



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 831 615 222
Organisasjonsform: Aksjeselskap
Foretaksnavn: VERDIS ENVIRONMENT MIDCO AS
Forretningsadresse: c/o NordRen AS
Haldenveien 321
1923 SØRUM

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Finn Ola Lodsby
Dato for fastsettelse av årsregnskapet: 16.07.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.08.2025



Resultatregnskap

Beløp i: EUR	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	4	2 906 000	126 000
Sum kostnader		2 906 000	126 000
Driftsresultat		-2 906 000	-126 000
Finansinntekter og finanskostnader			
Annen finansinntekt	9.3, 5	2 498 000	1 028 000
Sum finansinntekter		2 498 000	1 028 000
Annen finanskostnad	5	9 834 000	1 161 000
Sum finanskostnader		9 834 000	1 161 000
Netto finans		-7 336 000	-133 000
Resultat før skattekostnad		-10 242 000	-259 000
Årsresultat		-10 242 000	-259 000
Andre resultatkomponenter for IFRS-foretak	9.3	2 304 000	-2 304 000
Sum resultatkomponenter for IFRS-foretak		2 304 000	-2 304 000
Totalresultat		-7 938 000	-2 563 000



Balanse

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8	0	650 000
Sum immaterielle eiendeler		0	650 000
Finansielle anleggsmidler			
Investering i datterselskap	7	55 486 000	67 110 000
Lån til tilknyttet selskap og felles kontrollert virksomhet	10	2 849 000	113 378 000
Sum finansielle anleggsmidler		58 335 000	180 488 000
Sum anleggsmidler		58 335 000	181 138 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	10	1 000	81 000
Andre fordringer	10		930 000
Sum fordringer		1 000	1 011 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9.1, 10	5 798 000	6 857 000
Sum bankinnskudd, kontanter og lignende		5 798 000	6 857 000
Sum omløpsmidler		5 799 000	7 868 000
SUM EIENDELER		64 134 000	189 006 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	11	3 000	3 000
Overkurs		53 883 000	53 883 000



Balanse

Beløp i: EUR	Note	2024	2023
Sum innskutt egenkapital		53 886 000	53 886 000
Opptjent egenkapital			
Annen egenkapital			-2 304 000
Udekket tap		10 501 000	259 000
Sum opptjent egenkapital		-10 501 000	-2 563 000
Sum egenkapital		43 385 000	51 323 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	3, 9.2		119 630 000
Langsiktig konserngjeld	12	20 724 000	13 243 000
Interest rate swap			2 953 000
Sum annen langsiktig gjeld		20 724 000	135 826 000
Sum langsiktig gjeld		20 724 000	135 826 000
Kortsiktig gjeld			
Leverandørgjeld	3		1 794 000
Annen kortsiktig gjeld	12	25 000	63 000
Sum kortsiktig gjeld		25 000	1 857 000
Sum gjeld		20 749 000	137 683 000
SUM EGENKAPITAL OG GJELD		64 134 000	189 006 000



Konsernets resultatregnskap

Beløp i: EUR	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	5	313 025 000	23 110 000
Annen driftsinntekt		446 000	85 000
Sum inntekter	2.3.1, 5	313 471 000	23 195 000
Kostnader			
Varekostnad	6.1	33 192 000	2 987 000
Lønnskostnad	6.3	148 786 000	12 184 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	10	36 697 000	2 372 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	9	9 113 000	760 000
Annen driftskostnad	6.4	1 436 000	207 000
Annen driftskostnad	6.2	59 967 000	8 314 000
Sum kostnader	6	289 191 000	26 824 000
Driftsresultat		24 280 000	-3 629 000
Finansinntekter og finanskostnader			
Annen finansinntekt	7	581 000	
Annen finansinntekt	7	698 000	9 000
Sum finansinntekter		1 279 000	9 000
Annen finanskostnad	7		291 000
Annen finanskostnad	7	24 147 000	2 495 000
Annen finanskostnad	7	6 068 000	605 000
Sum finanskostnader	7	30 215 000	3 391 000
Netto finans	7	-28 936 000	-3 382 000
Resultat før skattekostnad		-4 656 000	-7 011 000
Skattekostnad	8	1 667 000	858 000
Årsresultat		-6 323 000	-7 869 000
Andre resultatkomponenter for IFRS-foretak	12.3	-3 211 000	869 000



Konsernets resultatregnskap

Beløp i: EUR	Note	2024	2023
Sum resultatkomponenter for IFRS-foretak		-3 211 000	869 000
Totalresultat		-9 534 000	-7 000 000



Konsernets balanse

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling	9	286 000	284 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	9	137 332 000	148 203 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	9	10 000	19 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	9	711 000	65 000
Utsatt skattefordel	13	23 890 000	22 638 000
Goodwill	9	123 577 000	124 977 000
Sum immaterielle eiendeler		285 806 000	296 186 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	10	10 345 000	10 034 000
Maskiner og anlegg	10	151 435 000	131 786 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	10	13 670 000	14 190 000
Sum varige driftsmidler		175 450 000	156 010 000
Finansielle anleggsmidler			
Andre fordringer	15	897 000	738 000
Sum finansielle anleggsmidler		897 000	738 000
Sum anleggsmidler		462 153 000	452 934 000
Omløpsmidler			
Varer			
Varer		694 000	811 000
Sum varer		694 000	811 000
Fordringer			
Kundefordringer	14	50 045 000	51 075 000
Andre fordringer	15	13 417 000	11 474 000
Andre fordringer		398 000	602 000
Sum fordringer		63 860 000	63 151 000



Konsernets balanse

Beløp i: EUR	Note	2024	2023
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	12.1	30 450 000	26 118 000
Sum bankinnskudd, kontanter og lignende		30 450 000	26 118 000
Sum omløpsmidler		95 004 000	90 080 000
SUM EIENDELER		557 157 000	543 014 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	16	3 000	3 000
Overkurs	13	53 883 000	53 883 000
Sum innskutt egenkapital		53 886 000	53 886 000
Opptjent egenkapital			
Annen egenkapital		-2 342 000	869 000
Udekket tap		14 192 000	7 869 000
Sum opptjent egenkapital		-16 534 000	-7 000 000
Sum egenkapital		37 352 000	46 886 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	13	53 139 000	53 349 000
Sum avsetninger for forpliktelser		53 139 000	53 349 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	3	201 343 000	188 772 000
Øvrig langsiktig gjeld	18	188 234 000	175 802 000
Sum annen langsiktig gjeld		389 577 000	364 574 000
Sum langsiktig gjeld		442 716 000	417 923 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	3	24 614 000	21 702 000



Konsernets balanse

Beløp i: EUR	Note	2024	2023
Leverandørgjeld	3, 12.2	17 561 000	18 916 000
Betalbar skatt		3 780 000	4 800 000
Annen kortsiktig gjeld	18	31 134 000	32 787 000
Sum kortsiktig gjeld		77 089 000	78 205 000
Sum gjeld		519 805 000	496 128 000
SUM EGENKAPITAL OG GJELD		557 157 000	543 014 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer: 2025 748123

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Brønnøysundregistrene, 20.08.2025



Organisasjonsnr: 831 615 222
VERDIS ENVIRONMENT MIDCO AS

RESULTATREGNSKAP

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VERDIS ENVIRONMENT MIDCO AS

BALANSE

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Immaterielle eiendeler			
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Finansielle anleggsmidler			
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Organisasjonsnr: 831 615 222
VERDIS ENVIRONMENT MIDCO AS

KONSERNRESULTATREGNSKAP

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Inntekter			
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Organisasjonsnr: 831 615 222
VERDIS ENVIRONMENT MIDCO AS

KONSERNBALANSE

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Varer			
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Fordringer			
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Sum omløpsmidler		95 004 000	90 080 000
SUM EIENDELER		557 157 000	543 014 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	16	3 000	3 000
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Gjeld			
Langsiktig gjeld			
Utsatt skatt	13	53 139 000	53 349 000
Sum avsetninger for forpliktelses		53 139 000	53 349 000
Annen langsiktig gjeld			
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Kortsiktig gjeld			
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Annen kortsiktig gjeld	18	31 134 000	32 787 000
Sum kortsiktig gjeld		77 089 000	78 205 000
Sum gjeld		519 805 000	496 128 000
SUM EGENKAPITAL OG GJELD		557 157 000	543 014 000



Organisasjonsnr: 831 615 222
VERDIS ENVIRONMENT MIDCO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
1,2

Regnskapsprinsipper

Note

Antall årsverk i regnskapsåret
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Samlet forpliktelse til fordel for foretak i samme konsern

Pantstillelse Beløp



Garantier Beløp

Mer om tilknyttet selskap/datterselskap

14

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



Organisasjonsnr: 831 615 222
VERDIS ENVIRONMENT MIDCO AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note
2

Regnskapsprinsipper

Note
6.3

Antall årsverk i regnskapsåret
2096.00

Note
6.3

Spesifisering av resultatregnskapet

Lønnskostnader

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	118859000.00	9294000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	22466000.00	1742000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	7461000.00	1148000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	148786000.00	12184000.00

Note

Ekstraordinære inntekter og kostnader

<u>Sum</u>	<u>Beløp</u>
------------	--------------

Note
9, 10

Varige driftsmidler og immaterielle eiendeler

<u>Anskaffelseskost 01.01.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
--------------------------------	----------------------------	----------------------------



	158260000.00	274312000.00
<u>Tilgang i året</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
	54713000.00	877000.00
<u>Anskaffelseskost 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
	214373000.00	271783000.00
<u>Samlede av-/nedskrivn.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
	38923000.00	9867000.00
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
	175450000.00	261916000.00
<u>Årets av-/nedskrivn.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
	36697000.00	9113000.00
<u>Økonomisk levetid</u>		<u>Immaterielle eiend.</u>
		3 - 15
<u>Avskrivningsplan</u>		<u>Immaterielle eiendeler</u>
		3 - 15

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler
9, 10

Goodwill spesifisert for hvert enkelt virksomhetskjøp
2.3.4

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse
2.3.4

Mer om varige driftsmidler/immaterielle eiendeler
9, 10

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>



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Cube III Environment Nord Midco AS

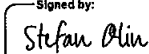
Haldenveien 321, 1923 Sørum

Org nr 831 615 222

Annual report 2024

The annual report was submitted and approved by the general meeting on 16 July 2025

Chair of the meeting:

Signed by:

.....
Stefan Olin
81E8B31C75F5472



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Cube III Environment Nord Midco AS
Annual report 2024

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Cube III Environment Nord Midco AS
Annual report 2024

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Cube III Environment Nord Midco AS for the financial year 01 January – 31 December 2024.

The annual report has been prepared in accordance with IFRS Accounting Standards – IFRS® (hereinafter 'IFRS Accounting Standards' or 'IFRS') as adopted by the European Union (EU), and additional requirements of the Norwegian Accounting Act.

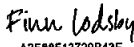
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of their operations and cash flows for the financial year 01 January – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the general meeting.

