	8	-334,956	-282,442
Investment in shares in associates	11	-108,249	-82,929
Loans to associated companies		-77,391	93,948
Investment in shares in subsidiaries, net of cash acquired		-59,943	62,676
Net changes in financial receivables		5,640	32,778
Interest received	6	44,481	58,551
NET CASH USED IN INVESTING ACTIVITIES		-359,692	-57,091

	Note	2024	2023
FINANCING ACTIVITIES			
Payments of long-term loans to finance institutions	14, 22	-651,099	-172,863
Changes in short-term loans to finance institutions	14	794,253	322,487
Proceeds from long-term borrowings from finance institutions	14	74,679	10,113
Payments of lease liability	6.17	-1,041,568	-918,922
Interest paid	6	-567,057	-462,658
Repayment of current bond	14	-2,238,303	-657,371
Proceeds from non-current bonds	14	2,278,512	501,371
Distribution to non-controlling interests		-25,893	12,855
NET CASH (USED IN) / FROM FINANCING ACTIVITES		-1,376,476	-1,364,989
Net increase in cash and cash equivalents		63,062	-64,613
Cash and cash equivalents at beginning of year	21	752,849	786,098
Exchange (losses)/gains on cash and cash equivalents		-4,967	31,364
CASH AND CASH EQUIVALENTS AT END OF YEAR		810,944	752,849

NOTES TO THE CONOLIDATED STATEMENT

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and endorsed by the European Union (EU), and the additional Norwegian disclosure requirements following the Norwegian Accounting Act.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

1.2 Changes in accounting policies

There are no changes in, or new accounting standards that have had material effect for the Group's financial statement 2024.

Other amendments to standards

Other amendments to standards, issued but not yet effective, are either not expected to impact Hospitality Invest Consolidated financial statements materially or are not expected to be relevant to the Consolidated financial statements upon adoption.

1.3 Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount which reflects the consideration which the group expects to be entitled to in exchange for those goods or services. The group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customers.

As described below, the group has multiple revenue streams in accordance with the segment it operates in.

Care

The segment Care's revenue from contracts with customers mainly comprise of services delivered. The segment has assessed the following performance obligations to exist for the contract with customers:

Preschools

This is the operation of kindergartens and accounts for almost half of the revenue. The operation is based on municipal approval of the individual kindergarten where the company's revenue consists of payments from the municipalities and payment from parents. Both municipality and parental payments are based on regulations where grant rates are updated annually. The transaction price is based on an amount per child within different age groups and is based on periodically counts of the actual number of children attending the respective kindergarten. The parents apply and choose kindergarten. Parents may change kindergarten at short notice, in which way parental payments stop. Payments from municipalities can be changed in the event of major changes in activity during the year.

What is promised to the customer is a kindergarten offer in accordance with applicable laws and regulations and adopted frameworks. The customer receives and consumes the benefits of the services as the kindergarten fulfils the performance obligation. The performance obligation is the promise to transfer to the customer a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer. The revenue is recognized per day the kindergarten is open. Any adjustment in the number of children is a variable consideration that is allocated to the month in question. The company mainly receives grants from the municipalities in advance in the beginning of the quarter four times each year, which also implies that there are no contract balances of significance at year-end. Parental payments take place every month.

Care

This is the operation of nursing homes and patient hotels, as well as the provision of home care services and other practical assistance. The contracts related to the operation of nursing homes and patient hotels have a duration of 5-7 years. For the home care services, the contract duration is 3-5 years.

For the operation of nursing homes, fixed monthly operating grants are given based on the number of places for which the nursing home is dimensioned, regardless of whether the places are in use or not. There are different types of places, short-term and dementia. When entering into the contract, the number of places the nursing home is dimensioned for the different types, and this can be changed along the way. There is no minimum purchase beyond the agreed fixed monthly operating payments for nursing homes. For patient hotels, consideration is received based on actual occupancy, while for home care the consideration is determined based on the actual number of hours delivered.

The obligation to the customer is to provide the respective services within the framework and guidelines set by the municipality as the client and central health authorities. The agreement is met through the 24/7 operation of nursing homes and patient hotels, as well as through delivery of the number of hours actually requested by users within the framework agreements related to the home care services. The customer receives and consumes the benefits of the services as the company satisfies the performance obligations.

For nursing homes, the company stands ready every day to deliver according to the agreed capacity. Although the actual number of seats used may vary slightly from day to day, a place does not stand empty for long, and it is considered that the legal requirement is met for each day that passes, and revenue is recognized straight-line over the year.

For patient hotels and home care, there is no minimum purchase and no firm consideration. Everything is variable and the consideration can be attributed to the actual booking and the number of hours, which is also when the performance obligations are satisfied, and the revenue is recognized. In practice, for patient hotels and home care, revenue is recognized at an amount equal to the transaction price we are entitled to invoice (IFRS 15.B16). Invoicing takes place in arrears for the current month, which means that there are no contract balances of significance at year-end.

Integration services

This is the operation of asylum reception, performance of interpreting services and language teaching. The duration of the contracts related to the operation of the asylum reception is mainly 3 years. Interpreting services are mainly performed based on orders for individual assignments. For language teaching, access per course/course group is granted. Each course normally has a duration of one year.

For the operation of asylum reception, regular annual operating grants are given, and a variable part is paid based on the actual number of residents. The consideration for interpreting service is based on either a fixed hourly rate or price per word when translating document. For language teaching, a fee per course is received. What is promised to the customer is to operate the asylum centers in accordance with the current guidelines of the public authorities, the provision of interpreting services, as well as the implementation of training activities. The performance obligations are satisfied through the 24-hour operation of the asylum reception, through the provision of interpretive services based on actual demand and implementation of the course activities stipulated in the respective tenders.

The customer receives and consumes the benefits of the services as the company satisfies the performance obligations.
For asylum centers, the company stands ready to deliver 24 hours of services each day, against fixed consideration. We are in a serial assessment where every day is distinct, and the fixed consideration is recognized each day on a straight-line basis. In addition, there are variable considerations related to actual use. The variable consideration is allocated to actual use.

For the interpreting service there are small orders delivered over a short period. The interpreting service is recognized according to the hours performed or the number of words executed. In practice, revenue is recognized by an amount equal to the transaction price we are entitled to invoice (IFRS 15.B16). Consideration for courses is recognized as the courses are held. Courses make up an insignificant part of the revenue, and in practice the courses are assumed to be held evenly over the agreed period and are recognized accordingly. For the operation of the asylum centers, invoices is mainly for the current month. For interpreting service, the billing takes place within 30 days after delivery. As a general rule, when it comes to language teaching, 80% of the consideration is received at the start of the course. However, as it accounts for a small share of the segments' total activities, this does not provide any contract balances of significance at year-end.

Individual & Family

This is mainly the operation of childcare and child welfare services, including services associated with user-led personal assistance (BPA). Framework agreements for these services may run over several years. The user may choose a care place and have the option to change the selection after a period, a maximum of one year. There are framework agreements where the customer makes call-offs, and payment takes place according to actual use. There are minimum purchases in some agreements, mainly in child protection.

For the operation of care, the price is agreed per day/weekend for the number of places that are actually used. For child welfare services, it is agreed on a minimum purchase and a number of additional places to be available without purchase obligation. The price is agreed per place per day and varies depending on whether the space is within the minimum purchase or not and whether this space is actually used or not. For BPA, the framework agreement is entered into based on the number of hours granted by the municipality, where the consideration consists in price per hour actually delivered.

What is promised to the customer is to operate the service offering in accordance with applicable law and regulations. The performance obligation is satisfied through the 24-hour operation of care, as well as child welfare institutions. For BPA, the promise is satisfied through the delivery of actual requested hours. The customer receives and consumes the benefits as the company satisfies the performance obligation. For all services within the segment, the company stands ready to provide requested places or services every day, against variable consideration. The segment is in a serial assessment where every day is distinct, and the variable consideration is allocated to the actual use. Where there is a minimum purchase, consideration for the relevant 24/7 will be received at the relevant rates for the used and not used seats, and these are directly related to standing ready to deliver the relevant 24/7. In practice, the revenue is recognized by an amount equal to the amount the segment is entitled to invoice (IFRS 15.B16). Billing takes place both in advance and in arrears for the current month depending on the type of service, which implies that there are no contract balances of significance at year-end.

Staffing

The Staffing segments revenue mainly comprises of services delivered. Management has assessed the following performance obligations to exist for the contract with customers: sales of temporary staffing, permanent placements, training and consulting & outplacement services.

Temporary staffing

Revenues from temporary staffing are generally negotiated and invoiced on an hourly basis. The candidates record the hours they have worked and these hours at the rate agreed with the customer are accumulated and billed according to agreement with the customer. The rate includes the salary and salary-related employment cost for the candidate. Temporary staffing contracts can have a duration from less than one month to several years but can generally be terminated earlier by the customer according to an agreed notice period. The revenue from temporary staffing contracts is recognized over time upon rendering the service and in line with the segments right to invoice the customer.

Permanent placement

Revenue from permanent placements includes the fee received. This fee is generally a percentage of the candidate's remuneration. The revenues of these permanent placements are recognized on the completion of the service when the performance obligations are fulfilled, being, in principle, the signing date of the candidate. For "retained assignments", revenue is recognized on the completion of certain pre-agreed stages of the service, for which the fee is non-refundable.

Consulting and outplacement

Revenue from training and consulting and outplacement is recognized over time upon rendering the service. This can either be projects invoiced on an hourly basis or fixed price projects. Fees invoiced prior to providing services are deferred and recorded in Prepaid revenue until the services are rendered. Additionally, certain contracts may contain multiple performance obligations in which case the segment allocates revenue to each performance obligation based on the standalone selling prices generally determined based on the prices it would charge to other customers in similar circumstances.

Other operating revenue relates to revenue from activities outside the segments' main business.

Hotel Operations

Revenues related to hotel operations corresponds to all revenues received from guests. The services rendered (including room rentals, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

1.4 Segment reporting

Operating segments are defined and reported according to the group's internal reporting structure. The Company's ultimate decision maker is the board of directors, including the CEO. The board is responsible for allocating resources to each segment as well as monitor the performance within each segment. The principles used in the segment reporting is consistent with the principles used when preparing the financial statements. Transactions between segments are conducted on market terms.

1.5 Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group has not designated any of its financial assets as hedging instruments.

The Group's accounting policy for each category of financial assets is as follows:

a) Financial assets at amortised cost

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of contractual monetary asset. They are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets at amortised cost. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within other operating expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's Financial assets at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns. The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Business Combinations

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Any goodwill that arises is tested annually for impairment.

The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Business combinations 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. 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.

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.

Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable nets assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Investment in associates

Hospitality Invest Group has investments in associates, which are entities in which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associated are accounted for using the equity method of accounting, after initially being recognised at cost.

Transactions with related parties

Transactions with related parties are carried out with terms and conditions that are no more favourable than those available, or which might reasonably be expected to be available, in similar transactions between independent parties. Related parties are identified to be the key management personnel for the Group, shareholders, and associates.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

1.6 Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. None of the Group's financial liabilities are designated as hedging instruments.

The Group's accounting policy for each category is as follows:

a) Fair value through profit or loss

This category comprises derivatives. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purposes but may from time to time hold such position for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

b) Amortised cost

Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. Interest expense in this context includes initial transaction costs and premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost, are using the effective interest method.

1.7 IFRS 13 fair value measurement hierarchy

IFRS 13 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels. The inputs used to measure fair value in Hospitality Invest are according to Level 3 in the fair value hierarchy.

1.8 Leases

The Group as a lessee

The Group leases most of its preschools, offices, nursing homes, houses, and hotels, which represent future obligations for the Group. All material lease agreements are recognised in the statement of financial position as an interest-bearing debt. This also requires recognition of the corresponding asset as a right-of-use asset.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group recognises the lease payments as other operating expenses in the income statement when they incur.

Lease liabilities

The lease liability is recognised at the commencement date of the lease. The Group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option. Many of the Group’s lease contracts includes an option to prolong the lease. The Group has not included any such prolonging due to the uncertainty related to the long remaining lease. The Group presents its lease liabilities as separate line items in the statement of financial position.

Right-of-use assets

The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities.

Sale and leaseback transactions

The Group regularly transfer properties to third parties and lease it back. The Group has for all such transactions so far determined that the transfers shall be accounted for as sales according to the requirements in IFRS 15. The Group consequently measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Accordingly, the Group recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

1.9 Dividend and Group contribution

Proposed dividend and group contribution is not recognised as a liability until the Group has an irrevocable obligation to pay the dividend, which is normally after approval by the annual general assembly.

