



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 995 761 440  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: RECOVER AS  
Forretningsadresse: Lilleakerveien 4A  
0283 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Mørselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Finn Øistein Nordam  
Dato for fastsettelse av årsregnskapet: 21.06.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 11.09.2022



## Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	13	1 360 801 000	1 217 036 000
Annen driftsinntekt		337 000	32 000
<b>Sum inntekter</b>		<b>1 361 138 000</b>	<b>1 217 068 000</b>
<b>Kostnader</b>			
Varekostnad		568 346 000	489 444 000
Lønn og sosiale kostnader	14	556 282 000	485 532 000
Avskrivning på driftsmidler og immaterielle eiendeler	2, 3	25 611 000	17 610 000
Avskrivning goodwill	2	2 116 000	2 992 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	2, 3		
Andre driftskostnader	19	194 964 000	176 188 000
<b>Sum kostnader</b>		<b>1 347 319 000</b>	<b>1 171 766 000</b>
<b>Driftsresultat</b>		<b>13 819 000</b>	<b>45 302 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt	18	1 714 000	1 044 000
Renteinntekter	18	3 378 000	3 567 000
Rentekostnader konsern	18		
<b>Sum finansinntekter</b>		<b>5 092 000</b>	<b>4 611 000</b>
Rentekostnader	18	4 486 000	6 380 000
Andre finanskostnader	18	11 143 000	11 576 000
Rentekostnad til foretak i samme konsern	17	3 913 000	
Annen rentekostnad	18		
Annen finanskostnad	18		
<b>Sum finanskostnader</b>		<b>19 542 000</b>	<b>17 956 000</b>
<b>Netto finans</b>		<b>-14 450 000</b>	<b>-13 345 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-631 000</b>	<b>31 957 000</b>
Skattekostnad på ordinært resultat	12		
<b>Ordinært resultat etter skattekostnad</b>		<b>-631 000</b>	<b>31 957 000</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Skattekostnad på ordinært resultat	12	22 000	-7 126 000
<b>Årsresultat</b>		<b>-609 000</b>	<b>24 831 000</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-610 000</b>	<b>24 832 000</b>
<b>Overføringer og disponeringer</b>			
Konsernbidrag		10 356 000	
Overført til annen egenkapital			24 832 000
Overført fra annen egenkapital		-10 966 000	
<b>Sum overføringer og disponeringer</b>		<b>-610 000</b>	<b>24 832 000</b>



### Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Forskning og utvikling	2, 3		
IT systemer	2	2 835 000	2 435 000
Utsatt skattefordel	2, 3, 12		
Goodwill	2	12 804 000	14 919 000
<b>Sum immaterielle eiendeler</b>		<b>15 639 000</b>	<b>17 354 000</b>
<b>Varige driftsmidler</b>			
Bygninger	3, 6		
Maskiner og anlegg	3, 6		
IT-driftsmidler	3	3 296 000	3 602 000
Leasing driftsmidler	3, 7	392 000	505 000
Maskiner, inventar og transportmidler	3	35 355 000	33 671 000
<b>Sum varige driftsmidler</b>		<b>39 043 000</b>	<b>37 778 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4	139 905 000	60 235 000
Investering i annet foretak i samme konsern	4		
Lån til foretak i samme konsern	8, 17		
Lån til tilknyttet selskap og felles kontrollert virksomhet	17		
Andre langsiktige fordringer	7, 8	15 000	15 000
<b>Sum finansielle anleggsmidler</b>		<b>139 920 000</b>	<b>60 250 000</b>
<b>Sum anleggsmidler</b>		<b>194 602 000</b>	<b>115 382 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varebeholdning	5	4 777 000	4 462 000
<b>Sum varer</b>		<b>4 777 000</b>	<b>4 462 000</b>
<b>Fordringer</b>			
Kundefordringer	7	71 515 000	104 757 000
Opptjent, ikke fakturert inntekt	6	126 314 000	138 790 000



### Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Andre kortsiktige fordringer		30 304 000	32 751 000
Fordring konsern	8	126 100 000	120 250 000
<b>Sum fordringer</b>		<b>354 233 000</b>	<b>396 548 000</b>
<b>Investeringer</b>			
Aksjer og andeler i foretak i samme konsern	4		
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd		135 117 000	39 592 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>135 117 000</b>	<b>39 592 000</b>
<b>Sum omløpsmidler</b>		<b>494 127 000</b>	<b>440 602 000</b>
<b>SUM EIENDELER</b>		<b>688 729 000</b>	<b>555 984 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	10, 11	3 349 000	3 349 000
<b>Sum innskutt egenkapital</b>		<b>3 349 000</b>	<b>3 349 000</b>
<b>Opptjent egenkapital</b>			
Fond for vurderingsforskjeller	10		
Annen egenkapital	10	67 866 000	68 476 000
Udekket tap	10		
<b>Sum opptjent egenkapital</b>		<b>67 866 000</b>	<b>68 476 000</b>
<b>Sum egenkapital</b>		<b>71 215 000</b>	<b>71 825 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	12	13 217 000	16 160 000
<b>Sum avsetninger for forpliktelser</b>		<b>13 217 000</b>	<b>16 160 000</b>
<b>Annen langsiktig gjeld</b>			
Obligasjonslån	3, 7	309 000	401 000
Gjeld til kredittinstitusjoner	7, 7,	60 000 000	74 875 000



## Balanse

Beløp i: NOK	Note	2020	2019
	22		
Øvrig langsiktig gjeld konsern	7, 22	122 200 000	
<b>Sum annen langsiktig gjeld</b>		<b>182 509 000</b>	<b>75 276 000</b>
<b>Sum langsiktig gjeld</b>		<b>195 726 000</b>	<b>91 436 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		127 667 000	122 484 000
Betalbar skatt	12		
Offentlig avgift, skattetrekk og andre trekk	21	60 610 000	50 337 000
Kortsiktig konserngjeld	8	152 067 000	107 422 000
Påløpt lønn og feriepenger	15	58 737 000	52 742 000
Trekkfasiliteter	22		
Kortsiktig lån finansiell leasing	3, 7	98 000	119 000
Kortsiktig rentebærende gjeld	22		42 000 000
Annen kortsiktig gjeld	20	22 607 000	17 619 000
<b>Sum kortsiktig gjeld</b>		<b>421 786 000</b>	<b>392 723 000</b>
<b>Sum gjeld</b>		<b>617 512 000</b>	<b>484 159 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>688 727 000</b>	<b>555 984 000</b>



### Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Redering of goods and services	5	2 391 996 000	
<b>Sum inntekter</b>		<b>2 391 996 000</b>	
<b>Kostnader</b>			
Cost of materials		811 945 000	
Salary and personnel costs	8	1 062 981 000	
Depreciation and amortisation	12,14, 23	288 735 000	
Acquisition costs	6, 27	71 171 000	
Other operating expenses	12, 14, 23	346 287 000	
<b>Sum kostnader</b>		<b>2 581 119 000</b>	
<b>Driftsresultat</b>		<b>-189 123 000</b>	
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt	10	1 946 000	
Other finance gains	10	34 164 000	
Gain on financial instruments	10	2 992 000	
<b>Sum finansinntekter</b>		<b>39 102 000</b>	
Annen rentekostnad	10	46 830 000	
Other financial expenses	10	24 815 000	
<b>Sum finanskostnader</b>		<b>71 645 000</b>	
<b>Netto finans</b>		<b>-32 543 000</b>	
<b>Ordinært resultat før skattekostnad</b>		<b>-221 666 000</b>	<b>0</b>
Tax income	11	-12 388 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>-209 278 000</b>	<b>0</b>
<b>Årsresultat</b>		<b>-209 278 000</b>	<b>0</b>
Other comprehensive income		-47 647 000	



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Sum resultatkomponenter for IFRS-foretak		-47 647 000	
<b>Totalresultat</b>		<b>-256 925 000</b>	
<b>Overføringer og disponeringer</b>			
Annen egenkapital		-256 925 000	
<b>Sum overføringer og disponeringer</b>		<b>-256 925 000</b>	



### Konsernets balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	11	25 666 000	
<b>Sum immaterielle eiendeler</b>		<b>25 666 000</b>	
<b>Varige driftsmidler</b>			
Property, plant and equipment	12	196 040 000	
Intangible assets	14	2 592 724 000	
RoU Asset	23	600 641 000	
Other non-current assets	19	19 326 000	60 000
<b>Sum varige driftsmidler</b>		<b>3 408 731 000</b>	<b>60 000</b>
<b>Sum anleggsmidler</b>		<b>3 434 397 000</b>	<b>60 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	17	11 757 000	
<b>Sum varer</b>		<b>11 757 000</b>	
<b>Fordringer</b>			
Accounts receivable	16	325 130 000	40 000
Work in progress	18	215 450 000	
Other current assets	19	97 125 000	
<b>Sum fordringer</b>		<b>637 705 000</b>	<b>40 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	20	488 643 000	
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>488 643 000</b>	
<b>Sum omløpsmidler</b>		<b>1 138 105 000</b>	<b>40 000</b>
<b>SUM EIENDELER</b>		<b>4 572 502 000</b>	<b>100 000</b>

### BALANSE - EGENKAPITAL OG GJELD



## Konsernets balanse

Beløp i: NOK	Note	2020	2019
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Issued capital	21	1 860 000	30 000
Invested unrestricted equity	21	1 897 798 000	10 000
<b>Sum innskutt egenkapital</b>		<b>1 899 658 000</b>	<b>40 000</b>
<b>Opptjent egenkapital</b>			
Accumulated losses		-256 924 000	
<b>Sum opptjent egenkapital</b>		<b>-256 924 000</b>	
<b>Sum egenkapital</b>		<b>1 642 734 000</b>	<b>40 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	11	127 112 000	
<b>Sum avsetninger for forpliktelser</b>		<b>127 112 000</b>	
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	22	1 204 973 000	
Lease liabilities - non current	23	408 510 000	
<b>Sum annen langsiktig gjeld</b>		<b>1 613 483 000</b>	
<b>Sum langsiktig gjeld</b>		<b>1 740 595 000</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Interest-bearing loans and bank borrowings - current	22	50 511 000	
Leverandørgjeld	25	248 705 000	
Lease liabilities - current	23	198 956 000	
Other current liabilities	25, 28	691 001 000	
<b>Sum kortsiktig gjeld</b>		<b>1 189 173 000</b>	
<b>Sum gjeld</b>		<b>2 929 768 000</b>	<b>0</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>4 572 502 000</b>	<b>40 000</b>



**RECOVER**

**REMEDY TOPCO  
ANNUAL REPORT  
2020**

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## RECOVER

### Remedy Topco AS

#### Board of Directors' report 2020

Remedy Topco AS ('the Company') and its subsidiaries (together, 'the Group') carry out services, under the brand name Recover.

Recover Group serves insurance companies, municipalities, industrial and commercial companies across the Nordics, helping end-customers return to everyday life as quickly as possible following property damages and unexpected events. A majority of the company's operations relate to property remediation activities following i.e. water or fire damages.

The Groups operations are within the following business areas; Damage Control, Environmental Services and Demolition and Concrete Drilling.

The business area Damage Control offer a wide range of services including emergency response, damage mitigation, and reconstruction services across water, mould, fire and building services. The business area Environmental Services offer amongst other pipe inspection, vacuum suction, sludge, sewage and dangerous waste transport as well as industrial cleaning. The business area Demolition and Concrete Drilling offer amongst other heavy demolition and concrete drilling.

Damage control services are offered in Norway, Denmark, Sweden and Finland. Environmental services are offered in Norway, Denmark and Sweden, while Demolition and Concrete Drilling currently is offered in Sweden only.

#### Groups History:

In December 2019, the Remedy Topco AS's 100% indirectly owned subsidiary Remedy Bidco AS entered into an agreement to acquire all the shares in the Recover Group through the acquisition of 100% of the shares in Navie OY. The shares were transferred on 16 March, when the transaction was closed. The accounts present the activities of the Group from 16 March to 31 December 2020. The acquisition was funded by equity and loans from the shareholders. From 13 March 2020 to 7 May 2020, the Parent company, Remedy Topco S.a.r.l. gave a short-term non-interest bearing loan of MNOK 1 150 which was repaid when the Group obtained external financing on 7 May 2020.