Sørum, 16 July 2025


Executive Board:

Signed by:

A2E88F13729B43E
Finn Ola Lodsby
CEO

Board of Directors:

Signed by:

A1E8B31C76F5472
Stefan Kenny Olin
Chair

Signed by:

A2E88F13729B43E
Finn Ola Lodsby
Member



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Statsautoriserte revisorer
Ernst & Young AS

Storlovet 7, 0155 Oslo
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Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in Verdis Environment Midco AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Verdis Environment Midco AS (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information, and
- The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, the income statement, statement of 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 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 cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for opinion

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 in accordance with the requirements of the 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)* (the 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 matters

The financial statements have been submitted after the legal deadline for submission of financial statements.

Other information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises annual report and statement of equity. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. 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.



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Responsibilities of management for the financial statements

Management is responsible for the preparation of the 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 Company or 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 the 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, 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 fair presentation.
- 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, 16 July 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Håvard Norstrøm
State Authorised Public Accountant (Norway)

Independent auditor's report - Verdis Environment Midco AS 2024

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Norstrøm, Håvard

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Cube III Environment Nord Midco AS
Annual report 2024

Management's review

The Board of Directors' report for Cube III Environment MidCo AS

Operations and locations

Cube III Environment MidCo collects and sorts waste under the brand names Verdis, Nordren. The Group includes, in addition to Cube III Environment MidCo, the following subsidiaries:

- Cube III Environment BidCo AB;
- Verdis Nordic AS;
- Verdis NewCo ApS;
- Nordren AS;
- Nordren AB;
- Verdis OY;
- Verdis AB;
- Craft Tech Sverige AB;
- Verdis Holding ApS;
- Verdis A/S;
- Verdis Recycling ApS.

The collection of waste takes place in Finland, Norway, Sweden and Denmark.

During the year, the Group has expanded its collection activities in Finland and Denmark. In Sweden and Norway, the Group has maintained its market position. The prices on labor is increasing in all markets, and the costs for spare part in connection with maintenance on trucks is also increasing.

Comments related to the Financial Statements

The Group's revenues for the year amounted to EUR 313,025 thousand against EUR 23,110 thousand last year. The Group's loss for the year totals EUR 6,323 thousand against a loss of EUR 7,869 thousand last year. In 2023 the net income was impacted by both transaction costs in relation to the acquisition of Verdis group in the Nordics. The Parents revenues for the year amounted to EUR 0 (nil) against EUR 0 (nil) last year. The Parents net loss for the year totals EUR 10,242 thousand against a loss of EUR 259 thousand last year.

For the Group total cash flow from operating activities for the year was EUR 47,208 thousand against EUR 7,541 thousand last year, and the operating profit constituted EUR 24,280 thousand against operating loss EUR 3,629 thousand last year. There were no Group's capital investments during 2024. During 2023 the Group's capital investments amounted to EUR (100,641) thousand, of which EUR (98,726) thousand has been invested in subsidiaries. For the Parent total cash flow from operating activities was EUR (1,242) thousand in 2024, and the operating loss constituted EUR 2,906 thousand against EUR (119,798) thousand of total cash flow from operating activities and the operating loss EUR 126 thousand in 2023.

The Group's liquidity reserve as of 31 December 2024 amounted to EUR 30,450 thousand against of EUR 26,118 thousand as of 31 December 2023. The Group's ability to self-finance investments is good. The Parent's liquidity reserve as of 31 December 2024 amounted to EUR 285 thousand against of EUR 1,527 thousand as of 31 December 2023.

The Group's short-term debt as of 31 December 2024 constituted 15% (as of 31 December 2023 – 15%) of the Group's total debt. The Group's financial position is sound and adequate enough to settle short-term debt as of 31 December 2024 with the Group's most liquid assets. The Parents short-term debt as of 31 December 2024 constituted 0.1% (as of 31 December 2023 – 1.3%) of the Parent's total debt.

For the Group Total assets at year-end amounted to EUR 557,157 thousand against EUR 543,014 thousand last year-end. The equity ratio was 7% as of 31 December 2024 (9% as of 31 December 2023). For the Parent Total assets at year-end amounted to EUR 64,134 thousand against EUR 189,006 thousand last year-end. The equity ratio was 68% as of 31 December 2024 (27% as of 31 December 2023).



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Cube III Environment Nord Midco AS
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Future challenges

The market expectations over the next few years are stable. The markets continue to start sorting in different fractions. This can have a positive impact on the performance of The Group. The Group's operations are also affected by increased competition. New alliances and partnerships being established within the industry have contributed to increased competition. Our forecasts are subject to the normal uncertainty that characterizes considerations of future events. In the short term, the Group will focus on the impact of the rising costs and evaluate steps towards maintaining the profitability for the Group next year. The Group has established a strategy towards the year 2027, which is expected to provide a basis for continued growth and income development.

Financial risk

Overall view on objectives and strategy

The Group is exposed to financial risk in different areas, especially exchange rate risk. The goal is to reduce the financial risk as much as possible. The Group's current strategy does not include the use of financial instruments. This is however, continuously being assessed by the Board of Directors. In both 2024 and 2023 the exchange rate risk was primarily reduced by ensuring that most of the Group's debt was in foreign currencies (Euro).

Market risk

The Group is exposed to exchange rate risk, especially SEK and NOK, as a substantial part of the Group's revenue is in foreign currency. The Group has not entered into derivative or other agreements to reduce the exchange rate risk and the related market risk. The Group is also exposed to changes in the interest rate, as the company debt has a floating interest rate. To mitigate the risk The Group have entered into agreements to avoid the risk of a floating interest rate.

Credit risk

The risk for losses on receivables is considered to be low, as the major part of trade receivables is with municipalities. The Group has not yet experienced significant losses on receivables.

Liquidity risk

The Group's liquidity is still good, but with an increased focus on overdue receivables. The credit periods for sales will not be changed.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the Financial Statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2025 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

Allocation of net income

The Board of Directors has proposed the net income of Cube III Environment Nord MidCo AS to be attributed to:

Retained Earnings	(6,323)
Net income allocated	(6,323)

The proposal reflects the owners' desire to strengthen the equity position of the Group.



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Cube III Environment Nord Midco AS
Annual report 2024

The working environment and the employees

Leave of absence due to illness totalled 194,250 hours in 2024 (189,350 hours in 2023), which equals approximately 6.2% in 2024 (6.3% in 2023) in of the total working hours in the Group. Hence, the Group has seen positive results from the initiatives taken to reduce this kind of absence. The Group will continue its efforts to reduce the number of sick days, and has started additional initiatives such as offering gym memberships and physical therapy as well as a plan to rotate tasks between the employees.

No incidences or reporting of work-related accidents resulting in significant material damage or personal injury occurred during the year.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis. During 2024, a Group climate survey was conducted. The Group's various working environment committees held regular meetings in 2024. A number of issues have been discussed in the committees, which have resulted in recommendations of improvements to the related departments.

The cooperation with employee trade unions has been constructive and contributed positively to operations.

Equal opportunities and discrimination

The Group is focused on opportunities for all genders and nationalities.

Remuneration, loans and guarantees to executives

Refer to Note 6.3 for remuneration of executives. No loans or guarantees have been issued to executives.

Environmental report

Waste from production facilities, including waste considered harmful to the environment, is within regulatory limitations. The Group's operations are only limited regulated by rules on environment. A significant portion of the environmental work is concentrated on establishing systems for measuring CO2 and pollution from trucks.

Emphasis in 2024 has been placed on converting to more environmentally friendly fuel products. The Group will continue to strengthen the focus on improved environmental fuel solutions.

Insurance for Board Members and General Manager

An insurance for Board Members and General Manager is in place.

The Group shall, in accordance with Section 5 of the Transparency Act, account for the due diligence assessments that are conducted. The report is published on the Group's website.



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Cube III Environment Nord Midco AS
Annual report 2024

Consolidated Financial Statements

Consolidated Statement of Profit or Loss

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Revenue	5	313,025	23,110
Other income		446	85
Supplies and inventories	6.1	(33,192)	(2,987)
Service costs	6.2	(59,967)	(8,314)
Personnel costs	6.3	(148,786)	(12,184)
Other operating expenses	6.4	(1,436)	(207)
EBITDA		70,090	(497)
Amortisation and depreciation	9, 10	(46,810)	(3,132)
Operating profit (loss) (EBIT)		24,280	(3,629)
Net financial expenses	7	(28,936)	(3,382)
Profit (loss) before tax		(4,656)	(7,011)
Income taxes	8	(1,667)	(858)
Profit (loss) for the period		(6,323)	(7,869)
The profit / (loss) for the period is attributable to:			
Owners of Cube III Environment Nord MidCo AS		(6,323)	(7,869)

As of both 31 December 2024 and 31 December 2023, there were no non-controlling interests within the group.

The accompanying notes are an integral part of these Consolidated Financial Statements.

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Cube III Environment Nord Midco AS
Annual report 2024

Consolidated Statement of Other Comprehensive Income

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Profit (loss) for the period		<u>(6,323)</u>	<u>(7,869)</u>
Exchange differences on translation of foreign operations		(3,653)	3,173
Effective portion of the cash flow hedges, net of tax	12.3	442	(2,304)
Net other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods		<u>(3,211)</u>	<u>869</u>
Other comprehensive income / (loss) for the period		<u>(3,211)</u>	<u>869</u>
Total comprehensive income / (loss) for the period		<u><u>(9,534)</u></u>	<u><u>(7,000)</u></u>
The total comprehensive income / (loss) for the period is attributable to:			
Owners of Cube III Environment Nord MidCo AS		(9,534)	(7,000)

As of both 31 December 2024 and 31 December 2023, there were no non-controlling interests within the Group.

The accompanying notes are an integral part of these Consolidated Financial Statements.

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Cube III Environment Nord Midco AS
Annual report 2024

Consolidated Statement of Financial Position

As of 31 December
(In EUR'000)

	Notes	2024	2023
Assets			
Non-current assets			
Goodwill	9	123,577	124,977
Other intangible assets	9	138,339	148,571
Property, machinery and equipment	10	175,450	156,010
Deferred tax assets	13	23,890	22,638
Other non-current assets	15	897	738
Total non-current assets		462,153	452,934
Current assets			
Inventories		694	811
Trade receivables	14	50,045	51,075
Income tax assets		398	602
Other current assets	15	13,417	11,474
Cash	12.1	30,450	26,118
Total current assets		95,004	90,080
Total assets		557,157	543,014
Liabilities and equity			
Equity			
Share capital	16	3	3
Share premium		53,883	53,883
Other reserves		(2,342)	869
Retained earnings		(14,192)	(7,869)
Total equity		37,352	46,886
Non-current liabilities			
Non-current borrowings	3	201,343	188,772
Deferred tax liabilities	13	53,139	53,349
Other non-current liabilities	18	188,234	175,802
Total non-current liabilities		442,716	417,923
Current liabilities			
Current borrowings	3	24,614	21,702
Trade payables	3, 12.2	17,561	18,916
Income tax payables		3,780	4,800
Other current liabilities	18	31,134	32,787
Total current liabilities		77,089	78,205
Total liabilities		519,805	496,128
Total liabilities and equity		557,157	543,014

As of both 31 December 2024 and 31 December 2023, there were no non-controlling interests within the Group.