1.10 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. Expected useful economic is as follows:

Buildings	10-40 years
Furniture, fixtures and equipment	3-20 years

1.11 Provisions

The Group has recognised provisions for liabilities of uncertain timing or amount including those for warranty claims, leasehold dilapidations, potential earn-out and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate, value of money and risks specific to the liability. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate, value of money, and risks specific to the liability.

1.12 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily interchangeable items.

1.13 Retirement benefits

Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Defined benefit schemes

Defined benefit scheme surpluses and deficits are measured at: “the fair value of plan assets at the reporting date; less plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on high quality corporate bonds that have maturity dates approximating to the terms of the liabilities.

Actuarial gains and losses are recognized in other comprehensive income as they arise.

1.14 Current and deferred income taxes

Income tax expense comprises income taxes payable and deferred income tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such case, the tax is also recognised in other comprehensive income or directly in equity respectively. Current tax is calculated in accordance with the tax laws and regulations enacted or substantively enacted at the balance sheet date in the countries in which the Group’s subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax laws are subject to interpretation. Based on management’s assessment, a provision is made for expected tax payments when necessary.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:
the same taxable group company; or
different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

1.15 Cash flow statement

The cash flow statement is prepared using the indirect method. Cash flows from investing and financing activities are presented separately. Interest income and interest expenses are presented as part of investing and financing activities, respectively.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Such judgements and estimates are based on the facts and information available to the management of the Group. Changes in facts and circumstances may require the revision of previous estimates, and actual results could differ from these estimates.

Key sources of estimation uncertainty – critical accounting estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. The estimates considered to be most significant for the Group are set out below:

(a) Goodwill and intangible assets

Carrying values of goodwill and intangible assets with indefinite lifetime is reviewed for impairment annually or more frequently if there are indicators of a decrease in value below carrying amounts. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. More information including carrying values is included in note 10. Any significant modification of market conditions could translate into an inability to recover the carrying amounts of non-financial assets, and result in an impairment charge in the income statement.

(b) Useful lives of property, plant and equipment and intangible assets

Depreciation expenses are based on management's estimates of depreciation method, useful life and residual value. Estimates may change due to competition, changes in market conditions, geopolitical developments, climate change and other factors. Property, plant and equipment are depreciated to residual value over the asset's expected useful life on a straight-line basis. Useful life period for fixed assets is between 3 – 40 years. The Group amortizes intangible assets with a limited useful life using the straight-line method over the periods 5 – 20 years. More information is included in note 8 and note 9.

(c) Right-of-use-assets (ROU) and lease liability

Recognition of both ROU and lease liability require the choice of a discount rate in order to calculate the present value of the cash flows. More information on how the interest rate is estimated is included in note 17.

(d) Deferred tax assets

Deferred tax assets related to tax losses carried forward are recognised to the extent that expected future income for the respective company will be sufficient over the medium term to utilize those losses. This requires an estimate to be made of the expected future income of the company concerned. Estimates of future income tax may change over time, and this could result in changes to the carrying value of deferred tax assets. Further details of the recognised deferred tax assets are given in note 15.

e) Consideration of climate-related risks

Climate risk and resilience form an integral part of Hospitality Invest's strategic and active ownership approach. Governed by our Board and executive management, our strategy not only emphasizes active ownership but also integrates resilience across all levels of operation. Climate change poses physical and transitional risks for Hospitality Invest's businesses. As an investment company, Hospitality Invest AS the primary mitigation strategy is to continue to integrate sustainability in the Group's overall operation, continue to provide innovative solutions, while at the same time solving some of the larger tasks in society in a more efficient way. In addition, we strive to ensure that all portfolio companies are resilient to and aware of climate-related risks and opportunities. Both types of risks (transition and physical) are relevant to Hospitality Invest AS, but the primary climate-related risks for the company are concentrated within its portfolio investments, rather than in its own operations. While the direct impacts of climate risks on our operations have been minimal this year, the potential for future adverse effects remains a concern. These risks encompass regulatory changes and reputational challenges (transition risks) and are less about physical damage due to our operational nature and geographical footprint. Conversely, the global shift towards sustainable practices presents a unique opportunity, enhancing demand for our services and potentially benefiting our operations. We have made a separate report about the performance of the portfolio companies, which relates to the EU Taxonomy and which can be found at our website: https://hospitalityinvest.no/sustainability/

Critical judgements in applying the Group’s accounting policies

(a) Right-of-use-assets (ROU) and lease liability: lease term

Determining the lease term can involve significant judgement for lease contracts with extension or termination options, as an assessment of whether or not it is reasonably certain that the lease period will be extended is required. The broader economics of the contract and not only contractual termination payments are basis for such assessment. The Group leases most of its offices, hotels, preschools, nursing homes and houses. Lease agreements typically run for 10+ years within Care and Hotel segment and less for the other segments. Contracts normally include an option to prolong the lease. The Group does not include extension options in the length of the lease term due to the uncertainty related to the long remaining lease. Further details are given in note 17.

3. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price risk
- Liquidity risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Non-current receivables
- Cash and cash equivalents
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans
- Current investments
- Non-current investments

A summary of the financial instruments held by category is provided below:

Financial assets		Financial assets at fair value through profit or loss		Financial assets at amortised cost	
	Note	2024	2023	2024	2023
Cash and cash equivalents	21	-	-	810,944	752,849
Trade and other receivables	12	-	-	2,007,843	2,089,046
Market based investments *)	6	33,894	94,471	-	-
Investment in listed and un-listed shares		-	-	183,780	241,416
Other long term receivables**)	12,20	-	-	242,310	224,949
Total financial assets		33,894	94,471	3,244,877	3,308,261

*) This is mainly shares listed on Oslo stock Exchange and New York Stock Exchange. For fair value adjustment see note 6.

**) This is mainly long-term loans to related and associated parties.

Financial liabilities		Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	
	Note	2024	2023	2024	2023
Trade and other payables	16	-	-	2,768,877	2,827,886
Loans and borrowings	14	-	-	4,919,462	4,661,601
Total financial liabilities		-	-	7,688,339	7,489,487

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices.

A larger part of the Group's revenues are from public authorities. Credit risk related to these customers are minimal.

Credit risk is deemed to be part of the Group's overall commercial risk and is followed up as a part of its day-to-day operations. The Group has established procedures for credit assessment of both customers and suppliers. Historically, losses due to bad debts have been insignificant and today's level of credit risk is considered acceptable. Trade and other receivables are recognized at the original invoiced amount, less impairment losses. Impairment losses are evaluated on a "customer to customer" basis. Factoring is applied for a portion of the trade receivables. For trade receivables where the risk of non-payment is transferred to the factor, the trade receivables are derecognized when payment is received by the Group. For trade receivables where the Group still bears the risk non-payment the trade receivables are not derecognized until payment is received from the customer.

Credit risk also arises from deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Further disclosures regarding trade and other receivables are provided in note 12.

Market risk

Market risk arises from the Group's use of interest bearing and foreign currency financial instruments as well as from investments. It is the risk that the fair value or future cash flows of a financial instrument and investments will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Fair value and cash flow interest rate risk

The Group is exposed to cash flow interest rate risk from long-term borrowings at variable rate. The Group has currently no Group policy restricting the level of interest risk exposure. The level of interest risk is monitored centrally. Local operations are not permitted to borrow long-term from external sources without Group management consent. Although the board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

During 2024 and 2023, the Group's borrowings at variable interest rate were denominated in NOK and SEK.

Based on the various scenarios the Group has the possibility to manage its cash-flow interest rate risk by using floating-to-fixed interest rate swaps (quantitative disclosures are given in note 12). The Group has not pursued an active strategy in order to mitigate any interest rate risk. Normally the Group has raised long-term borrowings at floating rates and only to a minor extent swapped them into fixed.

Sensitivity

A change in the interest rate curve will result in a changed interest cost for the net exposure.

The effect on interest payments for a 0.5% change is presented below.

	Interest expense	Effect on P&L	Effect on Equity
Effect of a 0.5% increase	24,597	-19,186	-19,186
Effect of a 0.5% decrease	-24,597	19,186	19,186

Foreign exchange risk

The Group has operations in Norway, Sweden, Finland, Netherland and Poland, and is therefore exposed to fluctuations of foreign currency rates.

With regards to translational exposure, Hospitality Invest Group faces risk arising from the translation of subsidiaries whose functional currency differs from the presentation currency of the Group. Translational exposure does not give rise to an immediate cash effect, however as it may impact the Group's financials, it is closely monitored. The Group seeks to mitigate balance sheet exposure by funding assets with borrowing denominated in the same currency. The exposure related to equity of foreign subsidiaries is generally not hedged.

The Group is predominantly exposed to the SEK/NOK exchange rate as around 39% of revenues are generated in SEK. However, the Group has a corresponding share of costs in SEK and about 25,6% of its bonds is denominated in SEK, both representing natural hedges to the operations. The Group has a small but growing exposure to the EUR/NOK exchange rate as operations in the Netherlands and Finland are growing (note 4), however this represents a natural hedge to the growing investments. The Group is monitoring the exposure and currency protections measures may be allowed to prevent situations of financial distress, in those cases where the exposure cannot be effectively reduced by use of operational hedges.

The effect from the bond issued if the NOK/SEK currency change is presented below:

	Fx-effect	Effect on P&L	Effect on Equity
Effect of SEK weakens of 1.0% toward NOK	10,500	8,190	8,190
Effect of SEK strenghten of 1.0% toward NOK	-10,500	-8,190	-8,190

The Group is further exposed to the risk that medium/long-term trend shifts in exchange rates might affect its competitive position. This strategic currency exposure is regularly monitored, but as the exposure is currently relatively limited it is not actively hedged.

Other market price risk

There is no other significant marked risk exposure on financial instruments.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The liquidity risk of each Group entity is managed centrally by the Group treasury function. A major focus for the treasury function is to ensure that there is sufficient liquidity for downpayment on non-current borrowings when they are due. The Group treasury assesses the terms for borrowings on an ongoing basis, when needed the necessary adjustments are put into place.

As described in the Board of Director's report the Staffing segment experienced challenging market conditions during 2023, resulting in a need to raise capital in 2024. Group management is currently working on a plan to raise capital for a long-term sustainable financing for the segment. This plan involves a combination of alternatives including equity injection and seeking new borrowing facilities.

The following table sets out the contractual maturities of financial liabilities:

	Total	Between 1 and 12 mth	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
At 31 December 2024						
Loans and borrowings non-current	3,649,770	742,475	-8,229	334,793	2,352,316	228,415
Interest payment years 1 to 5	1,412,649	427,753	340,735	341,699	302,462	-
Lease liability	10,494,500	1,323,168	1,203,779	1,208,598	1,768,066	4,990,889
Trade and other payables	2,768,877	2,768,877	-	-	-	-
Loans and borrowings	1,269,692	1,269,692	-	-	-	-
Total	19,595,488	6,531,966	1,536,285	1,885,090	4,422,843	5,219,303

	Total	Between 1 and 12 mth	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
At 31 December 2023						
Loans and borrowings non-current	4,186,162	292,997	2,325,689	813,654	277,085	476,737
Interest payment years 1 to 5 (current NIBOR)	1,218,953	490,618	456,279	183,708	88,348	-
Lease liability	9,755,290	1,160,155	836,927	801,545	2,123,918	4,832,745
Trade and other payables	2,827,886	2,827,886	-	-	-	-
Loans and borrowings	475,439	475,439	-	-	-	-
Total	18,463,730	5,247,095	3,618,895	1,798,907	2,489,351	5,309,481

Capital Disclosures

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the debt to capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown in the consolidated statement of financial position) less cash and cash equivalents.

Due to market uncertainty, the Group's strategy is to preserve a strong cash base and achieve a sound and healthy equity to total capital ratio. The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating.

The debt-to-equity and debt-to-capital ratios at 31 December 2023 and at 31 December 2024 were as follows:

	2024	2023
Loans and borrowings	4,919,462	4,661,601
Less: cash and cash equivalents	810,944	752,849
Net interest bearing debt	4,108,518	3,908,751
Total equity	1,503,306	1,709,040
Total capital	18,067,962	17,452,421
Debt to equity ratio	2.7	2.3
Debt to capital ratio	0.2	0.2
Equity ratio (%)	8.3 %	9.8 %

4. SEGMENT INFORMATION, OPERATING REVENUE AND OTHER INCOME

The Group has four strategic divisions, which are its reportable segments. The segments are managed separately and reflects the internal reporting. In addition, there are owner cost at group level which are not allocated. The reportable segments are:

- Care; Norlandia Health & Care Group is a leading Nordic care service provider, active in the following operations; Preschool, Care, Integration Services and Individual & Family.
- Staffing; Otiga Group is a group of companies offering a complete range of staffing services within most major sectors in the Nordics.
- Hotel Operations; Norlandia Hotel Group is a company with long-term experience in hotel operations in Norway and Sweden that currently manages 24 hotels, of which 14 hotels in Norway and 10 in Sweden. Also includes Tanumstrand.
- Other consists of the Parent company Hospitality Invest and the majority of HI Capital's investments across several sectors and which are not included elsewhere, including several diversified investments.