The Recover Group was founded in 2013 following the acquisition of the Finnish, Danish and Norwegian Damage Control business from ISS. In 2015 the Recover Group acquired Relita, providing a solid presence in Sweden. Several bolt on acquisitions have been carried out since 2013, increasing the Groups presence across the Nordics.

During 2020 the Group has completed several additional bolt-on acquisitions. In Norway, Byggmester Kompaniet AS was acquired while Mellansvensk Industrisanering AB (MISAB Group), Skadesanering Stockholm AB and Skadeteknikgruppen AB was acquired in Sweden. See note 6b for an overview of the impact of the acquisitions on the group accounts.

All acquisitions were a result of the Group's strategy to expand in the Nordic market establishing the largest and leading Damage Control business with a growing presence in Environmental Services and Demolition and Concrete Drilling in the region. Key focus is quick response time, end-to-end responsibility, broad geographic coverage and high-quality services.



## RECOVER

The Company is majority-owned (through the holding company, Remedy Topco AS) by funds advised by the private equity firm EQT. Other shareholders include management and external board of directors' members of the Group in addition to certain sellers of entities acquired.

Remedy Topco AS is a limited liability company, incorporated in Norway and headquartered in Oslo, there are no employees in the Company. The Group employs c. 2 250 employees.

### Financial review

Group consolidated revenue in 2020 was NOK 2 392.0 million. Total operating costs were NOK 2 581.1 million comprised of cost of materials of NOK 811.9 million, general and administrative expenses of NOK 1 480.4 million and depreciation and amortizations of NOK 288.7 million. The operating loss (EBIT) for 2020 ended at NOK 189.1 million.

Covid-19 has impacted operations in 2020, leading to lost revenue and increased costs; this continues to be an issue in certain regions, particularly in Sweden. Despite this, on a proforma basis, the operations in Norway report higher revenue in 2020 compared to 2019. Denmark report a decline in revenue in the industrial services business area, while Damage control is in line with 2019. Both Sweden and Finland report lower revenue in all business areas compared to 2019.

To secure profitability, alle countries have carried out restructuring activities during the year. Operations in Finland have suffered from integration issues following the L&T DC ("KRA") acquisition carried out in 2019, with significant impact on both revenue and profitability. During 2020 several initiatives have been initiated in Finland to increase revenue, streamline processes and to align the cost structure to the operations. Many of the acquisitions carried out historically have been made in Sweden. During 2020, focus has been on integrating and simplifying legal and organizational structures in Sweden as well as process development to secure a solid platform to secure future growth in revenue and profitability. In Norway and Denmark, the restructuring activities carried out is mostly related to aligning the cost base with the operations.

In 2020 the Group incurred a total of approximately NOK 94.6 million related to acquisitions and to integrate and rebrand businesses. The group further incurred approximately NOK 52.9 million related to several restructuring initiatives and upgrades to the broader management team. In addition, operating expenses of approximately NOK 15.9 million was directly caused by Covid - 19.

For 2021 a significant reduction of these expenses is expected although the company will continue to incur cost relating to bolt on acquisition and integration activities, and in connection with the continued Covid-19 pandemic. The Group will also incur cost relating to certain planned restructuring activities to further streamline and optimize the cost base.

Net financial items were negative by NOK 32.5 million, which mainly comprises finance expenses of NOK 71.6 million, finance income of NOK 4.9 million and other gains of NOK 34.2 million. After tax income of NOK 12.4 million and other negative net comprehensive income of NOK 47.6 million, the net loss for the year was NOK 256.9 million.

As of 31 December 2020, the Group's total assets were NOK 4 572.5 million. Total non-current assets were NOK 3 434.4 million. NOK 2 592.7 million relate to goodwill, customer contracts and brand names, which to a large degree was recognized following the acquisition of the Recover Group. NOK 600.6 million relate to right of use assets recognized in accordance with IFRS 16.

The Group's main sources of funding are equity and bank loans. As of 31 December 2020, the Group has equity of NOK 1 642.7 million which equals 36 % of total assets. Interest bearing loans and bank borrowings was NOK 1 255.5 million, while liability related to the right of use assets under IFRS 16 was



## RECOVER

NOK 607.5 million. The Board considers the Group's capital situation adequate based on the equity situation and agreements with the Company's lenders.

Net cash flow from operating activities, defined as profit before tax plus depreciation, amortization, acquisition cost, net finance costs and changes in net working capital amounted to NOK 382.6 million. The operating profit is heavily impacted by non-recurring cost, while net working capital showed a significant positive development. The improved effect of net working capital is partly due to Covid-19 support from governments in the Nordics. As of December 2020, the Group had received NOK 86.8 million in liquidity support from government in the Nordic countries through prolonged due dates for payments of VAT, social security tax and tax. The repayment date for approximately MNOK 60 of the support was prolonged for one year, meaning that they will be due in Q2 2022.

Net cash flow from investing activities amounted to NOK -1 237.3 million and mainly comprised acquisition of business of NOK -1 095.1 million, acquisition cost paid of NOK -70.7 million and purchase of property, plant and equipment of NOK -27.4 million. In 2020 contingent consideration NOK -44.1 million was paid related to acquisitions carried out historically. Contingent considerations of NOK 50.5 million, arising from certain of the acquisitions carried out in 2018, has been included at fair value in the Statement of financial position. Payment is subject to completion of audited accounts of the entity and expected to be paid during Q3 2021.

Net cash flow from financing activities amounted to NOK 1 341.6 million which mainly comprised proceeds from borrowings to fund the above-mentioned acquisitions of NOK 1 433.4 million, repayment of borrowings NOK -1 695.5 million, repayment of lease debt of NOK -151.9 million, interest payments NOK -53.4 million, payment of finance fee related to entering into the finance agreement with lenders of NOK -45.5 million and issue of new equity of NOK 1 854.5 millions.

Cash and cash equivalents (see note 20) amounted to NOK 488.6 million by 31 December 2020.

### Parent Company

The Parent Company, Remedy Topco AS, is not conducting any external operations but is solely a holding company owning the shares in Remedy Midco AS.

### Financial risk

The Group is exposed to various risks arising from the normal business activities of the Group. Fluctuations in weather and climate incidents are factors affecting the number of new projects and income from our customers. Interest rate, exchange rate, liquidity and credit risks are financial risks for the Group. Management periodically reviews and assesses the primary financial market risks. Additional risks not presently known to the Board of Directors or considered immaterial may also impair the Group's business operations and prospects.

At the end of 2020 approximately 100% percent of the interest-bearing debt carried floating interest rates. The Group currently pays floating interest rates on its overdraft facilities, the bank loans and its leasing liability. The Group has entered into interest rate swaps to hedge 67% of its term loans. Under the swap agreement, the floating rate element (NIBOR, STIBOR, CIBOR and EURIBOR) has a cap of 0%. The cap premium paid when entering into the swaps are treated as prepaid interest. The swap expires in December 2022 see note 26 for further details.

On a proforma basis, 45 percent of the Group's revenues are denominated in NOK, 29 percent in SEK, 14 percent in DKK and 12 percent in EUR. Interest bearing debt is denominated in NOK, SEK, DKK and EUR, somehow offsetting the currency exposure related to the net investment in foreign entities.



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Due to the very limited exposure to foreign currency risk related to the day to day business of the operating entities, there is no policy established requiring Group companies to manage their foreign exchange risk against their functional currency. The carrying amount of the Group's net investment in foreign entities varies with changes in the value of NOK compared to SEK, DKK and EUR. The net income of the Group is also affected by changes in exchange rates, as the profit and loss from foreign operations are translated into NOK using average exchange rates for the period.

Cash flow forecasting is performed in the operating entities and consolidated on Group level. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational requirements while maintaining sufficient headroom on its undrawn committed borrowing facilities in order to comply with borrowing limits and covenants (where applicable) on its bank borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements.

In addition to credit exposures to customers, credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Credit risk is managed on a Group basis, except for credit risk relating to customers. Each operating country is responsible for managing and analyzing the credit risk for each of their new customers before standard payment and delivery terms and conditions will be offered. Existing customers are monitored on a regular basis. The credit quality of the customer takes into account its financial position, past experience and other factors. Most of the Group's sales are to customers with long term framework agreements or customers with a long history of trade. The historic bad debt of the Group has been insignificant.

### Sustainability

Recover's main contribution to society is to grow a long-term, sustainable and value-creating business for our stakeholders and employees. The objective is to ensure that the business practices as well as investments are sustainable, and contribute to long-term economic, environmental and social development.

Recover supports the United Nation's Sustainable Development Goals (SDGs). We believe that our ability to deliver societal impact as well as resource efficiency, is vital to future-proofing the business and to the company's long-term success.

The SDGs provide an effective framework to guide our priorities and is quickly becoming the global road map of sustainability and responsible business practices. By using the SDGs as our compass, we make sure that our priorities are aligned with the national and international agenda, and it enables us to communicate our sustainability and business strategy more effectively.

Recover Group wants to instill a culture emphasizing resource efficiency and societal impact. We aim to inspire our people to always look for opportunities to increase our positive impact in society and to pursue growth opportunities decoupled from our carbon footprint. We believe that Recover Group's long-term success depends on our ability to actively pursue a sustainability agenda integrated in our business strategy, implemented through a process of continuous learning and relentless execution.

Although we acknowledge the fact that all the SDGs are important and that the goals are interlinked, we have decided to focus our sustainability agenda on three of the sustainable development goals:

- SDG 13 – CLIMATE ACTION
- SDG 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION
- SDG 11 – SUSTAINABLE CITIES AND COMMUNITIES

## RECOVER

This is based on an assessment of how Recover Group best could make an impact based on our current business areas and competency, as well as the global call for immediate action to combat climate change. Our priorities will change over time, and the current choice of goals signals a starting point in Recover's concerted efforts to support the realization of all the 17 SDGs.

To support managements work on sustainability, Group management started implementation of a standardized and more comprehensive program including identification of a set of KPI's during second half of 2020. When it comes to sustainability, measurement and monitoring rate of waste recycled, share of green energy, share of bio diesel (green fuel) and share of EL and hybrid of new vehicles are identified as KPIs for the Group.

### WE CREATE ZERO WASTE

Recycled building waste,  
circularity of personal property



### WE EMIT ZERO POLLUTANTS

Renewable electricity in buildings,  
electric vehicles, energy efficient  
machines and moisture sensors



## SDG 13 – CLIMATE ACTION

Based on the Group's extensive experience from the provision of damage control and environmental services in the Nordic region, we know the effects of increased precipitation and a more extreme weather. Climate change is real and presents Recover Group with an attractive opportunity to pursue high-impact projects. Our services already have a significant impact on people's lives, by minimizing disruption and enable a quick return to everyday life after a flooding, fire or other unwanted incidents. This leaves the company in a strong position to increase the positive impact of our business by introducing new services related to the prevention and mitigation of risks associated with a more extreme and unstable climate. We work with our customers and strategic partners to develop new products and solutions to increase the resilience of our communities, as well as reducing the impact and the associated costs of climate change.

## SDG 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION

Recover Group completes tens of thousands of projects annually. By moving away from the resource intensive model of "take, make, dispose", to a model based on circular economy principles, our ambition is to significantly increase our resource efficiency and reduce the material footprint of our projects. We will do this by:

- Reducing the need for new materials in the projects
- Reducing waste in our projects
- Increasing the use of recycled material
- Championing the use of sustainable material and chemicals

Through our daily dialogue with our customers and end consumers, our people are the face of our business and important Recover Group ambassadors. This gives us a unique position to influence and nudge customers and consumers to make more conscious and responsible decisions on material use in their projects. Consequently, we believe that Recover Group in collaboration with our partners, has the potential to lead the way and to accelerate the transition to a more resource efficient society.



## RECOVER

With a significant number of vehicles in our fleet, our vehicles are a major contributor to the company's carbon footprint. Consequently, the transition to low-emission vehicles has started and will be accelerated as soon as suitable all-electric and hybrid models are available, combining acceptable range and performance with sufficient payload. In parallel, we will continuously strive to educate and motivate our drivers to minimize fuel consumption and carbon emissions.

### SDG 11 – SUSTAINABLE CITIES AND COMMUNITIES

For the past 40 years Recover Group has been on duty 24/7 to serve families, businesses and local communities in need of immediate assistance to save assets of monetary and sentimental value, and to restore everyday life and operations. Through our industrial and environmental services, we help to service and maintain important infrastructure in order to ensure the availability of fundamental community- and business services.