The accompanying notes are an integral part of these Consolidated Financial Statements.



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Cube III Environment Nord Midco AS
Annual report 2024

Consolidated Statement of Changes in Equity
For the year ended 31 December 2024 and for the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	Share capital	Share premium	Foreign currency translation	Cashflow hedge reserve	Retained earnings	Total equity
Balances as of 01 May 2023		3	-	-	-	-	3
Profit / (Loss) for the period		-	-	-	-	(7,869)	(7,869)
Other comprehensive income / (loss) for the period		-	-	3,173	(2,304)	-	869
Total comprehensive income/ (loss) for the period		-	-	3,173	(2,304)	(7,869)	(7,000)
Capital increase		-	53,883	-	-	-	53,883
Balances as of 31 December 2023		3	53,883	3,173	(2,304)	(7,869)	46,886
Profit / (Loss) for the year		-	-	-	-	(6,323)	(6,323)
Other comprehensive income / (loss) for the year		-	-	(3,653)	442	-	(3,211)
Total comprehensive income (loss) for the year		-	-	(3,653)	442	(6,323)	(9,534)
Balances as of 31 December 2024		3	53,883	(480)	(1,862)	(14,192)	37,352

As of both 31 December 2024 and 31 December 2023, there were no non-controlling interests within the Group.

The accompanying notes are an integral part of these Consolidated Financial Statements.



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Cube III Environment Nord Midco AS
Annual report 2024

Consolidated Statement of Cash Flows

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Cash flow from operating activities			
Profit / (loss) before income tax		(4,656)	(7,011)
Non-cash adjustments:			
Amortisation and depreciation	9, 10	45,810	3,132
Net financial expenses	7	28,936	3,382
Working capital adjustments:			
Changes in inventories		117	19
Change in trade receivables		1,030	(4,580)
Change in trade payables		(1,355)	4,915
Change in other assets and liabilities		(4,907)	9,472
Interest paid		(17,767)	(1,788)
Net cash generated from (used in) operating activities		47,208	7,541
Cash flow from investing activities			
Acquisitions of subsidiaries, net of cash acquired		-	(98,726)
Purchase of property, machinery and equipment	10	(15,460)	(1,893)
Purchase of intangible assets	9	(877)	(22)
Net cash generated from (used in) investing activities		(16,337)	(100,641)
Cash flow from financing activities			
Proceeds from borrowings	12.2	-	121,322
Payment of principal portion of lease liabilities	12.2	(26,320)	(2,335)
Net cash generated from (used in) financing activities		(26,320)	118,987
Net increase (decrease) in cash		4,551	25,887
Net foreign exchange difference		(219)	228
Cash at the beginning of the period		26,118	3
Cash at the end of the period		30,450	26,118

As of both 31 December 2024 and 31 December 2023, there were no non-controlling interests within the Group.

The accompanying notes are an integral part of these Consolidated Financial Statements.



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Cube III Environment Nord Midco AS
Annual report 2024

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

Notes to the Consolidated Financial Statements

1. Corporate and Group information

The annual Consolidated Financial Statements of Cube III Environment Nord MidCo AS ("Cube III" or the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2024, (the "Consolidated Financial Statements") were authorized for issue in accordance with a resolution of the Directors on 16 July 2025.

The Company is a limited liability company incorporated and domiciled in Norway. The Company's registered office address is Haldenveien 321, 1923 Sørum, Norway.

The Group, through its subsidiaries, operates in the collection of urban waste and collection and treatment of industrial and commercial waste. The Group was established in 2023 through the incorporation of Cube III and subsequent acquisition of the subsidiaries from Urbaser, S.A.U. For more information about the business combination, see Note 4 "Business combinations".

The Consolidated Financial Statements were audited by EY, who was appointed as independent auditor of the Company and its most significant subsidiaries.

2. Material accounting policy information

This note provides a list of the material accounting policies adopted in the preparation of these Consolidated Financial Statements.

2.1 Basis of preparation

Application of IFRS

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards - IFRS® (hereinafter "IFRS Accounting Standards" or "IFRS") as adopted by the European Union (EU).

The Group has prepared the Consolidated Financial Statements on the basis that it will continue to operate as a going concern.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value where application of the fair value measurement is required.

The Consolidated Financial Statements are presented in euros (EUR) to Group's international relations and aligned with the preferences of the Investor Cube III Co-Investment NO S.å.r.l and lenders (refer to Note 12.2). All values are rounded to the nearest thousand (EUR'000), except when otherwise indicated.

The Consolidated Financial Statements provide comparative information in respect of the previous period which is defined as 8 months between 01 May 2023 when the Company was established and 31 December 2023.

Defining materiality

The Consolidated Financial Statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. When aggregated, the transactions are presented in classes of similar items in the Consolidated Financial Statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the Consolidated Financial



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Statements or in the Notes to the Consolidated Financial Statements. There are substantial disclosure requirements throughout IFRS.

Management provides specific disclosures required by IFRS unless the information is considered immaterial to the economic decision-making of the intended users of the consolidated financial statements or not applicable.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as of 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Company controls its subsidiaries, directly or indirectly, through majority voting interests.

The Consolidated Financial Statements of the Group include:

Entity	Country of incorporation	Office	Currency	Shareholding	Group's voting ownership share
Cube III Environment Nord Bidco AB	Sweden	Stockholm	SEK	100%	100%
Verdis Nordic AS	Norway	Sørum	NOK	100%	100%
Verdis NewCo ApS	Denmark	Gadstrup	DKK	100%	100%
Nordren AS	Norway	Sørum	NOK	100%	100%
Nordren AB	Sweden	Stockholm	SEK	100%	100%
Verdis OY	Finland	Helsinki	EUR	100%	100%
Verdis AB	Sweden	Stockholm	SEK	100%	100%
Craft Tech Sverige AB	Sweden	Stockholm	SEK	100%	100%
Verdis Holding ApS	Denmark	Gadstrup	DKK	100%	100%
Verdis A/S	Denmark	Gadstrup	DKK	100%	100%
Verdis Recycling ApS	Denmark	Gadstrup	DKK	100%	100%

The consolidated financial statements comprise the financial statements of the Parent Company and group entities controlled by the Parent Company.



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2.3 Summary of material accounting policies

2.3.1 Revenue

The Group, through its subsidiaries, earns substantially all of its revenues from providing waste collection services to local municipalities, governmental entities and private enterprises. This includes collection of waste, providing waste management services to comply with regulations and waste handling for specific types of waste.

The Group considers its contracts with customers primarily comprise performance obligations to provide services. Revenue is recognized overtime upon fulfilment of the services. As a practical expedient, the Group recognizes revenue in the amount to which it has a "right to invoice". The Group considers it appropriate considering the nature of the contracts being provision of services and that the amount the Group invoices to the customer corresponds directly with the value to the customer on the services completed to a specific date.

The Group's revenue is influenced by factors such as collection frequency, type of collection equipment furnished, type and volume or weight of the waste collected, distance to the disposal facility or material recovery facility and our disposal costs.

Contract assets relate to revenue earned for services completed at the end of the year but is not invoiced yet to customer. As such, the balances of this account vary and depend on the number of ongoing services at the end of the year. Contract liabilities include customer advances received to render services.

2.3.2 Financial income and expenses

Financial income and expenses comprise interest income from bank deposits and interest expenses from the borrowings and leases. It also includes foreign exchange rate differences related to items denominated in foreign currencies.

2.3.3 Current and deferred tax

Current tax liabilities and receivables are recognized in the balance sheet at the amounts calculated on the taxable income for the year, adjusted for tax on taxable income for prior years and for taxes paid on account.

Deferred taxes are measured using the balance sheet liability method and comprises all temporary differences between the carrying amount and tax base of assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

When the computation of the tax base may be performed according to different tax rules, deferred tax is measured on the basis of Management's intended use of the asset or settlement of the liability.

2.3.4 Goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date,



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allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, an element of goodwill is included in the carrying amount of the disposed operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Amortisation is carried out systematically over the expected useful lives of the assets.

Customer relationships	13-15 years
Software	5 years
Development costs	5 years
Other intangible assets	3 years

No other Intangible assets, besides goodwill, has indefinite lives.

No impairment indicators were identified as of 31 December 2024.

2.3.6 Property, machinery and equipment

Property, machinery and equipment comprises land and buildings, plant and machinery, fixtures and fittings, tools and equipment, tangible assets in progress and prepayments.

Property, machinery and equipment are measured at cost less accumulated depreciation and any impairment losses. Cost comprises the purchase price as well as any costs directly attributable to the acquisition until the date on which the assets is ready for use.

The basis of depreciation is calculated considering the asset's residual value, and is reduced by impairment losses, if any. The residual value and expected useful lives of assets are determined at the date of acquisition and reassessed annually. If the depreciation period or the residual value is changed, the changes are accounted for as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	5 - 10 years
Machinery	3 - 8 years
Other equipment	3 - 5 years



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Gains and losses on the disposal of property, machinery and equipment are stated as the difference between the selling price and the carrying amount at the date of disposal and they are recognised in the Consolidated Statement of Profit or Loss as other income or other operating expenses in the period of disposal.

The carrying amounts of property, machinery and equipment are reviewed on an annual basis to determine whether there is any indication of impairment. No impairment indicators were identified as of 31 December 2024.

2.3.7 Right-of-use assets

Leases is a contract or part of a contract that conveys the lessee's right of use an asset for a period of time. Right-of-use assets are initially measured as the present value of future fixed lease payments, as well as upfront payments and other initial direct costs incurred, less any lease incentives received. If, at the inception of the lease, it is reasonably certain that an extension or purchase option will be exercised, future lease payments will be included.

Right-of-use assets are depreciated using the straight-line method over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease terms of the following leased assets:

Building	5 - 11 years
Cars	3 - 5 years
Machinery (including leased trucks)	3 - 5 years

The Group also has certain contracts with lease terms of 12 months or less and leases of low value assets. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases where the lease payments are recognized as expense on a straight-line basis over the lease term.

Right-of-use assets are tested when there is an indication of impairment.

2.3.8 Trade receivables

A trade receivable is recognised if an amount of consideration (e.g. invoice amount) that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables held by Group with the purpose of collecting contractual cashflows are recognized initially at fair value (i.e., invoice amount) and subsequently measured at amortised cost less allowances for lifetime expected credit losses. The Group has limited exposure to credit risk for which allowances for expected credit losses are included in other operating expenses.

2.3.9 Financial instruments

Financial assets

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attribute able to the acquisition of the financial asset.



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Financial assets are subsequently measured at amortised cost.

Financial asset at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment testing. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Group's financial assets at amortised cost mainly include trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Financial liabilities are recognized at fair value and subsequently measured at amortised cost using the effective interest rate method, while contingent consideration resulting from business combinations has been subsequently remeasured at fair value at each reporting date.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in borrowings.

Hedging derivatives

The Group uses derivative financial instruments for cash flow hedges, such as interest rate swap, to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.