The segments result is defined as operating result adjusted for IFRS 16. The ultimate decision maker is the Board of Directors, including the CEO. The Board and the CEO is responsible for allocating resources to each segment as well as monitor the performance within each segment. Eliminations consist of group eliminations.

2024	Care	Staffing	Hotel Operation	Other	Eliminated	Total
Operating revenue	11,700,132	2,681,736	1,616,237	1,604,497	-31,065	17,571,538
Other income	80,383	-2,034	36	2,801	-	81,186
Total operating revenue and other income	11,780,515	2,679,703	1,616,273	1,607,298	-31,065	17,652,724
Raw materials and consumables used	459,671	183,256	191,497	873,166	-13,832	1,693,760
Staff costs	8,435,576	2,296,737	609,317	571,297	-16,594	11,896,333
Depreciation, amortisation and write-downs	1,061,211	46,733	167,524	34,543	-	1,310,011
Other operating expenses	1,309,025	210,645	542,633	139,139	-639	2,200,804
Total operating expenses	11,265,484	2,737,372	1,510,972	1,618,145	-31,065	17,100,908
Share of post-tax profits from associates	-1,645	-	-	52,678	15,517	66,550
Profit from operations	513,386	-57,669	105,301	41,831	15,517	618,366
Finance income	144,725	5,361	-1,102	177,416	-95,610	230,789
Finance expense	-713,280	-110,287	-64,538	-341,106	214,495	-1,014,716
Net finance	-568,555	-104,925	-65,640	-163,691	118,885	-783,926
Profit before tax	-55,169	-162,595	39,661	-121,860	134,402	-165,560

2023	Care	Staffing	Hotel Operation	Other	Eliminated	Total
Operating revenue	10,696,424	3,040,270	1,251,383	910,125	-27,795	15,870,407
Other income	75,742	491	531	915	-	77,679
Total operating revenue and other income	10,772,166	3,040,761	1,251,914	911,040	-27,795	15,948,086
Raw materials and consumables used	351,190	210,142	157,507	284,894	-	1,003,733
Staff costs	7,639,998	2,488,723	494,612	476,263	-28,564	11,071,032
Depreciation, amortisation and write-downs	932,055	138,479	158,146	15,955	-	1,244,636
Other operating expenses	1,414,750	301,368	392,343	140,423	769	2,249,653
Total operating expenses	10,337,993	3,138,712	1,202,608	917,535	-27,795	15,569,053
Share of post-tax profits from associates	865	18,132	5,505	74,464	-47,239	51,727
Profit from operations	435,038	-79,819	54,811	67,968	-47,239	430,759
Finance income	133,653	18,466	14,392	179,945	-81,794	264,662
Finance expense	-615,735	-136,521	-58,131	-235,345	116,010	-929,722
Net finance	-482,082	-118,055	-43,739	-55,401	34,216	-665,060
Profit before tax	-47,043	-197,874	11,072	12,568	-13,023	-234,301

Operating revenues by geography	2024	2023
Norway	9,336,110	7,908,927
Sweden	6,308,708	6,391,574
International	1,850,616	1,694,825
Other / Elimination	76,104	-124,919
Total operating revenues by geography	17,571,538	15,870,407

2024	Care	Staffing	Hotel Operation	Other	Eliminated
Norway	42%	56%	88%	92%	0%
Sweden	42%	40%	12%	8%	0%
International	15%	4%	0%	0%	0%
Other / Elimination	1%	0%	0%	0%	100%
Total operating revenues by geography	100%	100%	100%	100%	100%

2023	Care	Staffing	Hotel Operation	Other	Eliminated
Norway	44%	47%	82%	85%	0%
Sweden	43%	48%	18%	15%	0%
International	14%	5%	0%	0%	0%
Other / Elimination	-1%	0%	0%	0%	100%
Total operating revenues by geography	100%	100%	100%	100%	100%

Other Income	2024	2023
Gain on sale of assets	88,888	100,750
Not recognised gain from sale leaseback booked as reduced ROU	-10,705	-24,755
Other	3,003	1,684
Total other income	81,186	77,679

Gain on sale of assets in 2024 and 2023 relates to sale and leaseback transactions of property acquired or developed. The assets subject to the transactions were buildings used in the Preschool and Individual & Family operation. In connection with the transactions several lease contracts were entered into. The lease terms are 15 years, with an option for extension of 10 more years.

5. STAFF COSTS AND OPERATING EXPENSES

	2024	2023
Staff costs (including directors) comprise:		
Wages and salaries	9,340,815	8,687,248
Defined contribution pension cost	464,363	458,986
Defined benefit pension cost (note 18)	56,846	7,156
Other benefits	208,201	191,898
Social security contributions and similar taxes	1,826,108	1,725,743
Total payroll and related costs	11,896,333	11,071,032
Number of employees full time equivalent (FTE)	16,204	18,007

Remuneration to senior management

2024	Wages	Pension	Other	Total
Kristian Adolfsen, COB	2,566	34	375	2,975
Roger Adolfsen, CEO	2,566	34	345	2,945
Total compensation	5,131	68	720	5,919
Fee to board members				0

2023	Wages	Pension	Other	Total
Kristian Adolfsen, COB	2,520	29	362	2,911
Roger Adolfsen, CEO	2,506	30	318	2,853
Total compensation	5,025	59	681	5,764
Fee to board members				330

Operating expenses

The following amounts have been recognised as other operating expenses during the period

	2024	2023
Audit	40,267	31,902
Rent and maintenance of premises	890,110	1,011,775
External services	164,273	148,524
Office and communication cost	174,848	151,208
Travel cost	165,375	170,649
Other operating cost	765,932	735,596
Total other operating expense	2,200,804	2,249,653

Audit fees

The following amounts have been recognised as audit fees and related services during the period

	2024	2023
Audit	35,502	28,394
Tax services	66	288
Attestation services	2,822	1,994
Other services	1,876	1,225
Total audit fees	40,267	31,902

6. FINANCE INCOME AND EXPENSE

Recognised in profit or loss	2024	2023
Finance income		
Interest received on bank deposits and receivables	44,481	58,551
Divendend from associated companies	20,235	27,569
Gain on disposal of shares	4,902	3,801
Other finance income	16,780	9,671
Total finance income	86,397	99,593
Finance expense		
Interest expense on financial liabilities measured at amortised cost	567,057	462,658
Lease liability - interest	306,933	254,372
Other financial expenses	-54,100	18,930
Changes in fair value of market-based investments	54,511	24,582
Total finance expense	874,401	760,541
Net foreign exchange gain / (-)loss	4,078	-4,113
Net finance income recognised in profit or loss	-783,926	-665,060

7. TAX EXPENSE

	2024	2023
Current tax expense		
Current tax on profits for the year	75,122	68,926
Adjustment for under provision in prior periods	-1,859	2,965
Total current tax expense	73,263	71,891
Deferred tax expense		
Origination and reversal of temporary differences (Note 15)	-55,561	-55,391
Total deferred tax expense	-55,561	-55,391
Income tax profit / expense	17,702	16,501

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in Norway applied to profits for the year are as follows:

	2024	2023
Profit for the year	-183,262	-250,802
Income tax expense	17,702	16,501
Profit before income taxes	-165,560	-234,301
Expected tax charge based on the standard rate of Norwegian corporation tax at the domestic rate of 22/22 %	-36,423	-51,546
Tax effect of share of post-tax profits of associated companies	-14,641	-11,380
Change in tax rate for deferred tax	11,741	-
Change in unrecognized deferred tax assets	-39,231	93,287
Permanent differences *)	32,885	-14,754
Effect of different tax rates foreign subsidiaries.	-13,995	3,570
Effect of unrecognized deferred tax assets in an asset acquisition	77,367	-2,676
Total tax expense	17,702	16,501

*) Permanent differences relate to fair value adjustment of market-based shares, dividend received and gain on disposal of shares.

8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Work in progress	Furniture, fixtures and equipment	Total
At 1 January 2023				
Cost	878,478	46,027	943,992	1,868,497
Accumulated depreciation	-260,464	-	-571,783	-832,247
Net book amount	618,014	46,027	372,210	1,036,251
Year ended 31 December 2023				
Opening book amount	618,014	46,027	372,210	1,036,251
Exchange differences	6,162	-155	5,694	11,700
Business combination	273,213	-	10,910	284,123
Additions	100,565	36,115	145,762	282,442
Disposals	-305,162	-26,514	-7,106	-338,782
Depreciation	-24,355	-	-99,802	-124,157
Impairment revaluation*	-	-	-31	-31
Reclassification	-9,481	-12,564	22,045	-
Closing net book amount	658,956	42,909	449,682	1,151,547
At 31 December 2023				
Cost	943,775	42,909	1,121,266	2,107,950
Accumulated depreciation	-284,819	-	-671,584	-956,403
Net book amount	658,956	42,909	449,682	1,151,547
Year ended 31 December 2024				
Opening book amount	658,956	42,909	449,682	1,151,547
Exchange differences	4,266	803	1,547	6,616
Business combination	44,692	-	-	44,692
Additions	164,176	72,001	98,779	334,956
Disposals	-180,626	-52,361	-4,660	-237,647
Depreciation	-25,090	-	-106,475	-131,565
Impairment revaluation*	-	-3,006	-	-3,006
Reclassification	8,770	-7,224	-1,545	1
Closing net book amount	675,144	53,122	437,328	1,165,594

	Land and buildings	Work in progress	Furniture, fixtures and equipment	Total
At 31 December 2024				
Cost or fair value	985,053	53,122	1,215,387	2,253,562
Accumulated depreciation	-309,909	-	-778,059	-1,087,968
Net book amount	675,144	53,122	437,328	1,165,594
Useful life	10-40 years		3-30 years	
Depreciation method	Linear		Linear	

9. INTANGIBLE ASSETS

	Goodwill	Customer contracts	Trade-marks	Other intangible assets	Total
At 1 January 2023					
Cost or fair value	2,438,578	845,649	360,218	145,807	3,790,253
Accumulated amortization	-7,538	-400,745	-5,554	-105,020	-518,856
Net book amount	2,431,041	444,904	354,664	40,787	3,271,397
Year ended 31 December 2023					
Opening book amount	2,431,041	444,904	354,664	40,787	3,271,397
Additions	90,302	239	1,669	26,321	118,531
Disposal	-67,414	-	-14	-2,596	-70,024
Business combinations	1,110,840	-	-	6,390	1,117,230
Exchange differences	78,992	2,950	4,970	812	87,724
Amortization	-	-43,096	-786	-12,265	-56,146
Impairment loss	-55,343	-14,680	-23,193	-	-93,216
Closing net book amount	3,588,418	390,318	337,310	59,450	4,375,496

	Goodwill	Customer contracts	Trade-marks	Other intangible assets	Total
At 31 December 2023					
Cost or fair value	3,651,299	848,838	366,843	176,734	5,043,715
Accumulated amortization and impairment loss	-62,881	-458,521	-29,533	-117,284	-668,219
Net book amount	3,588,418	390,318	337,310	59,450	4,375,496
Year ended 31 December 2024					
Opening book amount	3,588,418	390,318	337,310	59,450	4,375,496
Additions	6,026	-	1,039	23,252	30,317
Disposal	-1,346	-253	-2,491	-	-4,090
Business combinations	-	-	-	-	-
Exchange differences	41,911	27	-	826	42,764
Amortization	-	-42,833	-786	-16,037	-59,655
Impairment loss	-	-	-	-	-
Closing net book amount	3,635,010	347,258	335,072	67,491	4,384,831
At 31 December 2024					
Cost or fair value	3,697,891	848,612	365,391	200,812	5,112,706
Accumulated amortization and impairment loss	-62,881	-501,353	-30,319	-133,321	-727,875
Net book amount	3,635,010	347,258	335,072	67,491	4,384,831

Current estimates of useful economic life of intangible assets are as follows:

Goodwill	Indefinite
Other intangible assets	5 -20 years

10. GOODWILL AND IMPAIRMENT

Goodwill result from business combinations and mainly relates to strategic investments in order to strengthen the platform for the
provided services within the Group. At acquisition, goodwill, trademarks, customer contracts and other intangible assets are allocated to the group of cash generating units to which they relate to, as specified below. Cash generating units are the different operating segments which represents the lowest level at which the goodwill is monitored for internal management purposes. The operating segments are the same as the reporting segments, as described in note 4. The managing directors within a segment operate across countries to provide synergies and provide business opportunities between countries.