Based on our broad knowledge and experience, our people could be valuable contributors in the development, planning and implementation of sustainability strategies and climate risk and resilience initiatives in the cities and communities in the countries we operate.

We aim to actively participate in the dialogue between governments, municipalities, businesses and civil society, in order to effectively coordinate long-term planning, risk mitigation, emergency preparedness, -response and -recovery.

### Human resources and diversity

In 2020, the Group had c. 2.250 full time equivalents (FTE), for more information see note 8. The Group focus on attracting and keeping the best qualified and motivated employees. Workers in the construction industry perform heavy physical work and are therefore vulnerable to musculoskeletal conditions – the primary cause of long term sick leave in the group. The Group is working to prevent sick leave through training and facilitation to enable persons on sick leave to return to work more quickly. During 2020 the Group established good procedures for infection prevention amongst its employees. After the first wave of infection, the Group saw a significant reduction in the number of projects stopped due to the Covid-19.

To support managements work on health, security and safety as well as employee satisfaction, Group management started implementation of a standardized and more comprehensive program including identification of a set of KPI's during second half of 2020. When it comes to health, security and safety, measurement and monitoring LTIFR (Lost time Injury Frequency Rate), sick leave and turnover rate are identified as important KPIs for the Group.

For 2021 four common safety themes will be the Groups main focus:

1. Traffic - at own sites/at customer sites/on public roads
  - i. *A significant part of the working day is spent on the road, on the way to and from workplaces, and often work is also performed near traffic. At sites we are also affected by other types of traffic like forklifts. We expose both ourselves and third parties to risks with consequences that can be serious*
2. Working at heights - ladders, lifts, scaffolding, vehicles, etc
  - i. *Work is often performed more than 2 meters off the ground or below in pits, trenches, etc, where fall accidents can occur to underlying levels. Fall accidents almost always mean more serious injury with sick leave as a result*
2. Stab and cuts - especially hand injuries caused by knives and other sharp objects
  - i. *Occurs with high frequency (also estimated large dark number) and is a large share of minor accidents*

## RECOVER

3. Hazardous substances and chemicals - asbestos, dust, epoxy, etc
  - i. *We have high exposure to chemicals, dust and other substances in our work which can give severe long-term effects on our health*

### WE DO ZERO HARM

No injuries, safety incidents, fraud, corruption or harassment



The Group is a Nordic organization with a diversified working environment in which employment, promotions, responsibility and job enrichment are based on qualifications and abilities, and not on gender, age, race, sexual orientation, political or religious views. The Group strongly believes in equal opportunity for men and women in the workplace. For historical reasons, a majority of the employees in the Group are male.

### Corporate governance

The Board of Recover Group is committed to developing a strong, sustainable and competitive company in the best interest of the shareholders, employees, customers, creditors, business associates, third parties and society at large. The Board of Directors and Management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles, operational procedures and risk management.

The Group has established a Corporate Governance Policy, including Rules of Procedure for the Board of Directors, Instructions for the CEO and Power of Attorney for Remedy Bidco AS and its subsidiaries.

### Funding

The Group has equity appropriate to its objective, strategy and risk profile. The Group's board of directors is responsible for ensuring that the Group is adequately capitalized relative to the risk and scope of operations and that any capital requirements set forth in applicable laws, regulations, financing documents and licenses are met.

The Group's main sources of funding are equity and bank loans. As of December 31 2020, the Group had equity of NOK 1 642.7 million which equals 36 % of total assets.

As of December 31 2020, the Group had cash at hand of NOK 488.6 million, an unutilized overdraft and guarantee facility of MNOK 104 million and an available multipurpose facility with its lenders of NOK 304 million.

The Board of Directors are of the opinion that the annual financial statements provide an accurate and fair picture of the financial results for 2020 and financial position as at 31 December 2020. The Board of Directors confirms that the prerequisites have been met for preparation of the accounts under the assumption that the company will continue as a going concern and that the accounts have been prepared under this assumption

### Outlook

Recover Group provides mission critical services in attractive and defensive markets. Property remediation and environmental services have limited exposure to the economic cycle and both markets are supported by megatrends such as urbanization, more extreme weather and wear & tear of buildings and infrastructure.



## RECOVER

2021 is expected to be impacted by Covid-19, especially in the Swedish operations. However, the impact is highly dependent how the virus spread, speed and effectiveness of vaccination and how any government enacted lock downs impact the industry in which the Group operates in. During 2020 the Group established good procedures for infection control amongst its employees. After the first wave of infection, the Group saw a significant reduction in the number of projects stopped due to the Covid- 19.

Recover is expecting increasing volumes in the Nordic countries and aims at achieving margin improvement through, operational excellence, actions taken in 2020 to optimize the cost base and economies of scale in a competitive environment. The operations in Sweden in Finland will continue its efforts to strengthen the operations and is expected to have a significantly stronger platform in 2022. The Group is a strong Nordic player that believes in an increased presence and size in the Nordic countries through organic growth and potential for further acquisitions in a relatively fragmented supplier's market. The Group is well positioned for future profitable growth.

In co-operation with existing and new customers, continued operational improvement is a main focus. Most importantly, this is to be achieved through improved Project Management in order to develop quality and speed in project execution and thereby increasing customer satisfaction at a lower total cost. To achieve this the Group will carry out further investments in technology and digitalization, professionalization and sustainable processes, as well as a continued M&A strategy.

### Subsequent events

#### Business combinations

In December 2020 the Group entered into an agreement to acquire 100% of TT Teknikk AS. The acquisition was completed in January 2021. TT Teknikk AS, a leading Norwegian pipe renewal player, was acquired to grow Recover's industrial services presence in Norway. The initial purchase price for the entity was mainly settled in cash, in addition a part of the purchase price was settled through reinvestments made by the former owners of TT Teknikk AS. The cash consideration paid was fully funded by equity contribution from the shareholders. Furthermore, in May 2021, the subsidiary Recover AS entered into an agreement to acquire a company within the industry in which the Group operates in. The transaction is expected to be completed in June 2021.

In May the parent company Remedy Topco AS contributed MNOK 25 in cash. The capital issue is to be registered in the Norwegian business register during May 2021.

Oslo, 11 June 2021

The Board of Directors of Remedy Midco AS

**Per Mattias Ringqvist**  
Chairman of the board

**Elisabeth Christiansen Lund**  
Board member

**Jak Rinde Hestnes**  
Board member



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER**

## Statement of comprehensive income

(NOK 1000)

	Note	2020	2019
Rendering of goods and services	5	2 391 996	0
<b>Total revenue</b>		<b>2 391 996</b>	<b>0</b>
Cost of materials		(811 945)	0
Salary and personnel costs	8	(1 062 981)	0
Acquisition costs	6, 27	(71 171)	0
Other operating expenses	7	(346 287)	0
Depreciation and amortisation	12, 14, 23	(288 735)	0
<b>Total operating costs</b>		<b>(2 581 118)</b>	<b>0</b>
<b>Operating profit / (loss)</b>		<b>(189 122)</b>	<b>0</b>
Finance income	10	4 938	0
Finance expense	10	(71 645)	0
Other (losses)/ gains - net	10	34 164	0
<b>Net finance</b>		<b>(32 543)</b>	<b>0</b>
<b>Net profit / (loss) before tax</b>		<b>(221 665)</b>	<b>0</b>
Tax income / (tax expense)	11	12 388	0
<b>Net profit / (loss)</b>		<b>(209 277)</b>	<b>0</b>
<b>Other comprehensive income / (loss)</b>			
<i>Items which may be reclassified over profit and loss in subsequent periods</i>			
Exchange differences		(47 647)	0
<b>Net other comprehensive income / (loss)</b>		<b>(47 647)</b>	<b>0</b>
<b>Total comprehensive income/ (loss) for the year</b>		<b>(256 924)</b>	<b>0</b>



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER****Statement of financial position**

(NOK 1000)

	Note	31.12.2020	31.12.2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	196 040	0
RoU Asset	23	600 641	0
Intangible assets	14	2 592 724	0
Other non-current assets	19	19 326	60
Deferred tax assets	11	25 666	0
<b>Total non-current assets</b>		<b>3 434 397</b>	<b>60</b>
<b>Current assets</b>			
Inventories	17	11 757	0
Accounts receivable	16	325 130	40
Work in progress	18	215 450	0
Other current assets	19	97 125	0
Cash and cash equivalents	20	488 643	0
<b>Total current assets</b>		<b>1 138 104</b>	<b>40</b>
<b>TOTAL ASSETS</b>		<b>4 572 501</b>	<b>100</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Paid in capital</b>			
Issued capital	21	1 860	30
Invested unrestricted equity	21	1 897 798	10
<b>Total paid in capital</b>		<b>1 899 658</b>	<b>40</b>
<b>Other equity</b>			
Accumulated losses		(256 924)	0
<b>Total other equity</b>		<b>(256 924)</b>	<b>40</b>
<b>Total equity</b>		<b>1 642 734</b>	<b>40</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and bank borrowings - non current	22	1 204 973	0
Lease liabilities - non current	23	408 510	0
Deferred tax liabilities	11	127 112	0
<b>Total non-current liabilities</b>		<b>1 740 595</b>	<b>0</b>
<b>Current liabilities</b>			
Interest-bearing loans and bank borrowings - current	22	50 511	0
Lease liabilities - current	23	198 956	0
Accounts payable	25	248 705	60
Other current liabilities	25, 28	691 001	0
<b>Total current liabilities</b>		<b>1 189 173</b>	<b>60</b>
<b>Total liabilities</b>		<b>2 929 767</b>	<b>60</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4 572 501</b>	<b>100</b>



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER**

**Statement of changes in equity**


(NOK 1000)

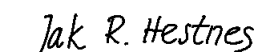
Note	Attributable to Remedy Topco					Total equity
	Share capital	Invested unrestricted equity	Capital - not registred	Translation reserves	Accumulated losses	
<b>Equity as at 30.04.2019</b>	<b>30</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>
Net profit / loss for the period	0	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity as at 31.12 2019</b>	<b>30</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>
<b>Total comprehensive income</b>						
Net profit / loss for the period	0	0	0	0	(209 277)	<b>(209 277)</b>
Other comprehensive income	0	0	0	(47 647)	0	<b>(47 647)</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(47 647)</b>	<b>(209 277)</b>	<b>(256 924)</b>
<b>Transactions with owners of the company</b>						
21 Issue of share equity	1 830	1 857 788	40 000	0	0	<b>1 899 618</b>
<b>Total transactions with owners of the</b>	<b>1 830</b>	<b>1 857 788</b>	<b>40 000</b>	<b>0</b>	<b>0</b>	<b>1 899 618</b>
<b>Equity as at 31.12 2020</b>	<b>1 860</b>	<b>1 857 798</b>	<b>40 000</b>	<b>(47 647)</b>	<b>(209 277)</b>	<b>1 642 734</b>

Oslo, 11 June 2021

The Board of Directors of Remedy Topco AS

  
Per Mattias Ringqvist  
Chairman of the board

  
Elisabeth Christiansen Lund  
Board member

  
Jak Rinde Hestnes  
Board member



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER****Statement of cash flows***(NOK 1000)*

	Note	2020	2019
<b>Cash flow from operating activities</b>			
Net profit / (loss) before tax		(221 665)	0
Adjustments for:			
- Depreciation and amortization	12,14,23	288 731	0
- Acquisition cost expensed *		71 171	0
- Net finance cost	10	32 619	0
Changes in:			
- Inventories		339	0
- Account receivables and other receivables		46 124	0
- Account payables and other payables		29 547	0
- Other changes in working capital	27	137 156	0
Income taxes paid	11	(2 205)	0
<b>Net cash flow from operating activities</b>		<b>381 815</b>	<b>0</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment - net	12, 14	(27 399)	0
Payments/ receipts related to deposits		(1)	0
Acquisition of business net of cash acquired	6	(1 095 137)	0
Acquisition of businesses earn out	22	(44 114)	0
Acquisition cost paid	6	(70 690)	0
<b>Net cash flow used in investing activities</b>		<b>(1 237 340)</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	22	1 433 409	0
Repayment of borrowings	22	(1 695 490)	0
Transaction cost related to borrowings		(45 482)	0
Lease payments	23	(151 934)	0
Interest payments		(53 420)	0
Capital increase	21	1 855 282	0
<b>Net cash flow from financing activities</b>		<b>1 342 366</b>	<b>0</b>
Net currency translation effect		1 804	0
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>486 840</b>	<b>0</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at end of period</b>	20	<b>488 643</b>	<b>0</b>



### Notes to the consolidated financial statements

#### Note 1 General information

Remedy Topco AS (‘the Company’) and its subsidiaries (together, ‘the Group’) carry out services within the following business areas; Damage Control, Environmental Services and Demolition and Concrete Drilling. Recover Group serves insurance companies, municipalities, industrial and commercial companies across the Nordics, helping end-customers return to everyday life as quickly as possible following property damages and unexpected events. A majority of the company’s operations relate to property remediation activities following i.e. water or fire damages.