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At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Consolidated Statement of Profit or Loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

The amounts accumulated in OCI are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability.

2.3.10 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in the operating expenses.

In applying the acquisition method, the Group determines the fair value of the assets and liabilities acquired. As an exception, the Group measures existing leases of the acquired business at the present value of the lease payments as of the acquisition date as if the lease commenced on that date. Goodwill is determined as the excess of the aggregate consideration transferred and the aggregate of the fair value of the net acquisition-date amounts of the identifiable assets acquired and liabilities assumed.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

2.3.11 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



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The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Derivatives have been measured at fair value at the inception of the contract and at year end. The determination of the fair value is based on significant observable inputs (Level 2).

2.3.12 Cash flow statement

The Group presents its cash flows from operating activities using the indirect method.

The Group has elected to classify interest received and interest paid (including interest on lease liabilities and interest arising from revenue contracts, if there is any) as cash flows from operating activities.

2.3.13 Foreign currencies

The functional currency of the Company is the Euro (EUR) and for each of the reporting entities in the Group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in other currencies than the functional currency are foreign currency transactions. At initial recognition, foreign currency transactions are translated into the functional currency using the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables, and other monetary items denominated in foreign currencies are translated into the functional currency using the spot exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or the exchange rates in the latest annual report is recognised in the income statement as financial income or financial expenses.

On consolidation, the assets and the liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into EUR at the exchange rates at the reporting date. The income statements and statement of cash flows of foreign operations are translated into EUR at average exchange rates for the period, unless such average exchange rates are unrepresentative of the exchange rates prevailing at the transaction dates, in which case the transaction date exchange rates are applied.

The translation differences for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.



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The following table sets forth the main exchange rates used to translate the foreign operations:

	Average (*)	At 31 December 2023	Average (**)	At 31 December 2024
Danish Krone	7,4556	7,4529	7,4589	7,4578
Swedish Krona	11,2028	11,0960	11,4325	11,4590
Norwegian Krone	11,5333	11,2405	11,6290	11,7950

(*) Average exchange rate is referred to the period from 01 November 2023 to 31 December 2023.

(**) Average exchange rate is referred to the period from 01 January 2024 to 31 December 2024.

2.3.14 Alternative performance measures and other definitions

The Group presents certain financial measures of the Group's financial performance, financial position and cash flows that are not defined according to IFRS.

These non-IFRS financial measures may not be defined and calculated by other companies using the same method and may not be comparable.

The financial measures should not be considered as a replacement for performance measures as defined under IFRS, but rather as supplementary information.

EBITDA Operating income / (loss) adjusted for amortisation, depreciation, impairment losses;
EBIT Operating income / (loss).

2.4 New and amended standards and interpretations

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's Financial Statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU) but not yet effective:

- Amendments to IAS 1 "Presentation of Financial Statements" related to the classification of liabilities as current or non-current (endorsed on 20 December 2023). These amendments are effective on or after 01 January 2024.
- Amendments to IFRS 16 Leases: Lease liability in Sale and Lease back (endorsed on 21 November 2023). These amendments are effective on or after 01 January 2024.
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (endorsed on 16 May 2024). These amendments are effective on or after 01 January 2024.

The Group did not experience any material impact from the adoption of these amendments.



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New standards, amendments, clarifications and interpretations issued by IASB but not yet endorsed by EU:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023) These amendments are effective on or after 01 January 2025;
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024). The amendments are effective for annual reporting periods beginning on or after 01 January 2026;
- Annual Improvements to IFRS Accounting Standards – Volume 11 (issued on 18 July 2024). The improvements are effective for annual reporting periods beginning on or after 01 January 2026;
- Power Purchase Agreements (Amendments to IFRS 9 and IFRS 7) (issued on 18 December 2024). The amendments are effective for annual reporting periods beginning on or after 01 January 2026;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 09 May 2024). This standard is effective for annual reporting periods on or after 01 January 2027, with earlier application permitted;
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 09 April 2024). This standard is effective for annual reporting periods beginning on or after 01 January 2027, with earlier application permitted.

The Group is yet to assess the impact of adopting these amendments and new standards.

2.5 Significant accounting estimates and judgments

In preparation of the Consolidated Financial Statements, Management makes various accounting estimates and judgments that form the basis of presentation, recognition and measurement of the Group's assets, liabilities, income and expenses. The key accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

The application of the Group's accounting policies may require Management to make judgments that can have a significant effect on the amounts recognized in the Consolidated Financial Statements. Management judgment is required in particular when assessing the substance of transactions that have a complicated structure or legal form.

The accounting estimates and judgments made are based on historical experience and other factors that Management assesses to be reliable, but that, by nature, are associated with uncertainty and unpredictability and may therefore prove incomplete or incorrect, and unexpected events or circumstances may arise.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, either positively or negatively.

Assumptions about the future and the estimation of uncertainties at the balance sheet date are described in the notes when there is a significant risk of changes that could result in a material adjustment to the carrying amounts of assets or liabilities within the next financial year.



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Management considers the key accounting estimates and judgements used in the preparation of the Consolidated Financial Statements relating to the list below.

- Application of "right to invoice" practical expedient for waste collection services

The Group has determined that substantially all its contracts with customers in providing waste collection services revenue are satisfied overtime. The Group considers that its right to consideration (the invoice amount) corresponds directly with the value transferred to its customers. Majority of the Group's contracts bill customers based on the fees charged per collection and varies, depending on other factors such as type of collection equipment furnished, type and volume or weight of the waste collected, distance to the disposal facility or material recovery facility and disposal costs. The fees are subject to price adjustments to reflect the current price levels and other factors that influences pricing.

The Group determines that it can apply "right to invoice" practical expedient of IFRS 15 and recognizes revenue based on invoice amounts or its right to consideration as services are performed.

- Impairment of goodwill and non-financial assets

Goodwill and the carrying value of assets within the cash-generating units (CGUs) are tested for impairment annually and whenever indicators of impairment exist. Impairment is recognized when the carrying amount of an asset or CGU exceeds its recoverable amount, which is defined as the higher of its fair value less costs of disposal and its value in use.

The Group utilizes a discounted cash flow (DCF) model to determine the value in use. Cash flows are derived from the approved budget for the next five years and do not include significant future investments that are not yet committed to or restructuring activities that the Group is not obligated to undertake. Key assumptions used in the DCF model include estimated revenue growth, EBITDA, corporate income tax, capital expenditures (CAPEX), depreciation and amortization (D&A), net working capital, the discount rate applied (weighted average cost of capital, WACC), and long-term growth rate estimates.

The recoverable amount determined in the impairment tests performed as of 31 December 2024 is based on the value in use. The value in use calculation is sensitive to key assumptions, including revenue growth during the forecast period, the discount rate, expected future cash flows, and the terminal growth rate. These estimates are particularly relevant to goodwill and other intangible assets and represent significant assumptions made by management.

The key assumptions used to determine the recoverable amount for the CGU, including a sensitivity analysis, are disclosed and further explained in Note 9 "Goodwill and other intangible assets".

- Identification and fair values of acquired intangible assets

The most significant assets acquired generally comprise goodwill and customer list. No active market exists for the majority of the acquired assets and liabilities, in particular in respect of acquired intangible assets. Accordingly, Management makes estimates of the fair value of acquired assets, and liabilities. Depending on the nature of the item, the determined fair value of an item may be associated with uncertainty and possibly adjusted subsequently. The fair value of acquisition-related intangible assets acquired in business combinations is based on an evaluation of the conditions relating to the acquired portfolio and related customer relations. Measurement is based on a discounted cash flow model on key assumptions about the estimated split of the acquired and expected revenue, the related churn rates and the expected profitability of the revenue at the time of the acquisition.



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3. Financial risk management, financial assets and financial liabilities

The Group is exposed to certain market risks, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the local finance organization in each country in the execution of necessary risk management measure.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is primarily exposed to market risks such as changes in interest rate risks, and fluctuation of foreign exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by entering into interest rate swap to fix the interest cash flows against the floating rates CIBOR, NIBOR and EURIBOR.

The following sensitivity demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. An increase or reduction of 10 basis points in the interest rates of the borrowings would result in increase/decrease of financial expenses of EUR 0.1 million.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group manages its foreign currency risk based on their cash flows at risk and as needed. Currently, the foreign currency risk exposure is limited since the majority of their revenue and expenditures are based on domestic transactions and the respective subsidiary's functional currency.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, and other financial assets.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management.

Credit risk from trade receivables is considered limited as most of receivables arises from contracts with local municipalities and governmental entities where the Group considers default risk as very low.

The carrying values of trade receivables and other amortised cost financial assets represents the maximum credit exposure.

Credit risk from balances with banks and financial institutions is managed by each business unit. The Group's bank deposits are held in financial institution with high credit rating (over BBB+) and therefore the Group considers default risk as very low.



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Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool. The Group's objective is to maintain a balance between continuity of funding and flexibility through entering into financing facilities when necessary. The Group has access to a sufficient variety of sources of funding and debt to carry out its operations.

The table below summarises the maturity profile of the Groups financial liabilities based on contractual undiscounted payments:

	Within 12 months	From 1 to 5 years	More than 5 years	Carrying amount
2024				
Financial liabilities				
Loans and borrowings	39,557	116,077	144,429	225,957
<i>Lease liabilities*</i>	29,443	75,620	14,750	105,550
<i>Bank borrowings*</i>	10,114	40,457	129,679	120,407
Trade payables	17,561	-	-	17,561
Total	57,118	116,077	144,429	243,518

* The contractual undiscounted payments include the interest payments portion of the lease liabilities and bank borrowings.

	Within 12 months	From 1 to 5 years	More than 5 years	Carrying amount
2023				
Financial liabilities				
Loans and borrowings	37,808	105,736	156,263	210,474
<i>Lease liabilities*</i>	27,759	65,540	16,535	90,844
<i>Bank borrowings*</i>	10,049	40,196	139,728	119,630
Trade payables	18,916	-	-	18,916
Total	56,724	105,736	156,263	229,390

* The contractual undiscounted payments include the interest payments portion of the lease liabilities and bank borrowings.



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4. Business combinations

2024

There was no business combination performed by the Group entities in year ended 31 December 2024.

2023

Acquisition of Urbaser Group

On 21 November 2023, the Group acquired the entire issued capital of Urbaser Nordic AS ("Urbaser") a non-listed entity controlling a group of entities operating in Norway, Sweden, Finland and Denmark (altogether "Urbaser Group"), operates in providing waste collection services to local municipalities, governmental entities and private enterprises (the "Acquisition"). The Group acquired Urbaser to bolster its growth in the Nordic waste collection industry, enhance operational efficiency, and further the use of green technologies within its fleet. The investment is intended to capitalize on favorable market conditions and regulatory support for sustainable waste management in the region. Additionally, Cube plans to leverage its expertise and resources to expand Urbaser Nordic's services, including into the Danish waste treatment sector, while facilitating the sharing of best practices across its European portfolio.