Impairment testing for reporting segments
The material amount of goodwill, trademarks, customer contracts and other intangibles is allocated as follows between four segments:

2024	Goodwill	Trademarks	Customer contracts	Other Intangible assets	Total Intangible assets
Care	3,217,658	173,196	275,584	54,899	3,721,338
Staffing	396,554	159,545	64,429	12,202	632,730
Hotel	15,294	198	-	360	15,852
Other/ Eliminations	5,504	2,072	7,245	91	14,912
Total intangible assets	3,635,010	335,010	347,258	67,552	4,384,831

2023	Goodwill	Trademarks	Customer contracts	Other Intangible assets	Total Intangible assets
Care	3,175,224	173,196	299,705	49,841	3,697,966
Staffing	392,651	159,489	83,368	9,273	644,780
Hotel	24,422	81	-	299	24,802
Other/ Eliminations	-3,879	4,543	7,245	38	7,947
Total intangible assets	3,588,418	337,310	390,318	59,450	4,375,496

IMPAIRMENT TEST FOR THE CARE SEGMENT

The managing directors within a segment operate across countries and businesses within a segment which is considered to be integrated. Assets are allocated to the identified reporting segments.

Goodwill and trademarks are allocated as follows between four operating segments in the Care segment:

Specification of goodwill	2024	2023
Preschools	1,208,025	1,187,427
Care	582,470	579,270
Integration services	128,979	128,653
Individual & family	1,298,185	1,279,875
Total goodwill	3,217,658	3,175,224

Specification of trademarks	2024	2023
Preschools	118,463	118,463
Care	29,616	29,616
Integration services	-	-
Individual & family	25,117	25,117
Total trademarks	173,196	173,196

Cash flow projections and assumptions
The Care segments management reviews the carrying value of the cash generating units annually or more frequent if there is an indication that an asset may be impaired. A value in use approach is used to determine recoverable amount. Reviews are based on comparing the net present value (NPV) of projected future cash flows with the carrying value of the assets considering circumstances which could affect the asset value. The NPV is calculated by discounting estimated cash flows for the next five years based on the companies' updated forecast/budget for the coming year and the management's projection for the next four years based on economic prognoses. Expected future cash flows are based on forecasted EBITDA deducted for capital expenditures, tax effects on operating profit and changes in net working capital. Subsequently the terminal value is used, calculated by Gordon's model.

The total required rate of return used to discount cash flows is calculated as a weighted average return on equity and the required rate of return of interest-bearing debt. The input data of the discount rate was chosen by individual assessment of each parameter. Information from representative sources, peer groups etc. was used to determine the best estimate. This calculation utilises an estimate of the risk-free interest rate, risk premium, beta and the liquidity premium.

The majority of the Care segments revenues are tightly linked with development in the general cost inflation and wage settlements in the countries we operate, although with a lag effect as prices normally are adjusted 1-2 years after the cost increases occur. Consequentially, EBITDA can fluctuate in periods with unstable inflation, but over time we regard these effects to be neutralized to a great extent. Further, most of our operations have price models depending on occupancy, and based on thorough demographical analysis in all areas, we see an overall great demand for our services. Personnel costs account for the majority of the Care segments cost base, and usually contractually fixed with our counterparties. Through frequent reviews, we monitor that both staffing ratios and salary levels are in accordance with contractual requirements to deliver high quality and sustainable profitability. Maintenance related capital expenditure is constantly monitored and through systematically follow-up, we have a strong understanding on future needs in terms of capital expenditure related to our lease contracts.

For the fiscal years 2024 and 2023 the value in use for the cash generating units are based on the following key assumptions:

2024	Prechools	Care	Integration Services	Individual & Family
Growth rate	2.0 %	2.0 %	2.0 %	2.0 %
Discount rate after tax	7.3 %	7.3 %	7.3 %	7.3 %

2023	Prechools	Care	Integration Services	Individual & Family
Growth rate	2.0 %	2.0 %	2.0 %	2.0 %
Discount rate after tax	6.8 %	6.8 %	6.8 %	6.8 %

The Care segment has in the calculations applied estimated cash flows after tax and corresponding discount rate after tax. The recoverable amounts would not change significantly if pre-tax cash flows and pre-tax discount rate had rather been applied.

Sensitivities

The Care segment has carried out sensitivity analysis by considering changes in EBITDA and discount rates to test whether changes in key assumptions would result in impairment. These are considered the most important assumptions for the long-term expectations. The management's present plans and forecasts as well as the market's expectations have also been taken into consideration.

The long-term assumptions are assessed on an ongoing basis and the assumptions applied in future impairment tests may vary from those applied for the fiscal year 2024. The Care segment has a continuously review process, which includes sensitivity analysis and analysis of actual results achieved compared to long-term assumptions, to assess whether the long-term base case assumptions continue to correctly reflect expectations.

The following sensitivity analysis were carried out to test whether changes in key assumptions would result in an impairment (decline in cash flows, increase in discount rate):

2024	Prechools	Care	Integration Services	Individual & Family
Changes in cash flows	46.0 %	22.0 %	62.0 %	100.0 %
Changes in discount rates	4.8 %	1.6 %	11.5 %	6.5 %

2023	Prechools	Care	Integration Services	Individual & Family
Changes in cash flows	56.9 %	25.7 %	83.3 %	99.9 %
Changes in discount rates	6.6 %	1.5 %	32.7 %	3.5 %

Impairment - test result and conclusion:

Based on this analysis, management believes that there is no need for impairment of the carrying value of goodwill and other intangible assets as of 31 December 2024. As the conclusion is somewhat sensitive for changes in the parameters for the business area Care, the development in this business area will be monitored closely each quarter the following year. At the same time the Board of Directors are comfortable with the level of recognized goodwill and the expected development for the Care business going forward. The carrying value of goodwill for the business area Care was NOK 582.5 million on 31 December 2024 (NOK 579.3 million 31 December 2023).

IMPAIRMENT TEST FOR THE STAFFING SEGMENT

Cash flow projections and assumptions

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets for which separate cash in-flows are identifiable; its cash generating units ('CGUs'). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

For purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Goodwill is presented per operating segments and each segment consists of the following CGUs:

Norway; Personalhuset Staffing Group AS, Assessit Holding AS, On-off Bemanning AS, Vinde Tilkomstteknikk AS and Mojob Norge AS
Denmark; Personalhuset Staffing Group A/S and Active Search A/S

Sweden; Aktiebolaget Söder & Co Förvaltning (Group), Clockwork Holding AB

Finland; Personalhuset Staffing Group OY, Aaltovoima OY and Aaltovoima Logistiikka OY is combined to one CGU - Folka

Goodwill for each	2024	2023
Norway	329,153	326,359
Sweden	66,054	65,008
Finland	1,040	991
Denmark	307	293
Total goodwill	396,554	392,651

When estimating future cash flows, five years of cash flows in the period 2025 to 2029 have been used as basis. A growth rate of 2% has been applied to calculate terminal value after the five-year period.

The required rate of return was calculated by using WACC. The input data of the WACC was chosen by individual assessment of each parameter. Information from representative sources and peer groups was used to determine the best estimate. The following parameters were applied:

2024	Norway	Sweden	Denmark	Finland
Growth rate	2.3 %	-5.8 %	-45.5 %	-32.5 %
Discount rate after tax	13.2 %	14.4 %	14.3 %	16.9 %

2023	Norway	Sweden	Denmark	Finland
Growth rate	2.0 %	2.0 %	2.0 %	2.0 %
Discount rate after tax	13.2 %	14.4 %	14.3 %	16.9 %

Sensitivity analysis
The outcome of impairment testing is sensitive to variations in estimates and assumptions. For the CGUs the following sensitivity analysis were carried out to test whether changes in relevant parameters would influence the conclusion. The following changes would be necessary to change the conclusions:

2024	Norway	Sweden
Decline in operating margin (%-points)	0.10	1.04
Reduction of growth rate (%-points)	1.10	4.9
Increase in discount rate (%-points)	2.36	2.79

2023	Norway	Sweden
Decline in operating margin (%-points)	1.92	3.70
Reduction of growth rate (%-points)	9.45	18.80
Increase in discount rate (%-points)	9.35	17.57

The table below shows what impact a change of -1.0 %-points in any of the assumptions will have on the impairment.

	Key assumptions	Change in %-point	Total impairment	Change in impairment
Impairment 2024			0	
Decline in operating margin	4,9 %	-1,0 %	-45,837	-45,837
Reduction of growth terminal rate	2,0 %	-1,0 %	0	0
Increase in discount rate	12,6 %	1.0 %	0	0

Impairment - test result and conclusion:
The impairment test performed identified no need for impairment of the Group CGU's.

11. SUBSIDIARIES AND ASSOCIATES

List of subsidiaries

The subsidiaries of Hospitality Invest AS, all of which have been included in these consolidated financial statements, are as follows:

Name	Country of incorporation	Place of office	Ownership interest 2024	Ownership interest 2023
Norlandia Hotel Group AS	Norge	Oslo	100.0 %	100.0 %
HI Capital AS	Norge	Oslo	100.0 %	100.0 %
Norlandia Drift AB	Sverige	Tanum	100.0 %	100.0 %
Skottet Fastighets AB	Sverige	Malmö	100.0 %	100.0 %
Norlandia Health & Care Group AS	Norge	Oslo	97.0 %	97.0 %
Otiga Group AS	Norge	Oslo	78.3 %	69.8 %
Subsidiaries of Subsidiaries - Norlandia Health & Care Group AS 100 % interest				
NHC Eiendom AS	Norway	Oslo	100.0 %	100.0 %
Norlandia Care Group AS	Norway	Bodø	100.0 %	100.0 %
Kidsa Drift AS	Norway	Bergen	100.0 %	100.0 %
Hero Group AS	Norway	Stavanger	100.0 %	100.0 %
Aberia AS	Norway	Oslo	100.0 %	100.0 %
Care Properties AS	Norway	Oslo	100.0 %	100.0 %
NHC Services AS	Norway	Oslo	100.0 %	100.0 %
NH Europe Holding AS	Norway	Oslo	100.0 %	100.0 %
Brado AB	Sweden	Tanumshed	100.0 %	100.0 %
Material operating companies within Norlandia Health & Care Group				
Norlandia Förskolor AB	Sweden	Stockholm	100.0 %	100.0 %
Kids2Home Förskolor AB	Sweden	Stockholm	100.0 %	100.0 %
Norlandia Päiväkodit Oy	Finland	Helsinki	100.0 %	100.0 %
Norlandia Care Norge AS	Norway	Oslo	100.0 %	100.0 %
Norlandia Hjemmeomsorg AS	Norway	Oslo	100.0 %	100.0 %
Norlandia Care AB	Sweden	Stockholm	100.0 %	100.0 %
Hero Norge AS	Norway	Stavanger	100.0 %	100.0 %
Aberia Ung AS	Norway	Moss	100.0 %	100.0 %
Aberia Omsorg AS	Norway	Moss	100.0 %	100.0 %
Aurora Omsorg AS	Norway	Moss	100.0 %	100.0 %
Frösunda Omsorg AB	Sweden	Stockholm	100.0 %	100.0 %
Norlandia Äldreomsorg AB	Sweden	Stockholm	100.0 %	100.0 %
Svenska Kunskapsförskolan Koncept AB	Sweden	Skene	100.0 %	100.0 %
Hero Tolk AS	Norway	Stavanger	100.0 %	100.0 %
Norlandia Kinderopvang Zuid B.V.	Netherlands	Utrecht	100.0 %	100.0 %
Agito Sverige AB	Sweden	Malmö	100.0 %	100.0 %
Norlandia Preschools AS	Norway	Oslo	100.0 %	100.0 %
Norlandia Kinderopvang Rotterdam BV	Netherlands	Rotterdam	100.0 %	100.0 %
Norlandia Health & Care Group Services AB	Sweden	Skene	100.0 %	100.0 %
Norlandia Polska Sp. z.o.o	Poland	Warsaw	100.0 %	100.0 %
Hero Services gGmbH	Germany	Berlin	100.0 %	100.0 %
Frösunda Omsorg i Uppland AB	Sweden	Stockholm	100.0 %	100.0 %
Norlandia Care Kuopio OY	Finland	Kuopio	100.0 %	100.0 %
Frösunda LSS AB	Sweden	Stockholm	100.0 %	100.0 %
Norlandia Care Malminkartano OY	Finland	Helsinki	100.0 %	100.0 %
Aberia Personlig Assistans AB	Sweden	Skene	100.0 %	100.0 %
Enskilda Sjukhemmet Solliden AB	Sweden	Skene	100.0 %	100.0 %
Norlandia Päiväkodit Jyvässeutu Oy	Finland	Espoo	100.0 %	100.0 %
Hero Zukunft GmbH	Germany	Berlin	100.0 %	100.0 %
Frösunda Personlig Assistans AB	Sweden	Malmö	100.0 %	100.0 %
Subsidiaries of Subsidiaries - Otiga Group AS 78.25 % interest				
Personalhuset Staffing Group AS	Norway	Oslo	100.0 %	100.0 %
Otiga Sverige AB	Sweden	Stockholm	100.0 %	100.0 %
Personalhuset Staffing Group OY	Finland	Helsinki	100.0 %	100.0 %
Otiga Group Management AS	Norway	Oslo	100.0 %	100.0 %
Personalhuset Service Management AS	Norway	Oslo	100.0 %	100.0 %
Folka Etelä OY	Finland	Espoo	100.0 %	100.0 %
Aaltovoima Logistiikka OY	Finland	Espoo	100.0 %	100.0 %
Otiga Finland OY	Finland	Espoo	100.0 %	100.0 %
Active Search A/S	Denmark	Copenhage	100.0 %	100.0 %
Agito E-Helse AS	Norway	Kristiansand	100.0 %	100.0 %
Vinde Tilkomstteknikk AS	Norway	Trondheim	100.0 %	100.0 %
Mojob AS	Norway	Trondheim	92.5 %	92.5 %
Assessit Holding AS	Norway	Oslo	51.0 %	51.0 %
On Off Bemanning AS	Norway	Bergen	51.0 %	51.0 %
Otiga Invest AS	Norway	Oslo	100.0 %	100.0 %