The business area Damage Control offer a wide range of services including emergency response, damage mitigation, and reconstruction services across water, mould, fire and building services. The business area Environmental Services offer amongst other pipe inspection, vacuum suction, sludge, sewage and dangerous waste transport as well as industrial cleaning. The business area Demolition and Concrete Drilling offer amongst other heavy demolition and concrete drilling.

Damage control services are offered in Norway, Denmark, Sweden and Finland. Environmental services are offered in Norway, Denmark and Sweden, while Demolition and Concrete Drilling currently is offered in Sweden only.

The consolidated financial statements (‘Consolidated Financial Statements’) have been prepared for the purpose of presenting the financial position of the Remedy Topco AS Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

#### **Groups History:**

Remedy Topco AS was incorporated 30 April 2019. In December 2019, the Remedy Topco AS’s 100% indirectly owned subsidiary Remedy Bidco AS entered into an agreement to acquire all the shares in the Recover Group through the acquisition of 100% of the shares in Navie OY. The shares were transferred on 16 March, when the transaction was closed. The consolidated accounts reflects the results of the acquired Recover business from 16 March to 31 December 2020. The acquisition was funded by equity and loans from the shareholders. On May 7 2020 the Group entered into a senior facility agreement with 3 Nordic banks. Proceeds from the term loans were used to repay temporary loans from the main shareholder.

The Recover Group was founded in 2013 following acquisition of the Finnish, Danish and Norwegian Damage Control business from ISS. In 2015 the Recover Group acquired Relita, providing a solid presence in Sweden. Several bolt on acquisitions have been carried out since 2013, increasing the Groups presence across the Nordics.

During 2020 the Group has completed several bolt-on acquisitions. In Norway, Byggmester Kompaniet AS was acquired while Mellansvensk Industrisnering AB (MISAB Group), Skadesanering Stockholm AB and Skadeteknikgruppen AB was acquired in Sweden. See note 6b for an overview of the impact of the acquisitions on the group accounts.

All acquisitions were a result of the Group’s strategy to expand in the Nordic market establishing the largest and leading Damage Control business with a growing presence in Environmental Services and Demolition and Concrete Drilling in the region. Key focus is quick response time, end-to-end responsibility, broad geographic coverage and high-quality services.

Remedy Topco AS is a limited liability company, incorporated in Norway and headquartered in Oslo. The address of its registered office is Dronning Mauds gate 1, 0250 Oslo. There are no employees in the Company.

#### **Note 2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. The 2020 figures include the activity from acquisitions carried out during 2020 and are therefore not comparable to the 2019-year figures, which only includes the parent company as the Group were established with the acquisitions in 2020.

##### **2.1 Basis of preparation**

The consolidated financial statements of Remedy Topco AS have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board and interpretations of IFRS (IFRIC), issued by IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS as adopted by EU. The consolidated financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments and contingent considerations) at fair value through profit or loss.



The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

### **2.1.1 First time consolidation and implementation of IFRS**

The Group has not previously issued consolidated financial statements.

As this is the first set of consolidated IFRS financial statements issued by the Group, there are no IFRS implementation differences at the opening balance to report or disclose.

#### *New standards, amendments and interpretations not yet adopted*

At the date of authorization of these financial statements, the following standards and interpretations that could affect the Group's consolidated financial statements were issued but not effective:

Amendments to IAS 1, Presentation of financial statements on classification of liabilities This change clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. Management anticipates that these standards and interpretations will be adopted at the dates that the standards and interpretations are approved by the EU.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

## **2.2 Consolidation**

### *(a) Subsidiaries*

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Subsidiaries are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and any equity interests issued by the Group to the former owners of the acquired subsidiary. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, that is not classified as equity, is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. When necessary, amounts reported by subsidiaries, have been adjusted to conform to the Group's accounting policies.

## **2.3 Foreign currency translation**

### *(a) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in NOK.

### *(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the average monthly exchange rates, unless this deviates significantly from actual rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses are presented in the income statement within 'Other (losses)/gains – net'.

Translation differences on non-monetary financial assets and liabilities such as derivatives held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss.

### *(c) Group companies*

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;



- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognized in other comprehensive income.

### 2.4 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Machinery	3-4 years
Heavy vehicles	7-15 years
Computers	3 years
Furniture /inventories	5 years
Leasehold improvements	Shortest of useful life and leasing period of contract

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income or other operating expenses in the income statement.

### 2.5 Intangible assets

#### (a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash Generating Units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at country level.

#### (b) Customer contracts, customer relationships and backlog

Customer contracts, customer relationships and order backlog acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives as follows:

Customer relationships	6-8 years
Order backlog	0.4 – 0.8 years

#### (c) Computer software

Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when all of the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.



Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, as follows:

Software -ERP systems	5 years
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### 2.6 Impairment of intangible assets

Goodwill, intangible assets that have an indefinite useful life or intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of intangible assets (other than goodwill) are reviewed for possible reversal at each reporting date.

### 2.7 Financial instruments

#### 2.7.1 Classification of financial instruments

The Group classifies its financial instruments in the following categories: at fair value (either through other comprehensive income or through profit or loss), loans and receivables and financial liabilities measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial instruments at initial recognition. For the accounting periods presented, the Group only had financial instruments in the categories fair value through profit or loss, loans and receivables and financial liabilities measured at amortised cost.

##### (a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

##### (b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities longer than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'Other non-current assets', 'Accounts receivables', 'Other current assets' and 'Cash and cash equivalents' in the balance sheet.

##### (c) Financial liabilities measured at amortised cost

Interest – bearing loans and borrowings are recognised initially at fair value, net of transaction costs incurred. They are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Transaction costs related to the establishment of credit facilities are treated similar to the above description to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

#### 2.7.2 Recognition and measurement

Financial instruments are initially recognized at fair value. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables and financial liabilities measured at amortised cost are subsequently measured at amortised cost using the effective interest method.

#### 2.7.3 Impairment of financial assets

##### Assets carried at amortised cost

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables, the Group applies the simplified approach for expected credit loss, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### 2.7.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the



asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty. Amounts in the cash pool are only offset if the balances are actually netted at period end.

### **2.7.5 Derivative financial instruments and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Currently the Group has not applied hedge accounting for its derivative contracts. Fair value of the contracts are classified as 'interest rate swaps' in the balance sheet under non-current assets, and any changes in fair value is recognised in the income statement.

### **2.7.6 Accounts receivable**

Accounts receivable are amounts due from customers for services performed in the ordinary course of business and recognised using trade date accounting. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### **2.7.7 Cash and cash equivalents**

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated balance sheet, bank overdrafts are shown within 'interest – bearing loans and borrowings' in current liabilities.

### **2.7.8 Accounts payable**

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable are financial instruments measured at amortised cost.

## **2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Inventories consist primarily of materials and supplies.

## **2.9 Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised for:

- Taxable temporary differences arising on initial recognition of goodwill
- Temporary differences on the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss
- Temporary differences related to investments in subsidiaries to the extent the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in foreseeable future

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



## 2.10 Employee benefits

### *(a) Pension obligations*

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### *(b) Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### *(c) Bonus plans*

The Group recognises a liability and an expense for bonuses when the bonus has been earned by the employee based on the bonus agreements with its employees. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## 2.11 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 2.12 Issued capital

Ordinary shares together with contribution to unrestricted equity are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2.13 Revenue recognition

The accounting policies for the group's revenue from contracts with customers are explained in note 5.

## 2.14 Leases

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of



similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

## 2.15 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's shareholders.

## Note 3 Financial risk management

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge parts of the risk exposures related to its borrowings with floating interest.

Risk management is carried out by Group management under directions approved by the board of directors. Group management identifies, evaluates and mitigates financial risks in close co-operation with the Group's operating units.

#### (a) Market risk

##### (i) Foreign exchange risk

The Group has operations in Finland, Denmark, Sweden and Norway and is exposed to foreign exchange risk arising from currency exposures related to Swedish, Danish kroner and Euro. The carrying amount of the Group's net investment in foreign entities varies with changes in the value of NOK compared to SEK, DKK and EUR. The net income of the Group is also affected by changes in exchange rates, as the profit and loss from foreign operations are translated into NOK using average exchange rates for the period. The operating entities' day to day business is carried out in their local currency with very limited foreign exchange exposure. Hence, the foreign exchange risk for the Group arises mainly from recognised assets and liabilities and net investments in foreign operations.

Due to the very limited exposure to foreign currency risk related to the day to day business of the operating entities, there is no policy established requiring Group companies to manage their foreign exchange risk against their functional currency. On a proforma basis, 45 percent of the Group's revenues are denominated in NOK, 29 percent in SEK, 14 percent in DKK and 12 percent in EUR. Interest bearing debt is denominated in NOK, SEK, DKK and EUR, somehow offsetting the currency exposure related to the net investment in foreign entities.



31 December 2020, if the SEK, DKK and EUR had weakened/strengthened by 5% against the NOK with all other variables held constant, post-tax profit for the year would have been NOK 6 165 higher/lower.

*(ii) Price risk*

Due to the nature of the business, the Group is neither exposed to equity securities price risk nor commodity price risk.

*(iii) Cash flow and fair value interest rate risk*

The Group's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which is partially offset by cash held at variable rates. In 2020, the Group's borrowings at variable rate were denominated in NOK, SEK, DKK and EUR. At the end of 2020 approximately 100 percent of the interest-bearing debt carried floating interest rates. The Group currently pays floating interest rates on its overdraft facilities, bank loans and its leasing liability.

The Group's policy is to hedge a portion of cash flow interest rate risk related to the term loans with the bank. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (quarterly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

The Group have entered into interest rate swaps to hedge 67% of its term loans. Under the swap agreement, the floating rate element (NIBOR, STIBOR, CIBOR and EURIBOR) has a cap of 0%. The cap premium paid when entering into the swaps are treated as prepaid interest. The swap expires in December 2022.

At 31 December 2020, if interest rates on borrowings had been 1 percentage-point higher/lower, excluding interest rate hedges and all other variables held constant, post-tax profit for the year would have been NOK 450 thousand lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

*(b) Credit risk*

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers.

The carrying amount of financial assets represents maximum credit exposure.

Credit risk is managed on Group basis, except for credit risk relating to customers. Each local entity is responsible for managing and analysing the credit risk for each of their new customers before standard payment and delivery terms and conditions are offered. The credit risk is monitored on a regular basis. The credit quality of the customer takes into account its financial position, past experience and other factors.

Approximately 80% of the Group's sales are to customers with frame agreements or customers with a long history of trade as well as good credit rating (mostly insurance companies, construction companies and municipalities).

For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

See note 16 for aging of accounts receivables.

*(c) Liquidity risk*

Cash flow forecasting is performed in the operating entities of the Group and aggregated at Group level. At Group level rolling forecasts of the Group's liquidity requirements are monitored to ensure the Group has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (note 20) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

The table below analyses the Group's non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The Group did not have any derivative financial liabilities as of December 31 2020. The amounts disclosed in the table are the contractual undiscounted cash flows at 31 December 2020.