There are no material non-controlling interests in the acquisition.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Urbaser Group as of the date of acquisition were:

<i>(In EUR'000)</i>	FV recognised on acquisition
Description	
Intangible assets	147,566
Property, machinery and equipment	154,955
Deferred tax assets	22,114
Other current and non-current assets	22,525
Inventories	812
Trade receivables	46,006
Cash	21,551
Loans and borrowings	(91,381)
Deferred tax liabilities	(53,063)
Trade payables	(13,858)
Other current and non-current liabilities	(90,956)
Total identifiable net assets fair value	166,271
Goodwill arising on acquisition	123,747
Purchase consideration transferred	290,018
Purchase consideration	
Cash paid	120,277
Cube III Environment Co-Investment NO S.à.r.l payment of behalf of the acquirer	169,741
Total consideration	290,018
Analysis of cash flows on acquisition:	
Consideration paid	120,277
Net cash acquired with the subsidiary (included in cash flows from investing)	(21,551)
Net cash flow on acquisition	98,726



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The net assets recognised in as of 31 December 2023, are based on a provisional assessment of their fair values. The provisional goodwill which mainly reflects to future customer contracts and workforce has been allocated to one single cash generating unit encompassing all the companies within the markets of Denmark, Sweden, Finland and Norway. In 2024, the provisional amounts of the net assets acquired were adjusted with immaterial change from the previously disclosed amounts.

Consideration

The fair value of the consideration for the acquisition of Urbaser amounted to EUR 290,018 thousand. As part of the purchase agreement the consideration includes cash consideration and payment carried out by the Cube III Environment Co-Investment NO S.à.r.l payment amounting to EUR 169,741 thousand.

Separately recognized transactions

The Company recognized transaction costs amounting to EUR 3,062 thousand, included in "Consultant and IT expenses" (Note 6.2) in 2023.

Revenue and results of the acquired entities and the combined entity

From the date of the Acquisition till the end of 2023, Urbaser contributed EUR 23,110 thousand and EUR (2,308) thousand to the revenue and profit or (loss) of the Group, respectively.

5. Revenue

5.1 Disaggregation of Revenue

Set out below is the disaggregation of the Group's revenue:

Type of services	2024	2023
Waste collection and handling	300,679	21,814
Rental income	1,830	156
Other services	10,516	1,140
Total	313,025	23,110

The Group generates revenue primarily from the sale of its services through following geographies:

Geographical markets	2024	2023
Denmark	134,419	9,610
Norway	50,619	4,090
Sweden	57,898	4,557
Finland	70,089	4,853
Total	313,025	23,110

5.2 Contract balances

Set out below is the breakdown of the Group's revenue contract balances:

Contract balances	2024	2023
Trade receivables	50,045	51,075
Contract assets	4,286	2,781
Contract liabilities	928	1,098
Total	55,259	54,954



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Contract assets relate to revenue earned from ongoing services. As such, the balances of this account vary and depend on the number of ongoing services at the end of the period.

Contract liabilities include advances received advances received to render services.

6. Operating expenses

6.1 Supplies and inventories

Set out below is the breakdown of the Group's supplies and inventories:

	2024	2023
Supplies and inventories		
Purchase of supplies and inventories	33,157	2,934
Change in inventories	35	53
Total	33,192	2,987

6.2 Service costs

Set out below is the breakdown of the Group's services costs:

	2024	2023
Service costs		
Maintenance and repairs	34,703	2,762
Subcontracting services	12,315	991
Consultant and IT expenses	7,672	3,614
Insurance costs	3,562	294
Utilities	911	76
Other service costs	804	577
Total	59,967	8,314

Consultant and IT expenses include transactions cost incurred in the context of the business combination. For further details, refer to Note 4.

6.3 Personnel costs

Set out below is the breakdown of the Group's personnel costs:

	2024	2023
Personnel costs		
Salaries and wages	118,859	9,294
Pension and social security costs	22,466	1,742
Other personnel costs	7,461	1,148
Total	148,786	12,184

Average number of full-time employees	2,096	1,973
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Remuneration to the management team

The Board determines the principles applicable to the Group's policy for compensation to the management team. The Board is directly responsible for determining the CEO's salary and other benefits. The Group's management team includes the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") of the Company, and the respective CEO of operating companies in Denmark, Sweden, Norway and Finland.



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Bonus

The CEOs of the operating companies in Denmark, Sweden, Norway and Finland are entitled to a performance-based bonus, based on the Group's financial performance and achievement of KPIs.

Pension

All members of the management team are part of the defined contribution pension scheme, refer to "Defined contributions plans" below for further information.

The Norwegian companies in the Group are obligated to maintain an occupational pension scheme in accordance with the Norwegian Mandatory Occupational Pensions Act. All pension schemes satisfy these requirements.

2024	Base salary	Bonus	Pension	Total remuneration
Management team	889	190	126	1,205
<i>Of which that of CEO amounts to</i>	256	32	26	314

2023	Base salary	Bonus	Pension	Total remuneration
Management team	66	609	8	683
<i>Of which that of CEO amounts to</i>	283	381	5	669

Remuneration to the Board of Directors

Remuneration for the members of the Board is determined by the Annual General Meeting (AGM).

	2024	2023
Remuneration to the Board of Directors	5	5

None of the Directors hold an indirect share investment in the Group as of 31 December 2024.

Defined contribution plans

The entities within the Group have a defined contribution pension plan for its employees which satisfies the statutory requirements law for each entity. The contributions are made to pension plans for full-time employees and once the contribution have been paid, there are no further payment obligations for the Group. The pension premium is expensed when it accrues. The period's net pension cost is classified as wages and personnel costs.



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6.4 Other operating expenses

Set out below is the breakdown of the Group's other operating expenses:

	2024	2023
Other operating expenses		
Other taxes	959	96
Bad debt allowance	16	2
Other operating expenses	461	109
Total	1,436	207

7. Net financial expenses

	2024	2023
Net financial expenses		
Interest expenses	30,215	3,122
<i>of which:</i>		
Interest expenses on long-term financing	24,147	2,495
Interest on lease liabilities	6,068	605
Foreign exchange rate differences	(581)	291
Other financial income	(698)	(9)
Total	28,936	3,382

8. Income taxes

Set out below is the breakdown of the Group's income taxes:

	2024	2023
Income taxes		
Current tax for the year	2,805	482
Change in deferred tax for the year	(1,245)	406
Prior year adjustment	107	(30)
Total	1,667	858

Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate are as follows:

	2024	2023
Reconciliation of tax rate		
Tax based on Norwegian tax rate	(1,024)	(1,542)
Deviation in tax in foreign companies in relation to Norwegian tax rate	(128)	24
Other, including adjustments regarding previous years	107	(30)
Tax effect of permanent and other differences	2,712	2,406
Effective tax rate	20%	13%
Tax expense for the period	1,667	858



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9. Goodwill and other intangible assets

Set out below is the breakdown and movements of the Group's goodwill and other intangible assets:

	Goodwill	Software	Customer list	Development costs	Other intangible assets	Total
Cost						
Balance as of 31 December 2023	124,977	21	148,947	299	68	274,312
Additions	-	-	-	184	683	877
Currency translation adjustment	(1,400)	-	(2,006)	-	-	(3,406)
Balance as of 31 December 2024	123,577	21	146,941	493	751	271,763
Accumulated amortisation						
Balance as of 31 December 2023	-	(2)	(744)	(15)	(3)	(764)
Amortisation charge for the year	-	(9)	(8,875)	(192)	(37)	(9,113)
Currency translation adjustment	-	-	10	-	-	10
Balance as of 31 December 2024	-	(11)	(9,509)	(207)	(40)	(9,867)
Carrying amount at 31 December 2024	123,577	10	137,332	286	711	261,916
	Goodwill	Software	Customer list	Development costs	Other intangible assets	Total
Cost						
Balance as of 01 May 2023	123,747	21	147,200	277	68	271,313
Acquired through business combination	-	-	-	22	-	22
Additions	-	-	1,747	-	-	2,977
Currency translation adjustment	1,230	-	-	-	-	2,977
Balance as of 31 December 2023	124,977	21	148,947	299	68	274,312
Amortisation and impairment						
Balance as of 01 May 2023	-	-	-	-	-	-
Amortisation	-	(2)	(740)	(15)	(3)	(760)
Currency translation adjustment	-	-	(4)	-	-	(4)
Balance as of 31 December 2023	-	(2)	(744)	(15)	(3)	(764)
Carrying amount at 31 December 2023	124,977	19	148,203	284	65	273,548



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As of 31 December 2024, goodwill amounted to EUR 123,577 thousand (EUR 124,977 thousand as of 31 December 2023) and it has been allocated to one single CGU encompassing all the companies within the Group.

For the companies acquired in the Acquisition, the table above includes only the purchases and disposals of goodwill and other intangible assets starting from the acquisition date.

The impairment test was performed as of 31 December, 2024 by comparing the carrying amount with the recoverable amount of the CGU. The recoverable amount is based on the "value in use" as the present value of the future cashflows expected to be derived from the CGU.

Key assumptions used in value-in-use calculations and sensitivity to changes in assumptions

The recoverable amount is based on the value in use, which is calculated by the application of the DCF (discounted cash-flows) method using the financial forecast for 2025 to 2029.

The calculation of value in use is most sensitive to the following assumptions:

- Revenue forecast;
- EBITDA forecast;
- Corporate income tax;
- CAPEX and D&A;
- Net working capital;
- Discount rate (WACC);
- Long-term growth rate estimates.

Revenue forecast

Verdis generated EUR 313.5 million in revenue in 2024, exceeding the forecasted revenue of EUR 302.6 million projected during the PPA in 2023. This performance was primarily driven by net contract wins in Finland and contract renewals in Norway. Going forward, for 2025, revenue is projected to be EUR 321.3 million, which implies a growth rate of 2.5% over 2024 revenues.

For 2026-2029 the revenue has been forecasted applying the long-term business plan of the Group, with a growth rate 2.0% in line with the long-term inflation expectation in the Eurozone.

EBITDA forecast

In 2024, the Group realized an EBITDA margin of 22.4%.

Going forward, the EBITDA margin is expected to remain within the range of 19.5% to 21.9% during 2025 to 2029. Beyond 2029, the margins are assumed to be constant and equal to the 2029 level.

Corporate income tax

A corporate income tax rate of 21.5% has been applied throughout the forecast period. This rate reflects the weighted average of the tax rates in Denmark, Finland, Norway, and Sweden, where the Group operates.

CAPEX and D&A

CAPEX is estimated based on the levels as estimated in the long-term business plan forecast. It is estimated to be 13.1% (as a percentage of revenue) in 2025, 21.6% in 2026 and then gradually declining to 11.8% in 2029. Beyond 2029, CAPEX is assumed to remain constant at 11.0%.

Depreciation of fixed assets is expected to be stable in the range of 11.0% - 13.2% throughout the discrete forecast period. In the terminal period, depreciation is set equal to the CAPEX.



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Net working capital

Net working capital ("NWC") amounted to EUR 15.5 million, corresponding to 4.9% of revenue. The majority of NWC is made up of receivables combined with inventories and payables. During the forecast period, NWC is assumed to be 2.5% of revenue, based on the normalized level of NWC applied in the PPA.