Otiga Digital AS	Norway	Oslo	100.0 %	100.0 %
Evolutio AS	Norway	Oslo	77.8 %	55.6 %
Personalhuset Ringnes AS	Norway	Oslo	100.0 %	100.0 %
Aktiebolaget Söder & Co Förvaltning AB **	Sweden	Borås	54.1 %	25.6 %

*** 87,7 % of the voting rights*

Subsidiaries of Subsidiaries - Norlandia Hotel Group AS 100.0 % interest				
Airport Hotelldrift AS	Norway	Ullensaker	100.0 %	100.0 %
Horten Hotelldrift AS	Norway	Borre	100.0 %	100.0 %
Karl Johan Hotellinvest AS	Norway	Oslo	100.0 %	100.0 %
Kristiansand Hotelldrift AS	Norway	Kristiansand	100.0 %	100.0 %
Levanger Hotelldrift AS	Norway	Levanger	100.0 %	100.0 %
Lofoten Hotelldrift AS	Norway	Leknes	100.0 %	100.0 %
Måløy Hotelldrift AS	Norway	Måløy	100.0 %	100.0 %
Narvik Hotelldrift AS	Norway	Narvik	100.0 %	100.0 %
Otta Hotelldrift AS	Norway	Sel	100.0 %	100.0 %
Spjelkavik Hotelldrift AS	Norway	Ålesund	100.0 %	100.0 %
Viking Hotelldrift AS	Norway	Oslo	100.0 %	100.0 %
NHG Management AS	Norway	Oslo	100.0 %	100.0 %
NHG Development AS	Norway	Oslo	100.0 %	100.0 %
Norlandia Drift AS	Norway	Oslo	100.0 %	100.0 %
Avesta Hotelldrift AB	Sweden	Avesta	100.0 %	100.0 %
Kalmarsund Hotell AB	Sweden	Kalmarsund	100.0 %	100.0 %
Köping Hotelldrift AB	Sweden	Köping	100.0 %	100.0 %
Ronneby Hotell AB	Sweden	Ronneby	100.0 %	100.0 %
Strand Hotell Borgholm AB	Sweden	Borgholm	100.0 %	100.0 %
Jönköping Hotelldrift AB	Sweden	Jönköping	100.0 %	100.0 %
Sverigeråd i Eskilstuna AB	Sweden	Eskilstuna	50.0 %	50.0 %
Klosterkungen Hotel och Restaurang AB	Sweden	Jönköping	50.0 %	50.0 %
Restaurant Entré AB	Sweden	Helsingborg	50.0 %	50.0 %
Up North Hospitality AS	Norway	Oslo	90.1 %	90.1 %

Subsidiaries of Subsidiaries - HI Capital AS 100.0 % interest				
Kidprop AS	Norway	Oslo	100.0 %	100.0 %
Scandia Healthcare AS	Norway	Oslo	100.0 %	100.0 %
Carafin AS	Norway	Oslo	100.0 %	100.0 %
Scandinavian Care Support AB	Sweden	Tanumshed	100.0 %	100.0 %
Ifront Kompetanse AS	Norge	Oslo	52.6 %	52.6 %
B-G Entreprenør AS	Norway	Mo i Rana	0.0 %	100.0 %
Studio City Norway AS	Norway	Oslo	90.1 %	90.1 %
Advisory Group AS	Norway	Oslo	66.7 %	66.7 %
Campr AS	Norway	Oslo	66.6 %	66.3 %
Haneseth AS	Norway	Bodø	51.9 %	51.9 %

Subsidiaries of Subsidiaries - Skottet Fastighets AB 100.0 % interest				
Älvbäck Fastighets AB	Sweden	Malmö	100.0 %	100.0 %

Restrictions on dividends

Norlandia Health & Care Group AS

Subject to Incurrence Tests of net debt to EBITDA (<3.25x1)

Otiga Group AS

No dividend allowed without acceptance from the lending bank (Collector Bank)

Associated companies

Voss Resort AS	39.9 %	37.2 %
Pioneer Property Group ASA *	32.6 %	32.6 %
Miliarium Bolig AS	24.2 %	24.2 %
Hotell Stormen AS	33.3 %	33.3 %

** 34.97 % including HI Capital AS share of ordinary shares*

Associates in HI Capital (Subgroup):

	2024	2023
Caracap AS	42.1 %	49.1 %
Kvitfjell Prosjektutvikling AS	31.0 %	31.0 %
Caravan Eiendom Ålgård AS	50.0 %	50.0 %
GHT Eiendom AS	33.0 %	33.0 %
Pioneer Investment AB	26.6 %	26.6 %
Winn Hotel Group AB	41.3 %	41.3 %
Explore Andøy AS	33.2 %	28.7 %
AAP Group AS	50.0 %	50.0 %
Elywhere AS	32.4 %	28.5 %
Bavallen Eiendom AS	50.0 %	50.0 %

Material associated companies 2024	Caracap AS	PPG ASA
Revenue	895,110	134,810
Profit and loss from continuing operations	-97,297	118,119
Other comprehensive income		
Total comprehensive income	-97,297	118,119
Non-current assets	39,642	3,132,917
Current assets	507,577	393,259
Total assets	547,219	3,526,176
Equity	-33,335	1,268,941
Non-current liabilities	31,725	1,967,186
Current liabilities	548,829	290,050
Total equity and liabilities	547,219	3,526,176

Material associated companies 2023	Caracap AS	PPG ASA
Revenue	933,169	126,182
Profit and loss from continuing operations	-79,773	25,037
Other comprehensive income		4,443
Total comprehensive income	-79,773	29,480
Non-current assets	47,099	2,290,068
Current assets	541,046	283,743
Total assets	588,145	2,573,811
Equity	32,698	1,283,583
Non-current liabilities	15,195	972,361
Current liabilities	540,252	317,867
Total equity and liabilities	588,145	2,573,811

Investment in associated companies	2024	2023
Investment in associates as of 01.01	741,285	720,372
Share of post-tax profits of associates	13,872	-25,188
Gain / Loss on disposal of shares in associates	52,678	76,915
Transfers to subsidiaries		
Dividends received	-9,474	-11,537
Disposal of investments in Associates	-74,850	-102,206
Investments in associates	108,249	82,929
Investment in associates as of 31.12	831,760	741,285

Investment in non-controlling interests	2024	2023
Profit non-controlling interests Care segment	9,136	-3,333
Profit non-controlling interests Staffing segment	52,972	53,275
Profit non-controlling interests Other segment	-21,607	-17,656
Profit non-controlling interests as of 31.12	40,502	32,286
Non-controlling interests Care segment	16,357	27,181
Non-controlling interests Staffing segment	60,862	103,840
Non-controlling interests Other segment	56,027	40,045
Non-controlling interests as of 31.12	133,246	171,066

12. TRADE AND OTHER RECEIVABLES

	2024	2023
Trade receivables	1,275,035	1,400,647
Less: provision for impairment of trade receivables	-48,607	-45,074
Trade receivables - net	1,226,428	1,355,573
Prepaid expenses	289,221	288,201
Other receivables	835,716	717,043
Total financial receivables classified as loans and receivables	2,351,364	2,360,817

	2024	2023
Total trade and other receivables	2,351,364	2,360,817
Less: non-current portion - Loan to associates	-101,211	-46,964
Less: non-current portion - Loan to related parties	-195,488	-172,486
Less: non-current portion - Loan to others	-46,823	-52,320
Current portion	2,007,843	2,089,046

The fair values of trade and other receivables classified as loans and receivables are not materially different to their carrying values.

The Group does not hold any collateral as security.

Movements on the Group provision for impairment of trade receivables are as follows:

	2024	2023
At 1 January	-45,074	-49,705
Provided during the year	-2,316	-4,495
Receivable written off during the year as uncollectible	-	-
Reversal of provisions prior years	-1,217	9,126
At 31 December	-48,607	-45,074

Other classes of financial assets included within trade and other receivables.

Aging analysis on trade receivables

	2024	2023
Not due (less than 30 days)	1,153,876	1,197,154
30-60 days	11,967	119,305
60-90 days	6,321	42,525
More than 90 days	102,871	41,663
	1,275,035	1,400,647

13. SHARE CAPITAL, SHAREHOLDERS AND RESERVES

Share capital

	2024	2023
Ordinary shares	346,844,104	346,844,104
Own shares	740,741	740,741
Total Share capital (NOK)	24,279,087	24,279,087
Own shares (NOK)	-51,852	-51,852

Shareholders - 31 December 2024:	Number of shares	Interest	Face value	Share capital
Klevenstern AS	134,955,547	38.91%	0.07	9,446,888
Mecca Invest AS	134,935,547	38.90%	0.07	9,445,488
Abros Invest AB*	53,628,511	15.46%	0.07	3,753,996
Kronhjorten AS	4,000,000	1.15%	0.07	280,000
J J K Invest Norge AS	2,888,427	0.83%	0.07	202,190
Pioneer Property Group AS	2,513,727	0.72%	0.07	175,961
Norlandia Holding AS	1,900,000	0.55%	0.07	133,000
Athos AS	1,456,735	0.42%	0.07	101,971
Adolfsen Consult AS	1,333,335	0.38%	0.07	93,333
Kasco Invest AS	816,512	0.24%	0.07	57,156
Kenco Invest AS	816,512	0.24%	0.07	57,156
Krico Invest AS	816,512	0.24%	0.07	57,156
Berrykate AS	814,512	0.23%	0.07	57,016
Maggieberry AS	814,512	0.23%	0.07	57,016
Own shares	740,741	0.21%	0.07	51,852
Other shareholders	4,412,974	1.27%	0.07	308,908
	346,844,104	100.00%		24,279,087

*Kristan and Roger Adolfsen have 50/50 voting rights in Abros Invest AB

Board members controlles the following number of shares (RL § 7-26)

		Number of shares	Interest
Kristian A. Adolfsen (Klevenstern AS)	COB	161,769,803	46.64%
Roger Adolfsen (Mecca Invest AS)	Board member/CEO	161,749,803	46.63%
Johnny R. Sundal (Sundal Invest AS)	Board	432,672	0.12%
		323,952,277	93.40%

14. LOANS AND BORROWINGS

The book value and fair value of loans and borrowings are as follows:

	Book value 2024	Fair value 2024	Book value 2023	Fair value 2023
Non-current				
Bond loans	2,299,688	2,299,688	2,920,187	2,920,187
Bank loans	1,100,354	1,100,354	1,025,675	1,025,675
Other non-current liabilities	249,908	249,908	240,299	240,299
Total non-current	3,649,951	3,649,951	4,186,162	4,186,162
Current				
Bond loans	700,000	700,000	-	-
Bank loans	491,140	491,140	362,542	362,542
Other current liabilities	78,552	78,552	112,896	112,896
Total current	1,269,692	1,269,692	475,439	475,439

The currency profile of the Group's loans and borrowings is as follows:

(Currency in NOK)

	2024	2023
NOK	3,845,311	3,553,598
SEK	1,074,331	1,108,003
Total	4,919,642	4,661,601

Borrowings as of 31.12.2024		Due date	Amount
Bond Norlandia Health & Care Group 21/25	NIBOR/STIBOR +5.5%	06/2028	2,352,984
Debt to Husbanken (NHC)	NOWA + margin	2050	392,807
Personalhuset (Otiga) Norion Bank	3 months NIBOR +6.5%	06/2026	287,375
HI Capital Helgeland Sparebank	3 months NIBOR +5.5%	11/2027	284,850
Haneseth AS DNB	3 months NIBOR +3.5%	01/2025	75,064
Non-current debt to banks			60,258
Other long-term debt			196,612
Total non-current debt			3,649,951
Current portion of debt to banks			1,269,692
Total current debt			1,269,692

In June 2024, Norlandia Health & Care 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 bond issue is split into a subsequent issue of NOK 1 250 million in the NOK-tranche (ISINs NO0013266676), and a subsequent issue of SEK 1 050 million in the SEK-tranche of the bond (ISINs NO0013266684). The previous senior secured bond was fully repaid in July 2024. As per December 2024 MNOK 31.1 were unamortized borrowing costs (31 December 2023 MNOK 14.1). Subsidiaries are pledged as collateral together with a majority of material operating companies. See notes 3, 18 and 23 for further information regarding the bond.