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**RECOVER**

As of 31 December 2020 (NOK 1 000)	Period left					Total
	3 months or less	3-12 months	1-3 years	3-5 years	More than 5 years	
<b>Financial liabilities (non- derivative)</b>						
Secured bank loan	0	0	1 231 259	0	0	1 231 259
Contingent consideration	0	50 506	0	0	0	50 506
Vendor loan	0	0	3 000	0	0	3 000
Lease liabilities	53 672	161 015	183 923	183 923	54 315	636 846
Accounts payable and other current liabilities	418 741	520 965	0	0	0	939 706
<b>Total</b>	<b>472 412</b>	<b>732 485</b>	<b>1 418 181</b>	<b>183 923</b>	<b>54 315</b>	<b>2 861 316</b>

### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. In addition, one of the Group's growth strategies is to acquire new businesses. When deciding on the funding of such acquisitions, this might be used to adjust the capital structure of the Group.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

The Group has covenants requirements related to leverage and debt service capacity which is monitored closely to ensure that the Group has a headroom when it comes to the requirements, or that a waiver is obtained, (see note 22).

#### Capital structure and equity

(NOK 1 000)	2020
Total liabilities	2 929 767
Less cash (Note 20)	(488 643)
<b>Net external debt</b>	<b>2 441 125</b>
<b>Sum equity</b>	<b>1 642 734</b>
Debt ratio	149 %

The Group's main source of funding is equity and bank loans.

### 3.3 Fair value estimation

The Group classifies its financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

As of December 31, 2020 financial instruments carried at fair value represents interests rate swaps and contingent consideration. The instruments were entered into to convert a portion of borrowings from floating to fixed interest rates. The instruments were included in level 2, as the specific instrument was not traded in an active market, however the value is derived from quoted prices related to interest rates. Fair value as of December 31, 2020 is NOK 2 991 thousand.

There were no transfers between levels during the year.

### Note 4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

#### *Impairment test; key assumptions underlying recoverable amount*

As part of the business combinations carried out, the Group identified intangible assets, such as customer relationships, brands and goodwill. The impairment test carried out showed that none of the goodwill in the Group entities is impaired as of December 31 2020. The impairment test is based on several assumptions concerning the future, where unfavourable development might cause a need for recognition of an impairment loss. EBITDA margin, terminal value based on Gordon growth formula and discount rate has been identified as being the most significant. See note 15 for further information related to the impairment test and sensitivity analysis.

#### *Value of customer relationships*

As part of the business combinations carried out, the Group identified customer relationships as intangible assets. The value of those relationships are highly dependent on the duration of the contracts. Certain of the contracts run until cancelled. Historically, the entities acquired have rarely lost any contracts. However, if certain of the customer relationships are lost, or revenue from those contracts is reduced significantly, this might have a significant adverse impact on the carrying value of those assets.

#### *Contingent consideration*

For certain of the acquisitions the share purchase agreements include provisions that additional consideration may be payable in cash. The payment is contingent on that certain pre-determined EBITDA levels are achieved. The EBITDA measurement period as well as the timing of the payments varies, and the one outstanding is to be settled based on average EBITDA for the period 2018-2020.

The fair value of the contingent consideration is NOK 50 506 thousand and is set to be paid to the sellers in Q3'21. See also note 22.

#### *Recognition of deferred tax asset; availability of future taxable profit against which carry forward tax losses can be used*

The Group is subject to income taxes in numerous jurisdictions. In 2020 the Group incurred taxable losses in Norway and Finland. The main drivers for the losses were finance expenses as well as lower operating profit than budgeted. Historically, the business has been profitable in Norway, Denmark and Sweden. In Finland the business is less mature, hence more uncertainty exists when it comes to future profits. Management has assessed the recoverability of the deferred tax asset based on budgets for 2021 and forecasts until 2025. Based on management assessment NOK 25 666 thousands have been recognized as deferred tax asset related to loss carry forward and carried forward interest deductions. Loss carry forward of NOK 178 317 thousands with a corresponding potential deferred tax asset of NOK 36 468 thousands have not been recognized. See note 11 for further details.

### **Note 5: Rendering of goods and services by Business Area and Service Lines**

(NOK 1000)

#### *Revenue streams*

Total revenue in the Group are divided by the geographical market. For the 9 months period in 2020 Norway was responsible for 46% of the total revenue, while Sweden, Denmark and Finland had a revenue of 27%, 15% and 12 %.

The business area Damage Control offer a wide range of services including emergency response, damage mitigation, and reconstruction services across water, mould, fire and building services. The business area Industrial Services offer amongst other pipe inspection, vacuum suction, sludge, sewage and dangerous waste transport as well as industrial cleaning. The business area Demolition and Concrete Drilling offer amongst other heavy demolition and concrete drilling.

Damage control services are offered in Norway, Denmark, Sweden and Finland. Industrial services are offered in Norway, Denmark and Sweden, while Demolition and Concrete Drilling currently is offered in Sweden only.

The Group customers include insurance companies, construction companies, public and municipal authorities, institutions, private and public companies, real estate companies, property administrators, housing associations and private customers.

#### *Disaggregation of revenue from contracts with customers*

In the following table, revenue from contracts with customers is disaggregated by primary service lines and type of customer. As a practical expedient, if the Group has a right to consideration from a customer in an amount



that corresponds directly with the value to the customer of the entity's performance completed to date (for example, a service contract in which an entity bills a fixed amount for each hour of service provided), the entity may recognise revenue in the amount to which the entity has a right to invoice.

### Service Lines 2020

	Insurance	Private			Total	%	
		Public (real estate)	Industry	Other			
Damage Control	1 110 980	146 665	222 956	283 264	1 873 535	78 %	
Industrial Services	60	57 111	27 041	175 961	328 748	14 %	
Demolition & Concrete Drilling	0	0	0	189 713	0	189 713	8 %
<b>Total rendering of goods and services</b>	<b>1 111 040</b>	<b>203 776</b>	<b>249 997</b>	<b>648 939</b>	<b>178 244</b>	<b>2 391 996</b>	<b>100 %</b>
<b>Total in %</b>	<b>46 %</b>	<b>9 %</b>	<b>10 %</b>	<b>27 %</b>	<b>7 %</b>	<b>100 %</b>	

There was no revenue in 2019 as the Group operations was acquired in 2020.

### Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Contract balances	2020	2019
Receivables which are included in 'account receivables' (note 16)	325 130	40
Contract assets included in 'work in progress' (note 18)	215 450	0
Contract liabilities (note 18)	0	0

The contract assets primarily relate to the Group's rights to consideration for work carried out but not billed at the reporting date. The amount of contract assets during the period ended 31 December 2020 was not impacted by any significant impairment charges. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advanced payments in excess of revenue recognized, which occur only in rear circumstances. When such payments are received, revenue is normally recognised shortly after.

No significant revenue has been recognised in the period ended 31 December 2020 from performance obligations satisfied (or partially satisfied) in previous periods.

The Group does not have any material remaining expected performance obligations in excess of one year. No information is provided about remaining performance obligations at 31 December 2020 that have an original expected duration of one year or less, as allowed by IFRS 15.

### Performance obligations and revenue recognition policies

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms
Damage control	<p>Services including emergency response, damage mitigation, and reconstruction services are carried out on the customers premises, meaning that the customer simultaneously receives and consumes the goods and services provided by the Group.</p> <p>The services usually do not exceed beyond 3 months, and payment terms are normally 30 days.</p>
Industrial services	<p>Services including pipe inspection, vacuum suction, sludge, sewage and dangerous waste transport as well as industrial cleaning are carried out on the customers premises, meaning that the customer simultaneously receives and consumes the goods and services provided by the Group.</p> <p>The services are usually completed within a short period of time, and payment terms are normally 30 days.</p>



Demolition and concrete drilling	<p>Services including amongst other heavy demolition and concrete drilling are carried out on the customers premises, meaning that the customer simultaneously receives and consumes the goods and services provided by the Group.</p> <p>The services vary significantly from small jobs carried out in a few days to large demolition projects lasting for several months. Payment terms are normally 30 days.</p>
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For all performance obligations described above, revenue is recognised over time based on the cost-to-cost method. The Group determined that the input method is the best method in measuring progress of the services because there is a direct relationship between the Group's effort (i.e., service hours incurred and direct cost) and the transfer of service to the customer.

The related costs are recognised in profit or loss when they are incurred.

For large projects, the contracts normally allow for invoicing on account, however normally not to exceed cost incurred.

#### *Warranty obligations*

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. (see note 2.12).

#### *Financing components*

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

#### **Note 6a: List of subsidiaries**

The following subsidiaries are included in the consolidated financial statements:

Company	Country of incorporation	Business Area	Ownership interest		Voting power	
			2020	2019	2020	2019
Remedy Midco AS	Norway	Holding Company	100 %	100 %	100 %	100 %
Remedy Bidco AS	Norway	Holding Company	100 %	100 %	100 %	100 %
Navie Oy	Finland	Holding Company	100 %		100 %	
Recover Group Oy	Finland	Holding Company	100 %		100 %	
Sivato AB	Sweden	Holding Company	100 %		100 %	
Tosiva AS	Norway	Holding Company	100 %		100 %	
Tosiva AB	Sweden	Holding Company	100 %		100 %	
Demolit AB	Sweden	Damage control	100 %		100 %	
Recover AB	Sweden	Industrial Services and Damage Control	100 %		100 %	
Recover Riv- & Håltagning AB	Sweden	Demolition & Concrete Drilling	100 %		100 %	
MISAB Group	Sweden	Industrial Services and Damage Control	100 %		100 %	
Skadesanering i Stockholm AB	Sweden	Damage control	100 %		100 %	
SWE Skadeteknikgruppen AB	Sweden	Damage control	100 %		100 %	
Recover Nordic Oy	Finland	Damage control	100 %		100 %	
Recover ApS	Denmark	Damage control	100 %		100 %	
Recover Industri- og Kloakservice A/S	Denmark	Industrial Services	100 %		100 %	
Recover Nordic AS	Norway	Damage control	100 %		100 %	
Brødrene Grønnerud AS	Norway	Industrial Services	100 %		100 %	
Aktiv Tankrens AS	Norway	Industrial Services	100 %		100 %	
Byggmester Kompaniet AS	Norway	Damage control	100 %		100 %	



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**RECOVER**

In December 2019, the Remedy Topco AS's 100% indirectly owned subsidiary Remedy Bidco AS entered into an agreement to acquire all the shares in the Recover Group through the acquisition of 100% of the shares in Navie OY. The shares were transferred on 16 March, when the transaction was closed. All entities in the list above are owned 100% directly or indirectly by entities within the Group.

During 2020 the Group has completed several bolt-on acquisitions, see note 6b. All entities are consolidated from time of acquisition.

Shares in subsidiaries have been pledged as security for bank loans, see note 22.

**Note 6b: Changes in the Group's structure**  
(NOK 1000)

**Business combinations:**

*Acquisition of Recover Group*

On 10 December 2019, EQT, through the buying entity Remedy Bidco AS, announced that they had entered into an agreement to acquire Navie Oy, the holding company of the Recover group, from funds advised by Agilitas Private Equity. The closing date for the transaction was 16 March 2020.

*Norwegian acquisition*

On 31 August 2020, Recover AS acquired 100% of the shares in Byggmester Kompaniet AS.

*Swedish acquisitions*

On 28 August 2020, Recover AB acquired 100% of the shares in Mellansvensk Industrisanering AB.

On 6 November 2020, Recover AB acquired 100% of the shares in Skadesanering i Stockholm Holding AB.

On 20 November 2020, Recover AB acquired 100% of the shares in SWE Skadeteknikgruppen AB.