Based on the above assumptions, an enterprise value of EUR 479.7 million was calculated for the Group.

Discount rate (WACC)

Discount rates represent the current market assessment of the risks taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into consideration both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is derived from borrowings the Group is obliged to service.

A WACC of 7.5% has been applied to the impairment test.

Long-term growth rate estimates.

The residual value was calculated by applying the Gordon growth formula.

The long-term growth rate ("LTGR") is based on the long-term inflation rate observable in the Euro region. This is estimated using German nominal government bond yields and inflation-linked bond yields as of the valuation date. The LTGR is then determined based on the observed spread between the interpolated nominal yield and the real yield of the inflation-linked bond. This results in a LTGR of 2.0% which is applied in the DCF-analysis. It is assumed that the long-term inflation rate in Germany is a reasonable proxy for the long-term inflation rate in the Nordics.

As of 31 December 2024, the recoverable amount of the cash generating unit (CGU) is higher than its corresponding carrying amount and no impairment loss is recognized in the period.



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10. Property, machinery and equipment

	<u>Land and buildings</u>	<u>Machinery</u>	<u>Other equipment</u>	<u>Total</u>
Cost				
Balance as of 31 December 2023	10,228	133,712	14,320	158,260
Additions	1,616	50,848	2,249	54,713
Remeasurement	1,654	1,520	-	3,174
Currency translation adjustments	(152)	(1,602)	(20)	(1,774)
Balance as of 31 December 2024	<u>13,346</u>	<u>184,478</u>	<u>16,549</u>	<u>214,373</u>
Accumulated depreciation				
Balance as of 31 December 2023	(194)	(1,926)	(130)	(2,250)
Depreciation charge for the year	(2,809)	(31,139)	(2,749)	(36,697)
Currency translation adjustments	2	22	-	24
Balance as of 31 December 2024	<u>(3,001)</u>	<u>(33,043)</u>	<u>(2,879)</u>	<u>(38,923)</u>
Carrying amount at 31 December 2024	<u>10,345</u>	<u>151,435</u>	<u>13,670</u>	<u>175,450</u>
<i>of which right-of-use assets under IFRS 16</i>	<u>10,345</u>	<u>97,219</u>	<u>882</u>	<u>108,446</u>
	<u>Land and buildings</u>	<u>Machinery</u>	<u>Other equipment</u>	<u>Total</u>
Cost				
Balance as of 01 May 2023	-	-	-	-
Additions from acquisitions	10,138	130,830	13,987	154,955
Additions	-	1,700	193	1,893
Disposals	-	(136)	-	(136)
Currency translation adjustments	90	1,318	140	1,548
Balance as of 31 December 2023	<u>10,228</u>	<u>133,712</u>	<u>14,320</u>	<u>158,260</u>
Accumulated depreciation				
Balance as of 01 May 2023	-	-	-	-
Depreciation charge for the year	(193)	(2,050)	(129)	(2,372)
Disposals	-	136	-	136
Currency translation adjustments	(1)	(12)	(1)	(14)
Balance as of 31 December 2024	<u>(194)</u>	<u>(1,926)</u>	<u>(130)</u>	<u>(2,250)</u>
Carrying amount at 31 December 2023	<u>10,034</u>	<u>131,786</u>	<u>14,190</u>	<u>156,010</u>
<i>of which right-of-use assets under IFRS 16</i>	<u>10,034</u>	<u>81,425</u>	<u>1,118</u>	<u>92,577</u>

For the companies acquired in the Acquisition, the table above includes only the purchases and disposals of property, machinery and equipment starting from the acquisition date.

The fair value of PPE at year-end are not considered significantly different from their carrying values.



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11. Leases

Group as a lessee

Set out below are the carrying amounts of right-of-use assets included in property, machinery and equipment and the movements during the period:

a) Right-of-use (ROU) assets

	Land and buildings	Machinery	Other equipment	Total
Balance as of 31 December 2023	10,034	81,425	1,118	92,577
Additions	1,872	37,067	314	39,253
Remeasurements	1,654	1,520	-	3,174
Transfer to owned property, machinery and equipment	-	(2,941)	(43)	(2,984)
Depreciation	(3,096)	(18,595)	(491)	(22,182)
Currency translation adjustments	(119)	(1,257)	(16)	(1,392)
Balance as of 31 December 2024	<u>10,345</u>	<u>97,219</u>	<u>882</u>	<u>108,446</u>

	Land and buildings	Machinery	Other equipment	Total
Balance as of 01 May 2023	-	-	-	-
Additions from acquisitions	10,138	81,929	1,126	93,193
Depreciation	(193)	(1,316)	(18)	(1,527)
Currency translation adjustments	89	812	10	911
Balance as of 31 December 2023	<u>10,034</u>	<u>81,425</u>	<u>1,118</u>	<u>92,577</u>

b) Lease liabilities

The non-current and current portions of lease liabilities are disclosed within "Non-current borrowings" and "Current borrowings" lines in the Consolidated Statement of Financial Position, respectively.

c) Amounts recognised in profit or loss

	2024	2023
Depreciation expense of right-of-use assets	22,182	1,527
Interest expense on lease liabilities	6,068	627
Expense relating to short-term leases	81	81
Expense relating to leases of low-value assets	-	3
Total amount recognised in profit or loss	<u>28,331</u>	<u>2,238</u>

d) Amounts recognised in Consolidated Statement of Cash Flows

The total cash outflow relating to lease liabilities amounted to EUR 26,320 thousand in 2024. Total cash outflows for leases amount to EUR 2,335 thousand for the period-ended 31 December 2023.



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12. Financial assets and liabilities

12.1 Financial assets

Set out below is the breakdown of the Group's financial assets:

	2024	2023
Trade receivables	50,045	51,075
Cash	30,450	26,118
Financial assets measured at amortised cost	80,495	77,193

12.2 Financial liabilities

Set out below is the breakdown of the Group's current and non-current financial liabilities at amortised cost included in current and non-current borrowings:

	2024	2023
Borrowings	225,957	210,474
Trade payables	17,561	18,916
Other liabilities	182,743	171,088
Financial liabilities measured at amortised cost	426,261	400,478

Derivatives designated as hedging instruments

Derivatives have been designated as cash flow hedges to hedge interest rate risk.

Measurement of financial instruments

All the financial assets and liabilities are measured at amortised cost, except for the derivatives designated for hedging measured at fair value.

Change in liabilities arising from financing activities

Set out below is the changes of the Group's current and non-current borrowings arising from financing activities:

	01 January, 2024	Cash flows	Foreign exchange	New leases	Additions from acquisitions	Others	31 December 2024
Lease liabilities	90,844	(26,320)	(1,401)	42,427	-	-	105,550
Bank borrowings	119,630	-	-	-	-	777	120,407
Total	210,474	(26,320)	(1,401)	42,427	-	777	225,957

	01 May 2023	Cash flows	Foreign exchange	New leases	Additions from acquisitions	Others	31 December 2023
Lease liabilities	-	(2,335)	-	-	93,179	-	90,844
Bank borrowings	-	121,322	-	-	-	(1,692)	119,630
Total	-	118,987	-	-	93,179	(1,692)	210,474

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Senior term facility agreement

In November 2023, the Group through the Parent Company obtained a senior term facility (the "loan") from a pool of financial institutions to be utilised only on the closing date of the Acquisition and due on full in 2030. In 2024 the loan was novated to one of the subsidiaries - Verdis NewCo ApS.

The loan draws down amounts to EUR 125 million at utilization date and disbursed in different currency tranches – EUR, NOK and SEK.

The loan imposes certain financial covenants over the Group, including: (i) minimum amount of interest cover ratio; (ii) maximum amount of leverage; (iii) minimum amount of cash and (iv) minimum length of the weighted average life of operational phase contracts.

The loan provides an option to the Group to voluntary prepay at an amount equal to the sum of: (i) the nominal outstanding amount, (ii) the unpaid accrued interests and (iii) the prepayment fee calculated as amount equal to all the interest margin spread that would have otherwise accrued under the Senior Term Facility agreement.

As of 31 December 2024, the carrying value of the loan is EUR 120,407 thousand which is net of the unamortized transaction costs amounting to EUR 4,593 thousand.

12.3 Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The Group's risk management strategy and how it is applied to manage risk are explained in Note 3. As of 31 December 2024, the Group only manages interest rate risk related to the Senior term facility agreement described in Note 12.2.

Cash flow hedge

As of 31 December 2024, the Group had the following interest rate swap (IRS) agreements in place expiring on 16 November 2027, that hedges the variable interest of the existing loan, i.e. cash flow hedge:

- IRS on the EUR portion of the loan, with a notional amount of EUR 69 million, whereby the Group pays a fixed rate interests of 3.087% and receive a variable rate equal to the three-months EUR-EURIBOR;
- IRS on the SEK portion of the loan, with a notional amount of SEK 244 million, whereby the Group pays a fixed rate interests of 3.328% and receive a variable rate equal to the three-months SEK-STIBOR;
- IRS on the NOK portion of the loan, with a notional amount of NOK 187 million, whereby the Group pays a fixed rate interests of 4.002% and receive a variable rate equal to the three-months NOK-NIBOR.

The hedge is considered effective at the end of the reporting period. The fair value of the interest rate swap as of 31 December 2024 amounted to EUR 2,388 thousand (1,862 thousand net of tax) while as of 31 December 2023 it amounted to EUR 2,953 thousand (2,304 thousand net of tax). It was recorded under "Other non-current liabilities" in Consolidated Statement of Financial Position. The change in the fair value of the interest rate swaps in 2024 amounted to EUR 565 thousand (EUR 442 thousand, net of tax) is recognized in "Other comprehensive income" considering the hedge is effective.

12.4 Fair values

Financial assets and liabilities carrying amounts are reasonable approximations of fair values.



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13. Deferred tax assets and liabilities

Set out below is the breakdown and movements of the Group's deferred tax assets and liabilities:

	2024	2023
Deferred tax assets		
Balance at the beginning of the period	22,638	-
Additions from acquisitions	-	22,114
Change in deferred taxes – recognized in the income statement	1,773	(338)
Change in deferred taxes – recognized in comprehensive income	(125)	650
Currency translation adjustments	(396)	212
Balance at end of period	23,890	22,638
Deferred tax liabilities		
Balance at the beginning of the period	53,349	-
Additions from acquisitions	-	52,631
Change in deferred taxes – recognized in the income statement	528	68
Currency translation adjustments	(738)	650
Balance at end of period	53,139	53,349
	2024	2023
Deferred tax assets	23,890	22,638
Deferred tax liabilities	(53,139)	(53,349)
Net deferred tax assets / (liabilities)	(29,249)	(30,711)
Breakdown of deferred tax asset		
	2024	2023
Property, machinery and equipment	23,890	22,638
Deferred tax asset at the end of the period	23,890	22,638
Breakdown of deferred tax liability		
	2024	2023
Intangible assets	29,688	32,032
Property, machinery and equipment	23,451	21,317
Deferred tax liability at the end of the period	53,139	53,349

14. Trade receivables

Set out below is the breakdown of the Group's trade receivables:

	2024	2023
Trade receivables		
Gross amount of trade receivables	50,411	51,451
Allowance for expected credit loss	(366)	(376)
Total	50,045	51,075

Trade receivables are generally on terms of 30 to 60 days. The Group's trade receivables and contract assets arise from contracts with local municipalities and governmental entities where credit risk is very



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limited. In 2024, EUR 366 thousand was recognised as provision for expected credit losses on trade receivables (in 2023 – EUR 376 thousand).