The bond loans in the group have certain financial covenants. Hospitality Invest AS complies with their financial covenants related to their bond loan as the cash and cash equivalents are above NOK 30 million and the book value of equity exceeds NOK 550 million. All group companies are in compliance with their respective covenants.

Otiga Group's bond loan was refinanced in February 2022. The new loan of NOK 285 million is granted by Collector Bank AB and has a maturity date June 30th, 2026. The interest is NIBOR plus 6.50%.

20 March 2025 a successful placement of a new NOK 850 million senior unsecured callable bond issue by Hospitality Invest AS was announced. Hospitality Invest AS will exercise the call option to redeem all outstanding bonds under its NOK 700 million senior unsecured bond issue 2022/2025 (with ISIN NO0012708165) with original maturity date 3 October 2025.
The entire bond issue was repaid at a price equal to 100.50% of the Nominal Amount plus accrued interest, with call option repayment date 10 April 2025. Consequently, the current bond loan is classified as short-term debt 31. December 2024.

15. DEFERRED TAX

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 22 %. The movement on the deferred tax account is as shown below:

	2024	2023
At 1 January	-776	31,561
Recognised in total comprehensive income		
Change in temporary differences	-23,733	-129,540
Change in unrecognized deferred tax assets	-39,231	93,287
Recognised in other comprehensive income	-1,258	3,016
	-64,999	-1,677
Derecognition due to sale of subsidiaries	-1,017	3,649
Arising on business combination	12,780	-2,748
At 31 December	-53,236	-776

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences, giving rise to deferred tax assets where the company believes it is probable that these assets will be recovered.

The movements in deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) during the period are shown below.

Other differences mainly relate to interests carried forward in HI and NHC. The unused tax losses and deductible temporary differences can be carried forward indefinitely and relates to Hospitality Invest, HI Capital, Norlandia Hotel Group, Otiga Group and Norlandia Health & Care Group all incl. subsidiaries. The unrecognized deferred tax assets are mainly related to interests carried forward in HI and NHC in addition to Otiga Group where the majority of deferred tax assets from loss carried forward is not recognized as an asset in the financial statements. This is based on Management's assessment of the expectation of realization of the deferred tax assets within a reasonable time. The assessment is based on the weight of all available evidence, including factors such as the recent earnings history and expected future taxable income.

Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	Asset	Liability	Net	(Charged)/ credited to profit or loss	(Charged)/ credited to equity
	2024	2024	2024	2024	2024
Fixed assets	115,766	-39,971	75,795	64,106	-12,780
Accounts receivable	4,463	-	4,463	2,026	-
Inventory	-	-1,453	-1,453	-1,330	-
Pensions	723	-425	298	841	1,258
Profit and loss account	-	-60,565	-60,565	14,685	-
Other differences	67,073	-1,066	66,007	-68,169	-
Tax loss carried forward	129,219	-	129,219	12,832	-
Tax asset/(liabilities)	317,244	-103,480	213,763	24,991	-11,522
Unrecognised deferred tax asset	-156,595	-3,933	-160,527	39,231	-241
Net tax assets/(liabilities)	160,649	-107,413	53,236	64,223	-11,763

	2023	2023	2023	2023	2023
Fixed assets	60,591	-36,123	24,468	128,638	2,748
Accounts receivable	2,437	-	2,437	-3,777	-
Inventory	14	-136	-123	-219	-
Pensions	710	-2,511	-1,802	-583	-3,016
Profit and loss account	-	-75,250	-75,250	-72,805	-
Other differences	134,349	-172	134,177	12,240	-
Tax loss carried forward	116,386	-	116,386	63,031	-
Tax asset/(liabilities)	314,486	-114,193	200,294	126,524	-268
Unrecognised deferred tax asset	-190,306	-9,211	-199,518	-93,287	-633
Net tax assets/(liabilities)	124,180	-123,404	776	33,238	-901

16. TRADE AND OTHER PAYABLES

	2024	2023
Trade payables	460,827	559,302
Tax and social security payments	859,277	862,340
Unpaid wages and holiday pay	1,076,389	1,004,931
Other short term debt	372,384	401,314
Total financial liabilities, excluding loans and borrowings, Classified as financial liabilities measured at amortised cost	2,768,877	2,827,886

Book values approximate fair value at 31 December 2024 and 2023.

17. LEASES

Lease contracts

Interest rate is estimated per country and vary between 4.9-5.8%. Contracts with less than 12 months' obligation or payments related to revenue is not capitalized. Lease payments are subject to annual KPI adjustment at year-end.

Please refer to Note 1 regarding additional information of accounting principle for Leases (IFRS 16).

	Land and buildings	Furniture, fixtures and equipment	Total Right-of-use assets
Right of use asset			
Balance at 1 January 2024	7,506,182	20,095	7,526,277
Depreciation	-1,097,347	-18,439	-1,115,786
Additions	1,248,782	15,597	1,264,379
Acquisition of subsidiary	-	-	-
Remeasurements or amendments	585,883	-1,159	584,723
Disposals	-326,683	-	-326,683
Exchange differences	127,351	327	127,678
Year ended 31 December 2024	8,044,168	16,420	8,060,588

Lease liabilities	
Maturity analysis - undiscounted cash flows	
Less than one year	1,323,546
One to five years	4,179,448
More than five years	4,994,762
Total undiscounted lease liabilities 31 December 2024	10,497,756
Lease liabilities incl. in the statement of financial position 31 December 2024	8,753,359
Current	1,039,682
Non-current	7,713,677

Amounts recognized in statement of comprehensive income

Interest on lease liabilities	306,933
Depreciation of right-of-use asset	1,115,786
Expense relating to short-term leases (included in other operating expenses)	184,131
Expense relating to low-value assets (included in other operating expenses)	114,788
Total recognized in statement 31 December 2024	1,721,638

	Land and buildings	Furniture, fixtures and equipment	Total Right-of-use assets
Right of use asset			
Balance at 1 January 2023	6,259,960	18,363	6,278,323
Depreciation	-959,414	-11,699	-971,113
Additions	813,004	2,848	815,852
Acquisition of subsidiary	824,750	-	824,750
Remeasurements of amendments	319,752	-741	319,011
Exchange differences	258,969	487	259,456
Year ended 31 December 2023	7,517,021	9,258	7,526,278

Lease liabilities	
Maturity analysis - undiscounted cash flows	
Less than one year	1,160,155
One to five years	3,762,391
More than five years	4,832,745
Total undiscounted lease liabilities 31 December 2023	9,755,291

Lease liabilities incl. in the statement of financial position 31 December 2023	8,101,693
Current	897,591
Non-current	7,204,101

Amounts recognized in statement of comprehensive income

Interest on lease liabilities	254,372
Depreciation of right-of-use asset	971,113
Expense relating to short-term leases (included in other operating expenses)	326,509
Expense relating to low-value assets (included in other operating expenses)	118,990
Total recognized in statement 31 December 2023	1,670,984

18. RETIREMENT BENEFITS

At 31.12.2024, a total of 18,143 employees in the Group are included in a defined contribution plan. The plan is in accordance with the laws and regulations concerning obligatory pension plans. The costs in connection with the plan are recognized in accordance with the premiums paid.

19. ACQUISITIONS DURING THE PERIOD AND COMPLETED PRIOR PERIODS

During 2024 the following companies were acquired in the Staffing segment:

Company	Location and country of incorporation	Aquired % of shares	Voting rights	Aquistion date
Evolutio AS	Norway	22.2%	22.2%	8/31/2024
Clockwork Hälsingland AB	Sweden	10%	10%	3/31/2024
NearYou Competence AB	Sweden	60.0 %	60.0 %	7/5/2024

On August 31 2024, Otiga Group completed tranche 3, purchasing 22.2% of the shares in Evolutio AS, bringing its total voting rights up to 77.8%. In connection with the share purchase Otiga Group has an agreement to purchase the remaining shares into one last tranche with the remaining 22.2%. The purchase price is based on the performance in Evolutio AS going forward.
On March 31 2024, CW increased with 10% of the shares in CW Helsingland AB, bringing its total voting rights to 90 %.
On 5. July 2024 Near You acquired 60.0% of the shares in NY Competence AB.

During 2024 the following companies were disposed in the Staffing segment:

Company	Location and country of incorporation	Aquired % of shares	Voting rights	Aquistion date
Otiga Sverige AB	Sweden	100.0%	100.0%	11/11/2024

Otiga Sverige AB was liquidated in November 2024

During 2023 the following companies were acquired in the Staffing segment:

Company	Location and country of incorporation	Aquired % of shares	Voting rights	Aquistion date
Evolutio AS	Norway	55.6%	55.6%	8/31/2023
Mojob AS	Norway	92.5%	92.5%	12/25/2023
NearYou AB	Sweden	26.6 %	15.8 %	2/22/2023

On August 31 2023, Otiga Group acquired 55.6% of the shares in Evolutio AS. In connection with the share purchase Otiga Group has agreed to purchase the remaining shares divided into 2 tranches with 22.2% in each tranche. The purchase price is based on the performance in Evolutio AS going forward. The shares must be transferred at the latest 12 and 24 months after the acquisition date. On February 22 2023, Otiga Group acquired 26.6% of the shares in NearYou AB, after enforcing tranche 2, with a total share owned of 52,1%. On December 25 2023, Otiga Group aquired 92.5% of the shares in Mojob AS.

During 2023 the following companies were disposed in the Staffing segment:

Company	Location and country of incorporation	Aquired % of shares	Voting rights	Aquistion date
Agito Nordic AB	Sweden	100.0%	100.0%	12/31/2023
Agito Norge AS	Norway	100.0%	100.0%	1/1/2024
Agito Sverige AB	Sweden	100.0%	100.0%	1/2/2024

On December 31 2023, Otiga Group sold all shares (100.0%) in Agito Nordic AB, and through Personalhuset Staffing Group AS, all shares (100.0%) in subsidiaries Agito Norge AS, Agito Sverige AB. The transaction price includes a variable component linked to the EBTIDA performance of the companies for 2024.

During 2024 the Care segment had the following acquisitions:
There have been no significant acquisitions during 2024.

During 2023 the Care segment had the following acquisitions:
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	129.9
Total current assets	424.1
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	688.1
Current lease liability	128.7
Other current liabilities	339.3
Total non-current liabilities	1,156.2
Total net assets purchased	468.8
Total consideration *(partly settled as distribution in kind, as shown in the statement of equity)*	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 element of NOK 102 524 680 was recognized as a non-current liability at the time of the acquisition. The future payment is dependent on the future performance of the Brado Group up until 2025.*

Other acquisitions during 2023

The Group acquired control over the shares in some small Norwegian companies during 2023, mainly preschools. None of these acquisitions were material for the Group, hence the purchase price allocation is not presented for these.

During 2024 the Other segment had the following acquisitions:

There have been no significant acquisitions during 2024.

.

20. TRANSACTIONS WITH RELATED PARTIES

In addition to the transactions with subsidiaries described in note 11, the financial statements include transactions with the following related parties.