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## RECOVER

	Recover Group	Other acq.	Total
<b>Assets</b>			
Capitalized software (note 14)	22 950	0	22 950
Property, plants and equipment (note 12)	223 210	21 798	245 008
RoU asset	601 717	0	601 717
Deferred tax (note 11)	26 300	0	26 300
Financial fixed assts	4 390	0	4 390
Cash and cash equivalents	29 151	46 827	75 978
Trade accounts receivable (note 16)	355 897	16 363	372 260
Other receivables	65 400	12 715	78 115
Inventory	10 660	1 448	12 108
Work in progress (note 18)	236 503	4 236	240 739
	<b>1 576 178</b>	<b>103 387</b>	<b>1 679 565</b>
<b>Liabilities</b>			
Trade creditors	208 080	11 164	219 244
Interest-bearing loans and borrowings	1 810 483	18 244	1 828 727
Lease liability	601 717	0	601 717
Other creditors	356 120	19 990	376 110
Deferred tax liability (note 11)	44 090	1 374	45 464
	<b>3 020 490</b>	<b>50 772</b>	<b>3 071 261</b>
<b>Net identifiable assets and liabilities at fair value</b>	<b>-1 444 312</b>	<b>52 615</b>	<b>-1 391 697</b>
Customer contracts/ relationships (note 14)	449 281	0	449 281
Order backlog (note 14)	36 697	0	36 697
Goodwill (note 14)	2 091 042	118 302	2 209 344
Brand name	19 863	0	19 863
Deferred tax liability (note 11)	-90 846	0	-90 846
<b>Purchase consideration transferred</b>	<b>1 061 726</b>	<b>170 917</b>	<b>1 232 643</b>
Purchase consideration transferred			
Cash	1 033 838	137 277	1 171 115
Reinvestment	16 350	27 677	44 027
Vendor loan	0	5 965	5 965
<b>Total consideration</b>	<b>1 050 188</b>	<b>170 919</b>	<b>1 221 107</b>
Paid in cash	1 033 838	137 277	1 171 115
Cash received	-29 151	-46 827	-75 978
<b>Net decrease/(increase) in cash</b>	<b>1 004 687</b>	<b>90 450</b>	<b>1 095 137</b>
<b>Acquisition cost</b>	<b>51 046</b>	<b>13 535</b>	<b>64 582</b>

The initial purchase price for all the above acquisitions were financed by equity, loans and reinvestments.

For the acquisitions, the fair value has been agreed between the seller and the buyer through negotiations. External consultants have been engaged and their fees are included as acquisition cost, which have been expensed as incurred.

The management believes the acquisition provide the Group with a stronger position and that it will have a positive effect on future earnings, in excess of the fair value of acquired net assets.

Included in goodwill is the value of the employee base including employees with special skills, expected improvements to be achieved as part of a larger group with increased focus on business improvements. These intangible assets do not fulfil the recognition criteria under IAS 38 and are therefore not recognised separately.

If the acquisitions of companies had taken place January 1 2020, pro forma revenue and proforma net profit / (loss) for Group would have been:

	Total revenue	Net profit/ (loss)
Group accounts 2020	2 391 996	(220 848)
Acquired	934 482	(69 736)
<b>Proforma Group 2020</b>	<b>3 326 478</b>	<b>(290 584)</b>

Shares in subsidiaries have been pledged as security for bank loans, see note 22.



**Note 7: Other Operating Expenses**

(NOK 1000)

<b>Other operating expenses</b>	<b>2020</b>	<b>2019</b>
Freight costs	448	0
Energy costs	6 830	0
Advertising	6 865	0
Repair and maintenance costs	40 932	0
Rental and leasing costs *	32 923	0
Insurance costs	16 491	0
Travel costs	63 629	0
Consultancy fees and external personnel	31 950	0
IT and phone costs	43 993	0
Bad debts	4 610	0
Other operating costs	97 615	0
<b>Total operating expenses</b>	<b>346 287</b>	<b>0</b>

**Specification auditor's fee**

	<b>2020</b>	<b>2019</b>
Statutory audit	3 631	0
Other assurance services	260	0
Other non-assurance services	262	0
Tax consultant services	225	0
<b>Total</b>	<b>4 378</b>	<b>0</b>

\* Short-term leases and low value leases to be excluded from IFRS 16.

VAT is not included in the audit fees specified above. Other assurance services relate to the acquisition of entities in 2020.

**Note 8: Salaries and personnel expenses and management remuneration**

(NOK 1000)

	<b>2020</b>	<b>2019</b>
Salaries and holiday pay	851 432	0
Bonuses	6 436	0
Social security Cost	128 480	0
Pension costs defined contribution plans (Note 24)	76 632	0
<b>Total salaries and personnel expenses</b>	<b>1 062 981</b>	<b>0</b>

**The number of man-years employed during the financial year:**

	<b>2020</b>	<b>2019</b>
Finland	342	0
Norway	1 017	0
Sweden	286	0
Denmark	602	0
<b>Total</b>	<b>2 247</b>	<b>0</b>

**Management remuneration**

The Group Management consists of the Group Directors. Group Directors are the CEO and the CFO, in addition to the Country Managers in the operational subsidiaries.

<b>2020</b>	<b>Salary</b>	<b>Benefits in kind</b>	<b>Pension cost</b>	<b>Total remuneration</b>
<b>Management</b>				
CEO (from Aug 2020)	1 359	32	488	<b>1 879</b>
CFO	2 943	192	222	<b>3 358</b>
Country managers	5 708	673	490	<b>6 872</b>
<b>Members of the Board</b>				
Mattias Ringqvist (Chairman of the Board)	0	0	0	<b>0</b>
Elisabeth Christiansen Lund (Board Member)	0	0	0	<b>0</b>
Jak Rinde Hestnes (Board Member)	0	0	0	<b>0</b>
<b>Total remuneration 2020</b>	<b>10 010</b>	<b>897</b>	<b>1 201</b>	<b>12 108</b>



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Until the acquisition of Recover Group in 2020 Remedy Topco had no operative management. For this reason no comparative figures are shown for 2019.

In 2020 remunerations are shown for the period april - december.

The members of Group Management participate in a bonus programme and participants may receive a bonus of 3-6 months salary per year. The criteria for award of bonus are defined in relation to achievement of Group / Companies' EBITDA and cash flow targets. The Group Management takes part in a general pension scheme described in note 24. In addition, Group has a separate pension scheme agreement (defined contribution plan) for top management personnel.

The employee agreement of the members of the management gives them the right to a compensation at termination of employment before retirement that equals up to 6 months salary in addition to salary in notice period. No member of the Group Management have received remuneration or financial benefits from other companies in the Group, other than what is stated above. No additional remuneration has been given for services outside the normal functions as a Director. No loans or guarantees have been given to any members of the Group Management, the Board of directors or other corporate bodies.

**Shares held by Group Management and board members\*:**

Management has been given the opportunity to buy shares in the intermediate Parent company, Remedy Topco. Purchase price of the shares is based on value carried out by EQT and confirmed by an external valuation expert.

	Ordinary Shares	Preferred Shares	2020 Total	2019 Total
CEO	55 000	45 000	100 000	0
CFO	32 829	32 829	65 658	0
Country managers	30 607	30 607	61 214	0
<b>Total</b>	<b>118 436</b>	<b>108 436</b>	<b>226 872</b>	<b>0</b>

**Note 9: Transactions with related parties**

(NOK 1000)

Ownership structure	Country	Ownership interest/ voting rights	
		2020	2019
Remedy Topco S.à r.l.	Luxembourg	93.7 %	0.0 %

**Transactions with related parties**

Remedy Topco S.à r.l. is controlled by funds managed by the listed company EQT. Management, other key-personell, external board members in Remedy Bidco AS and reinvestment from sellers in acquired companies (18.8%) holds the remaining shares in Remedy Topco AS, see note 8.

From 13 March 2020 to 7 May 2020, the Parent company gave a short-term non-interest rate loan of MNOK 1 150 which was repaid when the Group obtained external financing on 7 May 2020. Pr 31 Dec, the Parent company, Remedy Topco S.à.r.l. have made a short-term interest free loan of MNOK 186 which have been converted to equity in 2021.

The Group has an active Board of Directors in Remedy Bidco AS, an indirectly owned subsidiary of Remedy Topco AS. The board members of Remedy Bidco AS is to receive TNOK 525 in compensation for 2020.

	2020	2019
Account receivables	0	0
Account payables towards related parties	525	0
<b>Total</b>	<b>525</b>	<b>0</b>

See note 10 and 22 for information on finance cost and loans and note 8 for salary and benefits to management.



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**RECOVER**

**Note 10: Financial income and expenses**  
(NOK 1000)

<b>Financial income</b>	<b>2020</b>	<b>2019</b>
Interest income	1 946	0
Gain on financial instruments designated at fair value	2 992	0
<b>Total financial income</b>	<b>4 938</b>	<b>0</b>

<b>Financial expenses</b>	<b>2020</b>	<b>2019</b>
Interest expense bank loans	34 657	0
Interest on lease liabilities	12 173	0
Ticking fee and amortisation of finance fee related to credit facilities	12 811	0
Interest expense at amortized cost contingent consideration	2 761	0
Other financial expenses	9 243	0
<b>Total financial expenses</b>	<b>71 645</b>	<b>0</b>

<b>Other (losses)/ gains - net</b>	<b>2020</b>	<b>2019</b>
Net foreign exchange gain	34 164	0
<b>Other (losses)/ gains - net</b>	<b>34 164</b>	<b>0</b>

The Group incurred costs related to new SFA and to secure the financing of the acquisitions in 2020. The costs include direct costs to finance institutions (upfront fees etc.) as well as costs to advisors.

**Total cost to obtain financing has been allocated and amortized as follows:**

<b>2020</b>	<b>Opening balance</b>	<b>Addition 2020</b>	<b>Charged to PL in CY</b>	<b>FX impact</b>	<b>Closing balance</b>
- Term facility loans, to be amortized in accordance with effective interest rate method.	-	39 400	(12 424)	0	26 976
- Credit lines, to be amortized on a straight line basis over 5 years	-	9 450	-	0	9 450
<b>Total finance cost 31.12.2020</b>	<b>-</b>	<b>48 850</b>	<b>(12 424)</b>	<b>1</b>	<b>36 427</b>

<b>2019</b>	<b>Opening balance</b>	<b>Addition 2019</b>	<b>Charged to PL in CY</b>	<b>FX impact</b>	<b>Closing balance</b>
- Term facility loans, to be amortized in accordance with effective interest rate method.	0	0	0	0	0
- Credit lines, to be amortized on a straight line basis over 5 years	0	0	0	0	0
<b>Total finance cost 31.12.2019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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**RECOVER**

**Note 11: Income tax expense**

(NOK 1000)

**Income tax expense:**

	2020	2019
<b>Current tax:</b>		
Current tax on profit (loss) for the year	0	0
<b>Deferred tax</b>		
Changes in deferred tax asset	12 388	0
<b>Tax income / (tax expense)</b>	<b>12 388</b>	<b>0</b>

A reconciliation of the effective tax rate for the Remedy Midco's country of registration:

	2020	2019
Pre-tax profit / (loss) (including discontinued operations)	(221 665)	0
Expected income taxes according to income tax rate in Norway (22%)	48 766	0
Tax effect of non deductible expenses	(11 532)	0
Tax effect of non deductible expenses acq cost	(15 658)	0
Tax rate outside Norway other than 22%	(331)	0
Unrecognised tax loss carried forward	(8 858)	0
<b>Tax income / (tax expense)</b>	<b>12 388</b>	<b>0</b>

**Deferred tax and deferred tax assets:**

	Consolidated balance sheet	
	2020	2019
<b>Deferred tax assets</b>		
Tax losses carried forward and carried forward interest deductions	25 666	0
<b>Deferred tax assets - gross</b>	<b>25 666</b>	<b>0</b>
<b>Deferred tax liabilities</b>		
Customer contracts	88 680	0
Fixed Assets	7 356	0
Other	31 076	0
<b>Deferred tax liabilities - gross</b>	<b>127 112</b>	<b>0</b>
<b>Net recognised deferred tax liabilities</b>	<b>101 446</b>	<b>0</b>

The gross movement on the deferred income tax account is as follows:

	2020	2019
At 1 January	0	0
Acquired through business combination (note 6)	(110 010)	0
Income tax expense	0	0
Change in deferred tax /deferred tax asset	12 208	0
Exchange differences	(3 644)	0
<b>At 31 December</b>	<b>(101 446)</b>	<b>0</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

All of the deferred tax assets relate to the Norwegian and Danish subsidiaries and are presented as an asset. The Swedish entities has a net deferred tax liability which is presented as a liability.

In Finland the tax rate is 20% in 2020 and 2019. In Norway the tax rate is 22% for the same years. Denmark the tax rate was 22% in 2020 and 2019. In Sweden the tax rate was 21.4% in 2020 and 2019.

Deferred income tax assets are recognized for loss carry-forwards to the extent that the realisation of the related tax benefit is probable. The Group has not recognize deferred income tax assets of TNOK 36 468 thousand in respect of losses in Finland amounting to TNOK 178 317 that can be carried forward against future taxable income. Losses of TNOK 17 430, 22 902, 30 222, 35 852, 40 495, 18 554 and 12 863 expire in 2023, 2024, 2025, 2026, 2027, 2028 and 2029 respectively.