Movements in allowance for expected credit losses are as follows:

	2024	2023
Balances at beginning of the period	(376)	-
Provision for the year	-	(376)
Reversal for the year	10	-
Balances at end of the year	<u>(366)</u>	<u>(376)</u>

15. Other current and non-current assets

Set out below is the breakdown of the Group's other current and non-current assets:

	2024	2023
Other current assets		
Restricted cash	5,513	5,330
Contract assets	4,286	2,781
Prepayments, assets	2,676	2,514
Other receivables	942	849
Total	<u>13,417</u>	<u>11,474</u>
Other non-current assets		
Deposit	736	604
Other non-current receivables	161	134
Total	<u>897</u>	<u>738</u>

Other current assets include contract assets recognized in accordance with IFRS 15 (Note 5).

16. Share capital and other reserves

As of 31 December 2024, issued and fully paid share capital of the Company amounted to NOK 30,600 (equivalent to EUR 3 thousand) divided into 3,000 shares of NOK 10.2 each. The share capital is fully paid.

	2024	2023
Number of shares		
Share capital at the beginning of the period (NOK)	30,600	30,600
Capital increase	-	-
Share capital at the end of the period (NOK)	<u>30,600</u>	<u>30,600</u>

The share capital is subscribed for by the Cube III Environment Co-Investment No S.à.r.l.'s sole shareholder, in connection with the share premium amount equivalent to EUR 53 million.

17. Capital management

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and cash.



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The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

	2024	2023
Capital Management		
Borrowings	225,957	210,474
Trade and other payables	205,339	198,483
Less: cash	(30,450)	(26,118)
Net debt	400,846	382,839
	2024	2023
Equity	37,352	46,886
Total Capital	37,352	46,886
Capital and net debt	438,198	429,725
Gearing ratio	91%	89%

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. For further information refer to Note 12.2.

18. Other current and non-current liabilities

Set out below is the breakdown of the Group's other current and non-current liabilities:

	2024	2023
Other current liabilities		
Salaries, social contributions and accrued holiday pay	19,135	17,706
VAT	6,040	4,682
Other tax payables	2,384	2,441
Contract liabilities	928	1,098
Debt v/Cube III Environment Co-Investment NO S.å.r.l.	-	1,334
Other	2,647	5,526
Total	31,134	32,787
	2024	2023
Other non-current liabilities		
Debt v/Cube III Environment Co-Investment NO S.å.r.l.	182,743	169,754
Interest rate swap	2,388	2,953
Other non-current liabilities	3,103	3,095
Total	188,234	175,802

19. Contingencies

The Group through Verdis AB is currently a defendant in a legal proceeding arising from a dispute with a subcontractor. The contingent liability is estimated at SEK 24,900 thousand (or EUR 2,200 thousand), but the outcome is not presently determinable. Under an indemnification agreement with the previous Parent Company of the Group (the seller), the acquirer is indemnified for any losses resulting from this claim. No liability has been recognized in the Consolidated Financial Statements for this contingent liability.



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20. Guarantees

As of 31 December 2024, the Group has outstanding performance guarantees issued by various banks and financial institutions amounting to EUR 18,236 thousand (EUR 19,809 thousand – as of 31 December 2023). These guarantees would only become payable in the event that the Group fails to perform its contractual obligations to its customers. The performance guarantees have various expiration dates.

21. Related party disclosures

Related parties are defined as parties with control or significant influence, including Group companies.

The Cube Salem Co-Investment, based in Luxembourg, is the ultimate parent of Cube III Environment Nord Midco AS. Cube III Environment Co-Investment NO S.à.r.l. holds the 100% of the share capital in the Company.

Other related parties include members of Board of Directors together with immediate families.

For compensation of key management personnel of the Group please refer to Note 6.3.

Debt v/Cube III Environment Co-Investment NO S.à.r.l. amounts to EUR 182,743 thousand (as of 31 December 2023: EUR 171,088 thousand). Main terms and conditions are interest rate 6.9% and repayment date on 28 January 2026.

There were no significant transactions with related parties, including members of the Board of Directors or other key management personnel other than payment of remuneration.

22. Fees to auditors

Set out below is the breakdown of the Group's fees to the Group auditor and the auditor of the subsidiaries:

	2024	2023
Remuneration to the auditor		
Statutory audit fee	433	237
Other assurance services	42	565
Tax consulting services	193	18
Other non-assurance services	53	17
Total	721	837

Statutory audit fee for subsidiaries amounted to EUR 258 thousand in 2024 (EUR 170 thousand in 2023). Other assurance and non-assurance services, including tax consulting for subsidiaries, amounted to EUR 273 thousand in 2024 (EUR 63 thousand in 2023).

23. Events after reporting date

There are no material events as of the after the reporting period through the date of issuance of the financial statements.



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Cube III Environment Nord Midco AS

(Parent company)

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Parent Company Financial Statements

Parent Company Statement of Profit or Loss

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Service costs	4	(2,906)	(126)
Operating profit (loss) (EBIT)		(2,906)	(126)
Net financial expenses	5	(7,336)	(133)
Profit (loss) before income tax		(10,242)	(259)
Income taxes	6	-	-
Profit (loss) for the period		(10,242)	(259)

The accompanying notes are an integral part of these Parent Company Financial Statements.



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Parent Company Statement of Other Comprehensive Income

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Profit (loss) for the period		<u>(10,242)</u>	<u>(259)</u>
Effective portion of the cash flow hedges, net of tax	9.3	2,016	(2,304)
Hedge discontinuation	9.3	288	-
Net other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods		<u>2,304</u>	<u>(2,304)</u>
Other comprehensive income / (loss) for the period		<u>2,304</u>	<u>(2,304)</u>
Total comprehensive income / (loss) for the period		<u>(7,938)</u>	<u>(2,563)</u>

The accompanying notes are an integral part of these Parent Company Financial Statements.



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Parent Company Statement of Financial Position As of 31 December (In EUR'000)

	Notes	2024	2023
Assets			
Non-current assets			
Investment in subsidiaries	7	55,486	67,110
Deferred tax assets	8	-	650
Other non-current assets	10	2,849	113,378
Total non-current assets		58,335	181,138
Current assets			
Other current assets	10	5,514	6,341
Cash	9.1	285	1,527
Total current assets		5,799	7,868
Total assets		64,134	189,006
Liabilities and equity			
Equity			
Share capital	11	3	3
Share premium		53,883	53,883
Other reserves		-	(2,304)
Retained earnings		(10,501)	(259)
Total Equity		43,385	51,323
Non-current liabilities			
Non-current borrowings	3, 9.2	-	119,630
Other non-current liabilities	12	20,724	16,196
Total non-current liabilities		20,724	135,826
Current liabilities			
Trade payables	3	-	1,794
Other current liabilities	12	25	63
Total current liabilities		25	1,857
Total liabilities		20,749	137,683
Total liabilities and equity		64,134	189,006

The accompanying notes are an integral part of these Parent Company Financial Statements.



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Parent Company Statement of Changes in Equity
For the year ended 31 December 2024 and for the period from 01 May 2023 to 31 December 2023
(in EUR'000)

	Notes	Share capital	Share premium	Cashflow hedge reserve	Retained earnings	Total equity
Balances as of 01 May 2023		3	-	-	-	3
Profit / (Loss) for the period		-	-	-	(259)	(259)
Other comprehensive income / (loss) for the period		-	-	(2,304)	-	(2,304)
Total comprehensive income/ (loss) for the period		-	-	(2,304)	(259)	(2,563)
Capital increase	11	-	53,883	-	-	53,883
Balances as of 31 December 2023		3	53,883	(2,304)	(259)	51,323
Profit / (Loss) for the year		-	-	-	(10,242)	(10,242)
Hedge discontinuation		-	-	288	-	288
Other comprehensive income / (loss) for the year		-	-	2,016	-	2,016
Total comprehensive income (loss) for the year		-	-	2,304	(10,242)	(7,938)
Balances as of 31 December 2024		3	53,883	-	(10,501)	43,385

The accompanying notes are an integral part of these Parent Company Financial Statements.



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Parent Company Statement of Cash Flows

For the year ended 31 December 2024 and for the period from 01 May 2023 to 31 December 2023
(In EUR'000)

	Notes	2024	2023
Cash flow from operating activities			
Profit / (loss) before income tax		(10,242)	(259)
Non-cash adjustments:			
Net financial expenses	5	7,336	133
Working capital adjustments:			
Change in trade receivables		(1,794)	1,794
Change in other assets and liabilities		6,225	(122,627)
Interest paid		(2,767)	1,161
Income taxes paid		-	-
Net cash generated from (used in) operating activities		(1,242)	(119,798)
Cash flow from investing activities			
Net cash generated from (used in) investing activities		-	-
Cash flow from financing activities			
Proceeds from issues of shares		-	-
Proceeds from borrowings	9.2	-	121,322
Net cash generated from (used in) financing activities		-	121,322
Net increase (decrease) in cash		(1,242)	1,524
Cash at the beginning of the period		1,527	3
Cash at the end of the period		285	1,527

The accompanying notes are an integral part of these Parent Company Financial Statements.



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Notes to the Parent Company Financial Statements

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
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Notes to the Parent Company Financial Statements

1. Material accounting policy information

The Parent Company Financial Statements of Cube III Environment Nord MidCo AS ("Cube III" or the "Parent Company" and together with its subsidiaries the "Group") for the year ended 31 December 2023, have been prepared in accordance with International Financial Reporting Standards - IFRS® (hereinafter "IFRS Accounting Standards" or "IFRS") as adopted by the European Union (EU) and additional requirements of the Norwegian Accounting Act. The accounting policies applied by the Parent Company are the same as apply to the Cube III Environment Nord Midco AS, see the Notes to the Consolidated Financial Statements, with the exception of the following:

Investment in subsidiaries

The accounting policies for investment in subsidiaries and related transactions are presented in Note 7.

2. Significant accounting estimates and judgments

In preparing the Parent Company Financial Statements, Management makes various accounting estimates and assumptions that form the basis of the recognition and measurement of the Parent Company's assets and liabilities. The key accounting estimates and judgements for the Group are presented in the Notes to the Consolidated Financial Statements. Furthermore, management considers the significant accounting estimates and judgements used in the preparation of the Parent Company Financial Statements in particular referring to the carrying amount of investments in subsidiaries. Assumptions about the future and estimation uncertainty at the balance sheet date are described in the notes where there is a significant risk of changes that could result in material adjustments to the carrying amount of assets or liabilities within the next financial year.

3. Financial risk management, financial assets and financial liabilities

The Parent Company is primarily exposed to market risk - liquidity risk.