Transactions with related parties are as follows:

Related party	Relation to the group
Kristian Adolfsen	Shareholder Hospitality Invest AS, COB
Roger Adolfsen	Shareholder Hospitality Invest AS, board member
Johnny Sundal	Shareholder Hospitality Invest AS, board member
Klevenstern AS	Owns 50% of Kara Invest AS
Mecca Invest AS	Owns 50% of Kara Invest AS
Klevenstern AS	Major shareholder
Mecca Invest AS	Major shareholder
Kara Invest AS	Major shareholder
Voss Resort AS	Associated company
Winn Hotel Group AS	Associated company
Kvitfjell Prosjektutvikling AS	Associated company
Miliarium Bolig AS	Associated company
Hotell Stormen AS	Associated company
Explore Andøy AS	Associated company
AAP Aviation AS	Associated company
Pioneer Property Group ASA	Associated company
Hellerudsletta Drift AS	Associated company
Vossevangen Utvikling AS	Associated company
Caracap AS	Associated company
A&B Invest AS	Partly owned by the same shareholders
Norefjell Prosjektutvikling AS	Partly owned by the same shareholders
Acea Properties AS	Partly owned by the same shareholders
RABG AS	Controlled by the same shareholders
Pioneer Capital Partners AS	Controlled by the same shareholders
Norlandia Holding AS	Controlled by the same shareholders
Bearsons AB	Controlled by the same shareholders
Oslo Corporate Holding AS	Controlled by the same shareholders

Receivables from associates and related parties

Company	2024	2023
Voss Resort AS incl. subsidiaries	7,055	63
AAP Group AS incl. subsidiaries	28,407	25,842
Staffing Invest AS	29,970	27,124
Kvitfjell Prosjektutvikling AS	1,540	2,470
Vestfjorden AS	6,601	6,601
Pioneer Investor Management AS	492	339
Pioneer Property Group ASA	7	2,972
Tanumstrand Fastighet AB	0	33,783
Ferda Gruppen AS	1,343	833
Caracap AS	50,627	1,500
A&B Invest AS	11,514	3,167
Pioneer Investor AS	27,782	15,716
LNS Mining AS	0	3,580
GHT Eiendom AS (Granshøyden AS)	18,108	17,663
Total receivable related parties	183,447	141,652

Interest received from associates and related parties

Company	2024	2023
Voss Resort AS incl. subsidiaries	1,038	507
AAP Group AS incl. subsidiaries	3,202	3,508
Tanumstrand Fastighet AB	900	3,114
RABG AS	907	825
Pioneer Investment AB	609	567
Pioneer Investor AS	1,339	1,167
Staffing Invest AS	2,963	2,489
A&B invest AS	524	127
LNS Mining AS	290	136
GHT Eiendom AS (Granshøyden AS)	447	378
Interest received from related parties	12,218	12,817

Rent of properties from associates and related parties

Company	2024	2023
Tanum Hotel & Konferensanläggning AB	29,679	26,344
Norlandia Holding AS inclusive subsidiaries	54,232	50,770
Total rent of properties from related parties	83,911	77,115

Transaction with related parties in Norlandia Health & Care Group AS (subgroup)

Transactions with related parties in Norlandia Health & Care Group AS (subgroup) are as follows:

Related party	Relations to the group
Kristian Adolfsen	Shareholder Hospitality Invest AS, board member in Group
Roger Adolfsen	Shareholder Hospitality Invest AS, board member in Group
Hospitality Invest AS	Major shareholder 97%
Pioneer Property Group ASA	Significant ownership interest from same shareholders
Personalhuset Staffing Group AS	Significant ownership interest from same shareholders
Personalhuset Danmark A/S	Significant ownership interest from same shareholders
Personalhuset Staffing Group OY	Significant ownership interest from same shareholders
Norlandia Drift AB	Significant ownership interest from same shareholders
Clockwork Management AB	Significant ownership interest from same shareholders
Clockwork Stockholm AB	Significant ownership interest from same shareholders
Älvbäck Fastighets AB	Significant ownership interest from same shareholders
Abros Invest AB	Significant ownership interest from same shareholders
Otiga Group AS	Significant ownership interest from same shareholders
Otiga Group Management AS	Significant ownership interest from same shareholders

Receivables from associates and related parties

Company	2024	2023
Otiga Group Management AS	15	5
Älvbäck Fastighets AB	3,792	4,048
Hospitality Invest AS	1,999	-
Personalhuset Staffing Group AS	25,541	-
Personalhuset Danmark A/S	5,868	-
Norlandia Drift AB	3,099	-
Total receivable related parties	40,314	4,053

Liabilities to associates and related parties

Company	2024	2023
Hospitality Invest AS	8,235	29,833
Abros Invest AB	68,881	102,525
Otiga Group AS	620	18,747
Personalhuset Staffing AS	18,708	14,787
Clockwork Management AB	874	-
Clockwork Stockholm AB	1,567	-
Personalhuset Staffing Group OY	1,418	-
Total receivable related parties	100,303	29,833

Interest received from associates and related parties

Company	2024	2023
Älvbäck Fastighets AB	-17	128
Otiga Group AS	551	-
Interest received from related parties	534	128

Rent of properties from associates and related parties

Company	2024	2023
Rent of properties from Pioneer Property Group ASA	7,473	7,517
Total rent of properties from related parties	7,473	7,517

Purchase of personnel services from related parties

Company	2024	2023
Purchase of personnel services from Personalhuset Staffing Group AS	13,056	17,925
Total purchase of personnel services from related parties	13,056	17,925

21. CASH AND CASH EQUIVALENTS

	2024	2023
Cash related to payroll tax withholdings	53,000	45,404
Unrestricted cash	757,944	707,446
Total cash and cash equivalents	810,944	752,849

22. SUPPORT TO STATEMENT OF CASH FLOWS

	Non-current loans and borrowings	Current loans and borrowings	Non-current and current lease liability	Total
At 1 January 2024	4,186,162	475,439	8,101,693	12,763,294
Cash flows	2,361,771	-2,091,185	-1,041,568	-770,982
Net amounts recognized from purchase and sale of companies	-55,285	-26,971	0	-82,256
Amortized finance fees bond	21,760	0	0	21,760
Additions	80,588	0	1,549,573	1,630,161
Effects of foreign exchange	16,172	19	135,747	151,938
Reclassification	-722,914	676,711	7,914	-38,289
Interest accrued in the period	0	-2,624	0	-2,624
Re-financed bond	-2,238,303	2,238,303	0	0
At 31 December 2024	3,649,951	1,269,692	8,753,359	13,673,002

	Non-current loans and borrowings	Current loans and borrowings	Non-current and current lease liability	Total
At 1 January 2023	3,558,100	138,743	6,665,690	10,362,533
Cash flows	454,324	-352,392	-918,922	-816,990
Net amounts recognized from purchase and sale of companies	27,404	648,487	895,001	1,570,892
Additions	0	0	1,213,431	1,213,431
Effects of foreign exchange	84,078	0	246,493	330,571
Reclassification	62,256	20,000	0	82,256
Interest accrued in the period	0	20,601	0	20,601
At 31 December 2023	4,186,162	475,439	8,101,693	12,763,294

23. EVENTS AFTER THE REPORTING DATE

Hospitality Invest AS: Successful placement of a senior unsecured bond issue
20 March 2025 Hospitality Invest AS (the “Company”) completed a new NOK 850 million senior unsecured bond issue with a tenor of 4 years. The new bond issue will carry an interest rate of 3 months NIBOR + 5.00% p.a.

Net proceeds from the bond issue will be used to call the Company’s outstanding NOK 700 million senior unsecured bonds with ISIN NO0012708165 in full at a call price of 100.5% of par value and for general corporate purposes.
ABG Sundal Collier, Arctic Securities and DNB Markets acted as managers in connection with the bond issue.

ANNUAL REPORT (PARENT COMPANY)

2024

HOSPITALITY INVEST AS

HOSPITALITY INVEST

STATEMENT OF INCOME

(all amounts in NOK 1,000)

	Note	2024	2023
OPERATING INCOME AND OPERATING EXPENSE			
Revenue	3	19,294	18,503
OPERATING REVENUE		19,294	18,503
Personnel expenses	2	19,260	16,409
Depreciation and amortisation expense	8	971	1,325
Other operating expenses		10,550	9,476
TOTAL OPERATING EXPENSES		30,781	27,210
LOSS FROM OPERATIONS		-11,487	-8,707
FINANCIAL INCOME AND EXPENSE			
Other financial income	4	84,438	76,453
Other financial expenses	4	256,589	79,491
NET FINANCE		-172,151	-3,038
PROFIT/LOSS (-) BEFORE TAX		-183,637	-11,746
Tax on ordinary result	5	-6,299	28,654
PROFIT/LOSS (-)		-177,338	-40,400
ALLOCATED TO			
Other equity		-177,338	-40,400
Net Allocated to Equity		-177,338	-40,400

STATEMENT OF FINANCIAL POSTION

(all amounts in NOK 1,000)

	Note	2024	2023
ASSETS			
Fixed assets			
Intangible assets			
Deferred tax asset	5	24,252	17,953
Total intangible assets		24,252	17,953
Tangible assets			
Machinery and equipment	8.13	1,462	3,339
Total tangible assets		1,462	3,339
Financial fixed assets			
Investments in subsidiaries	9.13	1,643,723	1,808,404
Investments in associated companies	10.13	190,107	190,107
Investments in shares	13	7,905	22,264
Other receivables	11	15,366	16,190
Total financial fixed assets		1,857,102	2,036,965
TOTAL FIXED ASSETS		1,882,815	2,058,257
CURRENT ASSETS			
Debtors			
Accounts receivables			
Accounts receivables		4,600	6,222
Market based investments		-	-
Other receivables	11	110,009	84,872
Total receivables		114,609	91,094
Cash and bank deposits	12	54,944	67,769
TOTAL CURRENT ASSETS		169,553	158,863
TOTAL ASSETS		2,052,368	2,217,120

	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	7	24,279	24,279
Own shares		-52	-52
Share premium reserve		468,299	468,299
Total restricted equity		492,526	492,526
Other equity		714,719	900,339
TOTAL EQUITY	6	1,207,246	1,392,866
Liabilities			
Other long-term liabilities			
Bonds	13	-	700,000
Liabilities to financial institutions	13	2,576	3,219
TOTAL LONG-TERM LIABILITIES		2,576	703,219
Current liabilities			
Trade creditors		4,309	1,929
Public duties payable		3,335	2,321
Bonds	13	720,528	20,282
Other short-term liabilities	11	114,376	96,503
TOTAL SHOR-TERM LIABILTIES		842,547	121,035
TOTAL LIABILITIES		845,123	824,254
TOTAL EQUITY AND LIABILITIES		2,052,368	2,217,120

Oslo, 29 April 2024

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen	Roger Adolfsen	Johnny R. Sundal
Chairman of the Board	Member of the Board	Member of the Board

HOSPITALITY INVEST

STATEMENT OF CASH FLOWS

(all amounts in NOK 1,000)

	Note	2024	2023
Cash flow from operations			
Profit / (-) loss after income taxes		-177,338	-40,400
Tax expenses	5	-6,299	28,654
Net finance	4	172,286	4,446
Gain/loss from sale of shares	4	-135	-1,408
Depreciation	8	971	1,325
Changes in working capital			
Change in account receivables and other receivables		31,403	97,508
Change in trade and other payables		3,304	801
Change in other accrual items		17,224	-77,237
Net cash flow from operations activities		41,416	13,689
Cash flow from investments			
Proceeds from sale of fixed assets		906	-
Payments to buy tangible assets	8	-	-1,533
Sale of market-based investments		-	3,073
Sale of other group companies	9.13	-	11,654
Sale of shares		8,641	9,052
Payments to buy other investments		-	-517
Interest received	4	939	2,191
Net cash flow from investments activities		10,486	23,920

	Note	2024	2023
Cash flow from financing			
Changes in short-term loans to finance institutions	13	-643	
Loan from group companies		-	30,000
Interest paid	4	-86,695	-79,470
Dividends received		22,612	1,006
Net cash flow from financing activities		-64,727	-48,464
Exchange gains / (losses) on cash and cash equivalents			
Net change in cash and cash equivalents		-12,825	-10,855
Cash and cash equivalents at the beginning of the period		67,769	78,624
Cash and cash equivalents at the end of the period		54,944	67,769

Notes to the financial statements 2024

1. ACCOUNTING POLICIES

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Operating income
Revenues from sale of services are recognised in the income statement once the delivery has taken place. Hospitality Invest provides management services to the operating holding companies in the Group and to some of the associated companies. It is more efficient and economic to centralise these activities. The management services provided by HI are:

- Group management services.
- Financial services and investment services.
- Accounting and IFRS. For example, gathering and reviewing information for use in financial statements, maintenance of accounting records, preparation of financial statements.
- Legal services. For example, general legal services performed by in-house legal counsel such as drafting and reviewing contracts, agreements and other legal documents.