There are no tax charges or credits relating to components of other comprehensive income.



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**RECOVER**

**Note 12: Property, plant and equipment**  
(NOK 1000)

	Machinery and equipment	Total
Balance at 1 January 2019	0	0
Acquisitions of business (note 6b)	0	0
Additions during the period	0	0
Depreciation	0	0
Disposals, and assets classified as held for sale	0	0
Exchange differences	0	0
<b>Net carrying amount 31 December 2019</b>	<b>0</b>	<b>0</b>
Balance at 1 January 2020	0	0
Acquisitions of business (note 6b)	245 008	<b>245 008</b>
Additions during the period	20 006	<b>20 006</b>
Depreciation	(59 786)	<b>(59 786)</b>
Disposals, and assets classified as held for sale	(5 528)	<b>(5 528)</b>
Exchange differences	(3 660)	<b>(3 660)</b>
<b>Net carrying amount 31 December 2020</b>	<b>196 040</b>	<b>196 040</b>
<b>At 31 december 2020</b>		
Cost	255 826	255 826
Accumulated depreciation and impairment	(59 786)	(59 786)
<b>Net carrying amount 31 December 2020</b>	<b>196 040</b>	<b>196 040</b>

Economic life 3 - 15 years  
Depreciation method straight line

Machinery and equipment have been pledged as security for bank loans, see note 22.

See note 23 for additional disclosures related to leasing.

**Note 13: Contractual obligations**  
(NOK 1000)

The Group has the following contractual obligations for the purchase of intangibles, property, plant and equipment, i.e. contracts have been signed for future deliveries.

	2020	2019
Contractual obligations due to CAPEX investments in Sweden, Norway and Denmark	25 783	0
<b>Total</b>	<b>25 783</b>	<b>0</b>



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**RECOVER**

**Note 14: Intangible assets**  
(NOK 1000)

	Goodwill	Customer contracts / relationships	Capitalised software	Brand	Order backlog	Total
Balance at 1 January 2019	0	0	0	0	0	0
Additions during the period	0	0	0	0	0	0
Amortisation	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	0
<b>Net carrying amount 31 December 2019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Balance at 1 January 2020	0	0	0	0	0	0
Acquisitions of business (note 6b)	2 091 040	449 281	22 950	19 860	36 697	<b>2 619 828</b>
Additions during the period (note 6b)	118 302	0	8 920	0	0	<b>127 223</b>
Amortisation	0	(42 387)	(7 634)	0	(36 118)	<b>(86 137)</b>
Exchange differences	(50 809)	(16 055)	(107)	(638)	(579)	<b>(68 187)</b>
<b>Net carrying amount 31 December 2020</b>	<b>2 158 533</b>	<b>390 839</b>	<b>24 129</b>	<b>19 222</b>	<b>0</b>	<b>2 592 723</b>

**At 31 december 2020**

Cost	2 158 533	433 226	31 764	19 222	36 118	<b>2 678 863</b>
Accumulated depreciation and impairment	0	(42 387)	(7 634)	-	(36 118)	<b>(86 137)</b>
<b>Net carrying amount 31 December 2020</b>	<b>2 158 533</b>	<b>390 839</b>	<b>24 129</b>	<b>19 222</b>	<b>0</b>	<b>2 592 723</b>

Economic life	1-10 years	5-10 years	0,4-0,8 years
Depreciation method	straight line	straight line	straight line

Goodwill is not amortized, but tested yearly for impairment. Refer to note 15 for the impairment test of goodwill.

**Note 15: Impairment testing of goodwill**

Recognised goodwill in the Group amounts to TNOK 2 158 533 as of 31.12.2020. In 2020, goodwill arise from the acquisition of Recover Group in March 2020 and later acquisitions of Swedish entities and a Norwegian entity. Goodwill is tested for impairment by cash generating units (CGU).

Norway, Denmark, Sweden and Finland are defined as separate cash-generating units (CGU) within the Group.

Book value of goodwill:		Local Currency		Amount in NOK millions	
		2020	2019	2020	2019
Norway	MNOK	1 240.7	0	1 240.7	0
Denmark	MDKK	268.8	0	378.3	0
Finland	MEUR	17.1	0	178.7	0
Sweden	MSEK	345.8	0	360.8	0

Goodwill is tested for impairment at least annually, or when there are indications of impairment. The impairment test was performed as of year-end 2020.

The recoverable amount of the CGUs is set to the estimated value in use. The value in use is the net present value of the estimated cash flow before tax, using a discount rate reflecting the timing of the cash flows and the expected risk.

**The following assumptions were utilised when calculating value in use as of year end**

	Year end 2020				Year end 2019			
	Norway	Denmark	Sweden	Finland	Norway	Denmark	Sweden	Finland
Discount rate (pre tax)	10.3 %	8.8 %	8.9 %	8.3 %	n/a	n/a	n/a	n/a
Discount rate (post tax)	8.0 %	7.0 %	7.0 %	6.5 %	n/a	n/a	n/a	n/a

**Key assumptions for value in use calculations**

The calculation of value in use for the cash generating units is most of all sensitive when it comes to the following assumptions:

**Discount rate**

The discount rate is based on weighted average cost of capital (WACC). The discount rate is reflecting the current market rate of return in the industry where the cash generating unit is being compared.

The cost of equity has been calculated with the basis in the capital asset pricing model (CAPM). Post-tax discount rates of 8.0% (NOR), 7.0% (SWE), 7.0% (DEN) and 6.5% (FIN) have been used when discounting the post-tax cash flows for the CGUs. This is based on risk free interest rates of 0.8%, -0.1%, -0.3% and -0.5%, based on the



appropriate 10 year government bond yield, an asset beta of 0.9, a market risk premium of 5.3% in all countries, a small stock premium of 2.5 % and a cost of debt of a rate 1.6-2.5% above the risk free interest rate. The pre-tax discount rates are post tax discount rate adjusted for tax rate as there is minimum tax effects in the entities.

### EBITDA-margin

The EBITDA-margin for CGUs Norway, Sweden, Denmark and Finland reflects expected growth up until the terminal year. The estimated EBITDA margin% is assumed to increase some during the period as growth in revenue is expected to leverage on existing cost base.

### Growth rate

The growth rate in the forecast period is based on management's expectation to the development in the market and the company's market share. Based on available information and knowledge about the market, management is expecting increased sales for all four CGUs.

### Terminal value multiple

The terminal value is estimated using the Gordon growth formula.

### Sensitivity analysis for key assumptions

The CGUs were acquired in March 2020, however representing a continuation of the Recover Group. Management believes that the purchase prices were fair. Furthermore, there have been four add-on acquisitions in H2'20, three in Sweden and one in Norway. The impairment test indicated that the recoverable amount of the CGU Norway is MNOK 1 751, which exceeds the carrying amount with MNOK 200 and the unit and its goodwill is not impaired. The recoverable amount of the CGU Denmark is MDKK 460, which exceeds the carrying amount by MDKK 32 and the unit and its goodwill is not impaired. The recoverable amount of the CGU Sweden is MSEK 853, which exceeds the carrying amount with MSEK 332 and the unit and its goodwill is not impaired. The recoverable amount of the CGU Finland is MEUR 30.3, which exceeds the carrying amount with MEUR 5.1 and the units goodwill is not impaired.

The values are based on several key assumptions. If these key assumptions are developing unfavourable it may cause a need for impairment of the recognised goodwill.

The tables below show how the recoverable amount of goodwill will be affected by changes in the various assumptions, given that the remainder of the assumptions are constant.

CGU Norway		2020	2019
<b>Assumptions</b>			
Discount rate	+/- 1%	-/+ 227 MNOK	0
EBITDA-margin (2021-2025)	+/- 1 %	+/- 293 MNOK	0
<b>CGU Denmark</b>			
<b>Assumptions</b>			
Discount rate	+/- 1%	-/+ 67 MDKK	0
EBITDA-margin (2021-2025)	+/- 1 %	+/- 69 MDKK	0
<b>CGU Sweden</b>			
<b>Assumptions</b>			
Discount rate	+/- 1%	-/+ 123 MSEK	0
EBITDA-margin (2021-2025)	+/- 1 %	+/- 171 MSEK	0
<b>CGU Finland</b>			
<b>Assumptions</b>			
Discount rate	+/- 1%	-/+ 5.1 MEUR	0
EBITDA-margin (2021-2025)	+/- 1 %	+/- 8.4 MEUR	0



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**RECOVER**

**Note 16: Accounts receivable**

(NOK 1000)

	2020	2019
Accounts receivable	344 525	40
Provision for expected credit loss	(19 395)	-
<b>Total 31 December</b>	<b>325 130</b>	<b>40</b>

**Changes in accounts receivable**

	2020	2019
Opening balance	40	0
Acquisitions	372 260	0
Movement in accounts receivable	(27 775)	40
<b>Total 31 December</b>	<b>344 525</b>	<b>40</b>

**Changes in provision for expected credit loss :**

	2020	2019
Opening balance	-	0
Acquisitions	(11 307)	0
Increased (-)/ reversed (+) provision during the period	(8 088)	0
<b>Total 31 December</b>	<b>(19 395)</b>	<b>0</b>

Provision for expected credit loss is classified as other operating expenses in the income statement.

The provision includes losses identified and a general allowance for "old" and uncertain receivables by reflecting the possibility that a credit loss occurs.

The Norwegian and Danish entities have entered into factoring agreements with the same bank that has provided secured bank loans, see note 22. The receivables sold under the factoring agreement are derecognised. According to the agreement, the Group receives 85% of the invoiced amount immediately, and the remaining 15% once the customers has paid the invoice or at the latest 60 days after due date. The remaining 15% is classified as other current assets, see note 19.

Credit risk and foreign exchange risk regarding accounts receivable is discussed in note 3.

Ageing of accounts receivable including receivables with provision for expected credit loss as of December 31 was as follows:

	Total	Not due	Overdue			
			Less than 30 days	30-60 days	60-90 days	More than 90 days
<b>31 December 2020</b>						
Account receivables gross	344 525	265 834	31 197	6 427	7 481	33 586
Expected credit loss	(19 395)					(19 395)
<b>31 December 2019</b>						
Account receivables gross	40	40	0	0	0	0
Expected credit loss	0					0

Accounts receivable have been pledged as security for bank loans, see note 22.

**Note 17: Inventories**

(NOK 1000)

	2020	2019
Finished goods:		
At cost	11 757	0
<b>Total 31 December</b>	<b>11 757</b>	<b>0</b>

Inventories have been pledged as security for bank loans, see note 22.



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**RECOVER**

**Note 18: Work in progress**

(NOK 1000)

	2020	2019
The aggregate amount of costs incurred and recognised profits (less recognised losses) to date	768 976	0
Amount of advances received	(553 526)	0
<b>Total 31 December</b>	<b>215 450</b>	<b>0</b>

**Changes in work in progress:**

	2020	2019
Opening balance	0	0
Acquisitions	240 739	0
Movement in work in progress	-20 282	0
Reversed provision during the period	-5 007	0
<b>Total 31 December</b>	<b>215 450</b>	<b>0</b>

The Group has not received advanced payments in excess of revenue recognized. There is no retention clauses relate to progress billings. There is neither significant remaining onerous contracts, nor remaining production on such contracts.

Work in progress have been pledged as security for bank loans, see note 22.

**Note 19: Other current and non-current assets**

(NOK 1000)

**Other current assets**

	2020	2019
Pre-paid costs	52 958	0
Tax receivable	13 392	0
Outstanding factoring proceeds, (see note 16)	20 541	0
Other current assets	10 234	0
<b>Total 31 December</b>	<b>97 125</b>	<b>0</b>

**Other non-current assets**

	2020	2019
Deposits	3 550	0
Finance fee related to credit facility	9 450	0
Other non-current assets	6 326	0
<b>Total 31 December</b>	<b>19 326</b>	<b>0</b>

**Note 20: Cash and cash equivalents**

(NOK 1000)

	2020	2019
Restricted cash	5 165	0
Cash outside cashpool	354 234	0
Cash and short-term bank deposits	128 913	0
<b>Cash and cash equivalents in the balance sheet December 31</b>	<b>488 312</b>	<b>0</b>

The Group had the following unused credit facilities as of 31 December 2020:

	Frame	Used	Unused
- RCF (MNOK 100):	100 000	0	100 000
- Guarantees (MNOK 35):	35 000	31 067	3 933
- MPF (MNOK 465):	465 000	161 220	303 781
<b>Total Multipurpose facility (MNOK 600):</b>	<b>600 000</b>	<b>192 286</b>	<b>407 714</b>

Included in the MPF mNOK 600 is a multicurrency guarantee and overdraft facility. Total commitments mNOK 135 of which mNOK 100 is currently reserved for overdraft and mNOK 35 reserved for guarantees.