Market risk

During 2024 Parent Company has novated the loan together with the hedging derivative to one of its subsidiaries - Verdis NewCo ApS. Due to that fact Parent Company is no longer exposed to market risk related to changes in fair value or future cash flows of a financial instrument caused by changes in market prices. Additionally, Parent Company is no longer exposed to interest rate risk related to the third party borrowing.

Liquidity risk

The Parent Company monitors its risk of a shortage of funds using a liquidity planning tool. The Parent Company's objective is to maintain a balance between continuity of funding and flexibility through entering into financing facilities when necessary. The Parent Company has access to a sufficient variety of sources of funding and debt to carry out its operations.

The table below summarises the maturity profile of the Parent Company's financial liabilities based on contractual undiscounted payments:

2024	Within 12 months	From 1 to 5 years	More than 5 year	Carrying amount
Financial liabilities				
Loans and borrowings	-	-	-	-
<i>Bank borrowings</i>	-	-	-	-
Trade payables	-	-	-	-
Total	-	-	-	-



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2023	Whithin 12 months	From 1 to 5 years	More than 5 year	Carrying amount
Financial liabilities				
Loans and borrowings	10,049	40,196	139,728	119,630
<i>Bank borrowings</i>	10,049	40,196	139,728	119,630
Trade payables	1,794	-	-	1,794
Total	11,843	40,196	139,728	121,424

4. Service costs

Set out below is the breakdown of the Group's services costs:

Service costs	2024	2023
Consultant and IT expenses	2,906	126
Total	2,906	126

5. Net financial expenses

Set out below is the breakdown of the Parent Company's financial income and expenses:

Financial expenses	2024	2023
Reversal of unamortized transaction cost of novated loan	5,108	-
Interest expenses on long-term financing	2,898	1,161
Foreign exchange rate differences	1,393	(98)
Loss on novation of derivatives	288	-
Other financial expenses	147	-
Total	9,834	1,063
Finance income		
Discontinuation of the hedge	288	-
Other financial income	2,210	930
Total	2,498	930
Net financial expenses	7,336	133



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6. Income taxes

Set out below is the breakdown of the Parent Company's reconciliation of income taxes:

	2024	2023
Reconciliation of tax rate		
Tax based on Norwegian tax rate	(2,253)	(57)
Tax effect of permanent and other differences	2,253	57
Effective tax rate	0%	0%
Tax expense for the period	-	-

7. Investment in subsidiaries

	2024	2023
Investment in subsidiaries		
Cost at the beginning of the period	67,110	-
Reclassification	(11,624)	-
Additions	-	67,110
Total	55,486	67,110

Investment in subsidiary is measured at cost. If the cost exceeds the recoverable amount, it is written down.

8. Deferred tax assets and liabilities

Set out below is the breakdown and movements of the Group's deferred tax assets and liabilities:

	2024	2023
Deferred tax assets		
Balance at the beginning of the period	650	-
Change in deferred taxes – recognized in comprehensive income	(650)	650
Balance at end of period	-	650

	2024	2023
Deferred tax assets	-	650
Deferred tax liabilities	-	-
Net deferred tax assets / (liabilities)	-	650

	2024	2023
Breakdown of deferred tax asset		
Interest rate swap	-	650
Deferred tax asset at the end of the period	-	650



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9. Financial assets and liabilities

9.1 Financial assets

Set out below is the breakdown of the Parent Company's financial assets:

	2024	2023
Receivable v/Cube III Environment Nord Bidco AB	2,849	114,308
Restricted cash	5,513	5,330
Cash	285	1,527
Financial assets measured at amortised cost	8,647	121,165

9.2 Financial liabilities

Set out below is the breakdown of the Parent Company's current and non-current financial liabilities at amortised cost included in current and non-current borrowings:

	2024	2023
Borrowings	-	119,630
Trade payables	-	1,794
Other liabilities	20,749	13,243
Financial liabilities measured at amortised cost	20,749	134,667

Derivatives designated as hedging instruments

As of 31 December 2024 Parent Company does not hold derivatives designated as cashflow hedges. As of 31 December 2023 derivatives have been designated as cash flow hedges to hedge interest rate risk.

Measurement of financial instruments

All the financial assets and liabilities are measured at amortised cost.

Change in liabilities arising from financing activities

Set out below is the changes of the Parent Company's current and non-current borrowings arising from financing activities:

	01 January 2024	Cash flows	Foreign exchange	New leases	Novation of loan	Others	31 December 2024
Bank borrowings	119,630	-	-	-	(119,630)	-	-
Total	119,630	-	-	-	(119,630)	-	-
	01 May 2023	Cash flows	Foreign exchange	New leases	Novation of loan	Others	31 December 2023
Bank borrowings	-	121,322	-	-	-	(1,692)	119,630
Total	-	121,322	-	-	-	(1,692)	119,630



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Senior term facility agreement

In November 2023, the Group through the Parent Company obtained a senior term facility (the "loan") from a pool of financial institutions to be utilised only on the closing date of the Acquisition and due on full in 2030.

The loan draws down amounts to EUR 125 million at utilization date and disbursed in different currency tranches – EUR, NOK and SEK.

The loan imposes certain financial covenants over the Group, including: (i) minimum amount of interest cover ratio; (ii) maximum amount of leverage; (iii) minimum amount of cash and (iv) minimum length of the weighted average life of operational phase contracts.

The loan provides an option to the Group to voluntary prepay at an amount equal to the sum of: (i) the nominal outstanding amount, (ii) the unpaid accrued interests and (iii) the prepayment fee calculated as amount equal to all the interest margins spread that would have otherwise accrued under the Senior Term Facility agreement.

In April 2024, the Parent Company novated the loan together with the hedging derivative to Verdis NewCo ApS, a wholly-owned subsidiary.

9.3 Hedging activities and derivatives

The Parent Company is exposed to certain risks relating to its ongoing business operations. The Parent Company's risk management strategy and how it is applied to manage risk are explained in Note 3.

As of 31 December 2024, the Parent Company no longer owns derivatives designed as cashflow hedges as they were novated to Verdis NewCo ApS.

Cash flow hedge

In 2023, the Parent Company had the following interest rate swap (IRS) agreements in place expiring on 16 November 2027, that hedges the variable interest of the existing loan, i.e. cash flow hedge:

- IRS on the EUR portion of the loan, with a notional amount of EUR 69 million, whereby the Parent Company pays a fixed rate interests of 3.087% and receive a variable rate equal to the three-months EUR-EURIBOR;
- IRS on the SEK portion of the loan, with a notional amount of SEK 244 million, whereby the Parent Company pays a fixed rate interests of 3.328% and receive a variable rate equal to the three-months SEK-STIBOR;
- IRS on the NOK portion of the loan, with a notional amount of NOK 187 million, whereby the Parent Company pays a fixed rate interests of 4.002% and receive a variable rate equal to the three-months NOK-NIBOR.

In April 2024, the Parent Company novated the loan together with the hedging derivative to Verdis NewCo ApS, a wholly-owned subsidiary. Fair value of the interest rate swap as of 31 December 2024 amounted to EUR nil (EUR 2,953 thousand as of 31 December 2023) and recorded under "Other non-current liabilities" in Parent Company Statement of Financial Position. The change in the fair value of the interest rate swaps in 2024 amounted to EUR 2,584 thousand (EUR 2,016 thousand, net of tax) is recognized in "Other comprehensive income" considering the hedge is effective (in 2023 amounted to EUR 2,953 thousand - EUR 2,304 thousand, net of tax).

9.4 Fair values

Financial assets and liabilities carrying amounts are reasonable approximations of fair values.



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(In EUR'000)

10. Other current and non-current assets

Set out below is the breakdown of the Parent Company's other current and non-current assets:

	2024	2023
Other current assets		
Restricted cash	5,513	5,330
Current portion of receivable v/Cube III Environment Nord Bidco AB	-	930
Other receivables	1	81
Total	5,514	6,341
Other non-current assets		
Receivable v/Cube III Environment Nord Bidco AB	2,849	113,378
Total	2,849	113,378

11. Share capital and other reserves

As of 31 December 2023, issued and fully paid share capital of the Parent Company amounted to NOK 30,600 (equivalent to EUR 3 thousand) divided into 3,000 shares of NOK 10.2 each. The share capital is fully paid.

	2024	2023
Number of shares		
Share capital at the beginning of the period (NOK)	30,600	30,600
Capital increase	-	-
Share capital at 31 December 2023 (NOK)	30,600	30,600

The share capital is subscribed for by the Cube III Environment Co-Investment No S.à.r.l.'s sole shareholder, in connection with the share premium amount equivalent to EUR 53 million.

12. Other current and non-current liabilities

Set out below is the breakdown of the Parent Company's other current and non-current liabilities:

	2024	2023
Other current liabilities		
Other payables	25	63
Total	25	63
Other non-current liabilities		
Debt v/Nordren AS	14,268	13,243
Debt against Verdis A/S	4,919	-
Debt against BidCo	1,537	-
Interest rate swap	-	2,953
Total	20,724	16,196



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Notes to the Parent Company Financial Statements

For the year ended 31 December 2024 and the period from 01 May 2023 to 31 December 2023
(In EUR'000)

13. Commitment and contingencies

Contingencies

The Group through the subsidiary Verdis AB is currently a defendant in a legal proceeding arising from a dispute with a subcontractor. The contingent liability is estimated at SEK 24,900 thousand (or EUR 2,200 thousand), but the outcome is not presently determinable. Under an indemnification agreement with the previous Parent Company of the Group (the seller), the acquirer is indemnified for any losses resulting from this claim. No liability has been recognized in the Parent Company Financial Statements for this contingent liability.

14. Related party disclosures

Related parties are defined as parties with control or significant influence, including Group companies.

The Cube Salem Co-Investment, based in Luxembourg, is the ultimate parent of Cube III Environment Nord Midco AS. Cube III Environment Co-Investment NO S.à.r.l. holds the 100% of the share capital in the Company.

Other related parties include members of Board of Directors together with immediate families. The Parent Company recognizes the following transactions with subsidiaries:

- receivables and finance income v/Cube III Environment Nord Bidco AB amounting to EUR 2,849 thousand (as of 31 December 2023: EUR 114,308 thousand) and EUR 2,210 thousand (as of 31 December 2023: EUR 930 thousand), respectively;
- payables v/Nordren AS amounting to EUR 14,268 thousand (as of 31 December 2023: EUR 13,243 thousand);
- payables Verdis A/S amounting to EUR 4,919 thousand (as of 31 December 2023: EUR nil);
- payables BidCo amounting to EUR 1,537 thousand (as of 31 December 2023: EUR nil).

There were no significant transactions with other related parties, including members of the Board of Directors or other key management personnel other than payment of remuneration.

15. Fees to auditors

Set out below is the breakdown of the Parent Company's fees to auditors:

Remuneration to the auditor	2024	2023
Statutory audit fee	175	67
Tax consulting services	15	-
Other assurance services	-	537
Total	190	604

16. Events after reporting date

Please refer to Note 23 of the Consolidated Financial Statements.