Hospitality invest facilitates the purchase of third-party IT services and ERP services on behalf of itself and certain subsidiaries in the Group. Hospitality Invest performs functions, assets and risks in relation to these third-party services and the costs related to these third-party services are allocated to the relevant subsidiaries with adding a mark-up.

Operating expenses
Costs are generally recognised in the same period as associated income. In cases where there is no clear correlation between expenses and income, expenses are charged as incurred.

Taxes
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at the tax rate of 22 % on the basis of tax-reducing and tax-increasing temporary differences which exist between accounting and tax values of assets and liabilities, and the tax loss carried forward at the end of the accounting year. Taxable and deductible temporary differences that reverse or may reverse in the same period are offset and reported net. The net deferred tax receivables is entered on the balance sheet to the extent that it is likely that it can be utilised.

Classification and valuation of fixed assets
Fixed assets consist of assets intended for long term ownership or use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are recognized at the nominal amount at the time of the transaction.

Classification and valuation of current assets
Current assets and short-term liabilities are normally considered to be due within one year from the balance sheet date, as well as those connected to the trading cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are recognized at the nominal amount at the time of the transaction.

Subsidiaries and associated companies
Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment Is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are recognized in income in the same year as provided for the distributor's accounts To the extent the dividends /group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represent a repayment of investment capital, and distributions are deductible from the investment's value in the balance sheet of the parent company.

Associated companies are defined as companies with significant influence normally assumed when ownership interest is between 20% - 50% and where the investments are classified as long-term investments. Ownership in associated companies are recognized at cost price.

Receivables
Receivables from customers and other receivables are recognised in the balance sheet at par value after provision for expected losses. The bad debts provision is made on basis of an individual assessment of each debtor.

Foreign Currencies
Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are

translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under the financial items.

Cash Flow statement
The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

Cash and cash equivalents
The carrying amount approximates to fair value due to the short-term nature of these instruments. Cash and cash equivalents are comprised of restricted cash, unrestricted cash and short-term investments.

2. STAFF COSTS

	2024	2023
Personnel expenses		
Wages and salaries	15,761	13,299
Employee taxes	2,822	2,427
Pension costs	195	170
Other benefits	482	513
Total payroll and related costs	19,260	16,409
Number of employees (FTE)	7	7

	CEO	Chairman	Board
Remuneration to leading personnel			
Wages and salaries	2566	2566	0
Pension costs	34	34	0
Other benefits	345	375	0
Total remuneration to leading personnel	2,945	2,975	-

Pension liabilities: The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension scheme satisfies the requirements of this act.

Loans to employees: There is not given any loans to employees in the company other than insignificant prepaymants etc.

	2024	2023
Auditor fee		
Statutory audit	1,074	1,624
Other services	-	-
Total	1,074	1,624

3. REVENUE

Revenue for 2024 consists of management fees invoiced to other group companies in addition to common costs.

	2024	2023
Operating income by business area		
Norway	16,708	16,201
Sweden	2,586	2,302
Total	19,294	18,503

4. FINANCE INCOME AND EXPENSE

	2024	2023
Finance income		
Interest income from group companies	117	507
Dividends from financial investments	22,612	1,006
Group contribution received	60,752	71,701
Gain/loss on disposal of shares in	135	1,408
Other interest income	822	1,685
Other financial income	-	146
Total finance income	84,438	76,453
Finance expense		
Other interest expenses	86,695	79,470
Other financial expenses *	169,894	21
Total finance expense	256,589	79,491
Net finance income recognised in profit or loss	-172,151	-3,038

* Write-down shares in subsidiary NOK 165 million, loss on sale of shares NOK 5 million

5. TAX

	2024	2023
Entered tax on ordinary profit/loss:		
Payable tax	-	-
Changes in deferred tax assets	-6,299	28,654
Tax expense on ordinary profit/loss	-6,299	28,654
Taxable income:		
Ordinary profit/loss before tax	-183,637	-11,746
Permanent differences *)	147,180	-6,627
Changes to reported tax prior year	4,825	-16,626
Changes temporary differences	377	-12,127
Taxable income / cost (-) before losses carried forward	-31,256	-47,125
Utilised losses carried forward	-	-
Taxable income / cost (-)	-31,256	-47,125

*) Permanent differences relate to dividend received, group contribution and gain on disposal of shares.

	2024	2023
Calculation of effective tax rate:		
Profit/loss before tax	-183,637	-11,746
Calculated tax on profit/loss before tax (22%)	-40,400	-2,584
Tax effect of permanent differences	32,380	-1,458
Change to reported tax prior year	1,061	-3,658
Not included in tax calculation	660	36,354
Total tax expense	-6,299	28,654
Effective tax rate	3.4 %	-244.0 %

Specification of tax effect of temporary differences and loss to be carried forward has formed the basis for deferred tax liabilities and deferred tax assets, specified below on type of temporary differences:

	2024	2023	Difference
Tangible fixed assets	-96	281	377
Other differences	-	-	-
Total	-96	281	377
Accumulated loss to be brought forward	-110,141	-78,885	31,256
Limitation on interest deduction brought forward *)	-168,246	-168,246	-
Tax-increasing differences on tangible assets	-96	281	377
Not included in the deferred tax calculation	168,246	165,246	-3,000
Basis for calculation of deferred tax	-110,236	-81,604	28,632
Deferred tax (22 % / 22 %)	-24,252	-17,953	6,299

*) Limitation on interest deduction brought forward is expected to be utilized in the coming years but as a precautionary principle deferred tax assets related to interest deduction brought forward s not recognized.

6. EQUITY

	Share capital	Own Shares	Share premium	Retained earnings	Total equity
Pr 01.01.2024	24,279	-52	468,299	900,339	1,392,866
Correction of errors from previous year	0	0	0	4,825	4,825
Capitalization issue	0	0	0	0	0
Profit/Loss(-) for the year	0	0	0	-177,338	-177,338
Group Contribution	0	0	0	-13,106	-13,106
Pr 31.12.2024	24,279	-52	468,299	714,719	1,207,246

7. SHARE CAPITAL AND SHAREHOLDERS

Share capital	Number	Nominal Value	In balance
Ordinary shares	346,844,104	0.07	24,279
Own shares	740,741	0.07	-52

Shareholders	Number of shares	Ownership	Votes
Klevenstern AS	134,955,547	38.91%	38.91%
Mecca Invest AS	134,935,547	38.90%	38.90%
Abros Invest AB*	53,628,511	15.46%	15.46%
Kronhjorten AS	4,000,000	1.15%	1.15%
Others < 1%	19,324,499	5.57%	5.57%
Total	346,844,104	100%	100%

The company has one class of shares, and all shares have equal voting rights.
* Kristan and Roger Adolfsen have 50/50 voting rights in Abros Invest AB.

The shares held by the board of directors / CEO, ref. The Norwegian accounting law § 7-26:

		Number	Ownership
Kristian A. Adolfsen	Chairman of the Board	161,769,803	46.64%
Roger Adolfsen	Board member/CEO	161,749,803	46.63%
Johnny R. Sundal	Board member	432,672	0.12%

8. FIXED ASSETS

	Machinery and equipment
Acquisition cost as at 01.01.2024	9,320
Addition of fixed assets	
Disposal of fixed assets	-906
Acquisition cost as at 31.12.2023	8,414
Deprecation and write-downs as at 01.01.2024	5,981
Ordinary deprecation for the year	971
Deprecation and write-downs as at 31.12.2024	6,952
Book value 31.12.2024	1,462
Economic lifetime	3-10 years
Depreciation schedule	Straight line

9. SUBSIDIARIES

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Balance sheet value
Norlandia Drift AB	Tanum, Sweden	100%	40,771
Skottet Fastighets AB	Malmô, Sweden	100%	783
Norlandia Hotel Group AS	Oslo, Norway	100%	115,548
Hi Capital AS	Oslo, Norway	100%	599,255
Norlandia Health & Care Group AS	Oslo, Norway	97%	854,337
Otiga Group AS *	Oslo, Norway	33%	33,030
Balance sheet value 31.12.24			1,643,723

* Hospitality Invests' total ownership of Otiga Group is 78.2 % as HI Capital AS, a subsidiary of Hospitality Invest AS, own 45.2% of Otiga Group AS.

10. INVESTMENTS IN ASSOCIATED COMPANIES

Investments in associated companies and joint ventures are booked according to the cost method.

Associates	Location	Ownership	Voting rights	Result (100%)	Equity (100%)	Balance sheet value
Voss Resort AS	Voss	30.06%	30.06%	-25,866	33,627	45,017
PPG ASA	Oslo	32.62%	32.62%	118,119	1,268,941	5,487
Miliarium Bolig AS	Oslo	24.18%	24.18%	76,900	662,006	126,270
Hotel Stormen AS	Bodø	33.33%	33.33%	-2,452	7,492	13,333
Balance sheet value 31.12.24						190,107

11. TRANSACTIONS WITH RELATED PARTIES

	2024	2023
Receivables		
Group contributions	60,752	26,224
Loans to related parties	2,919	3,744
Other short-term receivables to group companies	50	54,493
Other short-term receivables to related parties	61,094	15,928
Total receivables to related parties	124,816	100,388
Liabilities		
Other short-term liabilities to related parties	112,509	94,814
Total liabilities to related parties	112,509	94,814

12. CASH AND CASH EQUIVALENTS

	2024	2023
Cash related to payroll tax withholdings	915	714
Unrestricted cash	54,028	67,055
Total cash and cash equivalents	54,944	67,769

13. LIABILITIES, MORTGAGES AND WARRANTIES

	2024	2023
Liabilities with maturity beyond 1 years		
Liabilities secured by mortgage		
Liabilities to financial institutions	2,576	3,219
Bonds	-	700,000
Total	2,576	703,219

	2024	2023
Liabilities with maturity less than 1 years		
Liabilities secured by mortgage		
Bonds	700,000	-
Accrued interest bond	20,528	20,282
Total	720,528	20,282

Bond interest	3-month NIBOR + 7 %
Bond due date	10/3/2025

	2024	2023
Carrying amount of mortgage assets		
Machinery and equipment	1,462	3,339
Investments in shares and units	7,905	22,264
Investments in associated companies	190,107	190,107
Investments in subsidiaries	1,643,723	1,808,404
Total	1,843,197	2,024,114

Hospitality Invest AS complies with their financial covenants related to their bond loan as the cash and cash equivalents are above NOK 30 million and the book value of equity exceeds NOK 550 million.

14. EVENTS AFTER THE REPORTING DATE

Hospitality Invest AS: Successful placement of a senior unsecured bond issue
20 March 2025 Hospitality Invest AS (the “Company”) completed a new NOK 850 million senior unsecured bond issue with a tenor of 4 years. The new bond issue will carry an interest rate of 3 months NIBOR + 5.00% p.a.

Net proceeds from the bond issue will be used to call the Company’s outstanding NOK 700 million senior unsecured bonds with ISIN NO0012708165 in full at a call price of 100.5% of par value and for general corporate purposes.
ABG Sundal Collier, Arctic Securities and DNB Markets acted as managers in connection with the bond issue.

KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Hospitality Invest AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Hospitality Invest AS, which comprise:

- the financial statements of the parent company Hospitality Invest AS (the Company), which comprise the statement of financial position as at 31 December 2024, the statement of income and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and

- the consolidated financial statements of Hospitality Invest AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

KPMG

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 30 April 2025

KPMG AS

Roland Fredriksen
State Authorised Public Accountant

GROUP WEB PAGES

PARENT & SUBSIDIARIES

Hospitality Invest AS
www.hospitalityinvest.no

Norlandia Care Group AS
www.norlandia.com

Hero Group AS
www.hero.no

Otiga Group AS
www.otigagroup.com

Norlandia Hotel Group AS
www.norlandiahotelgroup.no

Aberia Healthcare AS
www.aberia.no

Kidsa Drift AS
www.kidsabarnehager.no

Norlandia Health & Care Group AS
www.nhcgroup.no

ASSOCIATED COMPANIES

Pioneer Property Group ASA
www.pioneerproperty.no

Voss Resort AS
www.vossresort.no

Miliarium Bolig AS
www.miliarium.no

Norefjell Ski & Spa AS
www.norefjellskiogspa.no

HOSPITALITY INVEST

HOSPITALITY INVEST AS
RÅDHUSGATA 23
0158 OSLO
NORWAY

PHONE: +47 22 98 97 40
WEB: WWW.HOSPITALITYINVEST.NO