Remedy Topco AS – Consolidated Financial Statements 2020

## RECOVER

**Note 21: Share capital, shareholder information and dividend**  
(NOK 1000)

	2020	2019
Ordinary shares, nominal amount (2019: NOK 30)	0	1 000
A-shares, nominal amount NOK 0.1	1 859 892	0
B-shares, nominal amount NOK 0.1	16 738 999	0
<b>Total number of shares</b>	<b>18 598 891</b>	<b>1 000</b>

Changes to share capital and premium:	No. of shares	A - shares (NOK 0.10)	B - shares (NOK 0.10)	Invested unrestricted capital	Capital - not registered	Total
<b>Ordinary shares</b>						
30 April 2019 (Date of incorporation)	1 000	30	0	10	0	40
<b>31 December 2019</b>	<b>1 000</b>	<b>30</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>40</b>
1 January 2020	1 000	30	0	10	0	40
Capital reduction March 12	(1 000)	(30)	0	(10)	0	(40)
Issued new capital March 12	16 537 521	159	1 495	1 652 098	0	1 653 752
Issued new capital March 16	163 500	8	8	16 334	0	16 350
Issued new capital May 22	1 575 294	16	142	157 372	0	157 529
Issued new capital August 28	132 576	1	12	13 244	0	13 258
Issued new capital August 31	150 000	2	14	14 985	0	15 000
Issued new capital November 6	20 000	0	2	1 998	0	2 000
Issued new capital November 20	20 000	0	2	1 998	0	2 000
Issued new capital December 18	0	0	0	0	40 000	40 000
Transaction cost	0	0	0	(231)	0	(231)
<b>31 December 2020</b>	<b>18 598 891</b>	<b>186</b>	<b>1 674</b>	<b>1 857 798</b>	<b>40 000</b>	<b>1 899 658</b>

12 March 2020 - cash capital increase in connection with the acquisition of Recover Group

16 March 2020 - contribution in kind following reinvestment notes from acquisition of Recover Group

22 May 2020 - capital increase by conversion of debt

August 28 2020 - capital increase through cash and contribution in kind following reinvestment notes from acquisition of Misab Group AB

August 31 2020 - capital increase through contribution in kind following reinvestment notes from acquisition of Byggmester Kompaniet AS

November 6 2020 - cash capital increase in connection with the acquisition of Skadesanering i Stockholm AB

November 20 2020 - cash capital increase in connection with the acquisition of SWE Skadeteknikgruppen AB

December 18 2020 - cash capital increase, registered January 2021

In December 2020 the company received TNOK 40 000 in capital contribution through cash consideration from its parent. The capital contribution was registered in January 2021. The capital contribution increased the share capital with TNOK 40 and the share premium with TNOK 39 960.

Remedy Topco AS have two classes of shares, A-shares and B-shares. As of 31 December 2020, Remedy Topco AS had a share capital of NOK 1 859 889, divided into 1 859 892 A-shares and 16 738 999 B-shares with a nominal value of NOK 0.10 per share for both categories.

The Company's outstanding shares are divided into common shares of (A-shares) and preference shares (B-shares). Class A shares carry entitlement to ten votes per share. Class B shares carry entitlement to one vote per share.

Owners of class B have preferential rights to dividends in an amount corresponding to NOK 100 per share plus an annually accumulating preferred interest of 10 percent calculated from investment date, minus any previous average paid amounts on the class B. To the extent not paid, preferred interest for Class B shares shall be capitalised annually in arrears.

After dividend to class B shares as described above, Class A have equal rights to dividend.



Remedy Topco AS – Consolidated Financial Statements 2020

## RECOVER

20 largest shareholders at 31.12.20 are:

	Number of Class A shares	Number of Class B shares	Total no. of shares:	Share of company total
Remedy Topco S.à.r.l	1 505 484	15 922 837	17 428 321	93.71 %
Atiker Förvaltning AB	30 000	150 000	180 000	0.97 %
Mattias Ringqvist	55 000	45 000	100 000	0.54 %
Investeringselskabet af 14.12.1999 ApS	7 000	63 000	70 000	0.38 %
Aristu Holding AS	6 910	62 187	69 097	0.37 %
BH Invest Vestfold AS	32 829	32 829	65 658	0.35 %
Magnifzent Investments AS	32 829	32 829	65 658	0.35 %
Ehlin och Rosenberg AB	5 978	53 796	59 774	0.32 %
AMM AS	5 812	52 307	58 119	0.31 %
Nygata 16 AS	18 000	32 000	50 000	0.27 %
IT-Effekt i Västmanaland AB	2 989	26 898	29 887	0.16 %
VAK Invest AS	13 679	13 679	27 358	0.15 %
Haga Holding AS	2 278	20 506	22 784	0.12 %
Christian Roth	10 500	10 500	21 000	0.11 %
DOFI AB	2 044	18 392	20 436	0.11 %
Aleksander Holter	10 000	10 000	20 000	0.11 %
Pamiro Consulting AB	8 500	8 500	17 000	0.09 %
Andreas Tengelin	8 207	8 207	16 414	0.09 %
Valala Invest AS	8 207	8 207	16 414	0.09 %
Kim Steendahl	5 971	5 971	11 942	0.06 %
<b>Sum</b>	<b>1 772 217</b>	<b>16 577 645</b>	<b>18 349 862</b>	<b>98.66 %</b>
Others	87 675	161 354	249 029	1.34 %
<b>Total</b>	<b>1 859 892</b>	<b>16 738 999</b>	<b>18 598 891</b>	<b>100.00 %</b>

#### Note 22: Interest-bearing loans and bank borrowings

(NOK 1000)

	2020	2019
<b>Non-current</b>		
Secured bank loans	1 201 973	0
Vendor loan - non current	3 000	0
Lease liabilities - non current	408 510	0
<b>Total non-current</b>	<b>1 613 483</b>	<b>0</b>
<b>Current</b>		
Lease liabilities - current	198 956	0
Contingent consideration - current	50 506	0
<b>Total current</b>	<b>249 462</b>	<b>0</b>
<b>Total interest-bearing loans and bank borrowings as of December 31</b>	<b>1 862 945</b>	<b>0</b>

#### Terms and repayment schedule

	Currency	Nominal interest rate	Year of maturity	31 December 2020	
				Face value	Carrying amount
Term loan B - NOK	383 600	IBOR + 3.75%	May 2023	383 600	374 783
Term loan B - SEK	262 855	IBOR + 3.75%	May 2023	274 289	267 827
Term loan B - DKK	183 253	IBOR + 3.75%	May 2023	257 855	251 393
Term loan B - EUR	14 736	IBOR + 3.75%	May 2023	154 295	150 187
MPF - SEK	97 000	IBOR + 3.50%	May 2023	101 220	99 072
MPF - NOK	60 000	IBOR + 3.50%	May 2023	60 000	58 711
Vendor loan - NOK		NA	Q1 22	3 000	3 000
Lease liabilities - NOK/SEK/DKK/EUR		2.0%-4.0%	1-8 years	607 466	607 466
Contingent consideration - current - SEK		NA	Q3 2021	50 506	50 506
<b>Total interest-bearing loans and bank borrowings as of December 31</b>				<b>1 892 232</b>	<b>1 862 945</b>

Reconciliation of opening and closing balances of financial liabilities and their movement in cash flow are presented in the table below.

	31 December 2019	Cashflows	Changes in fair value	Acquisitions	Other / FX	31 December 2020
Term loans	0	1 088 157	0	0	(43 967)	1 044 190
MPF	0	1 60 412	0	0	(2 629)	157 783
Vendor loan	0	3 000	0	0	0	3 000
Leasing liabilities *	0	(151 934)	0	613 305	146 095	607 466
Contingent consideration	0	(44 114)	0	92 535	2 085	50 506
<b>Total liabilities from financing activities</b>	<b>0</b>	<b>1 055 521</b>	<b>0</b>	<b>705 840</b>	<b>101 584</b>	<b>1 862 945</b>

\* See note 23 leases for details



## **Bank loans and Multipurpose facility**

On May 7<sup>th</sup> 2020 the Group obtained financing through a bank syndicate consisting of three banks; DNB, Swedbank and SEB. A Term Facility B with base currency equal to a total facility mNOK 1 096 split between four currency tranches, NOK, SEK, DKK and EUR, with different weighting. The termination date is 3 years, i.e. 7<sup>th</sup> May 2023. Each facility B loan are set to be repaid in full at the termination date. Currently, the interest rate is IBOR + 3.75% p.a. with margins to be increased or decreased in accordance with the net debt cover.

In addition to the Term Facility B loan, a Multi Purpose Facility ("MPF") with base currency mNOK 600 is available for use for the companies within the Group. The facility is available both for short term and long term loans, including overdraft facility and letter of credits. The MPF may be utilized in NOK, EUR, DKK, SEK, USD and GBP. The withdrawals can either be repaid the last day of each interest period or decided rolled-over. The termination date is the same as for the Term Facility Loan, i.e. 7<sup>th</sup> May 2023. The maximum number of loans outstanding is 15 and limited to no more than 5 each year. As of 31 Dec 2020, there are two loans outstanding. Currently, the interest rate is IBOR + 3.50% p.a. with margins to be increased or decreased in accordance with the net debt cover. Utilization of the MPF is contingent of the group being compliant with certain financial conditions.

As security for bank loans and multipurpose facility, the group has pledged all of the shares in subsidiaries, fixed assets, inventory, account receivables and bank accounts. The pledge is limited to MNOK 2 300. The bank loans have been recognised at amortised cost using the effective interest rate method. The margin on the bank loans depend on the groups leverage. The bank loans are subject to a covenant restriction:

### *Net debt cover*

Means in respect of any testing period, the ratio of consolidated total net debt on the last day of that testing period to consolidated EBITDA for that testing period.

According to the agreement, EBITDA is to be calculated on consolidated figures adjusted for certain elements e.g. acquisition cost and integration cost. Total net debt is defined as the aggregate amount of all obligations of the group for or in respect of borrowings, (i) including, in case of capital leases, only the capitalized value and (ii) deducting the aggregate amount of cash and cash equivalent.

Financial covenant is tested quarterly at Remedy Midco level up until repayment in 2023 with Q1 21 the first testing period. In the event of a breach of the financial covenant, a grace period of 65 days after the relevant balance sheet date has been granted in order remediate any breach by the means of a capital injection. A Parent company guarantee has been secured from Remedy Topco AS.

## **Contingent consideration**

Recover acquired a Swedish entity in February 2018. As part of the acquisition in 2018, the group entered into a contingent consideration agreement with the former owners. The remaining amount, KSEK 47 500 is measured at fair value and expected to be paid in Q3'21.

## **Note 23 Leases**

*(NOK 1000)*

### **The Group as a lessee**

The Group leases buildings, cars and heavy machinery. Rental agreements are typically made for fixed periods of 3-5 years but may have extension options as described below. The Group's lease contracts may contain both lease and non-lease components, and the Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

### **Key accounting principles**

Leases are recognized as a lease liability with a corresponding right-of-use asset at the date at which the leased asset is available for use by the Group. Lease contracts with a lease term of less than 12 months and lease contracts for which the underlying asset has a low value are not capitalized since the payments are recognized in the income statement on a straight-line basis over the lease contract period.

The Group presents the right-of-use assets and lease liabilities as separate line-items on the statement of financial position. Lease liabilities are split into current, due within one year, and non-current, due after more than one year. In the statement of profit or loss, the depreciation and impairment expenses related to the right-of-use asset are presented as part of the total depreciation and impairment expenses. The interest expenses related to the lease liabilities are presented as part of the interest expense.



## **Lease liabilities**

Lease liabilities are recognized at the lease commencement date and are measured at the present value of future lease payments from contractual agreements as at the reporting date.

The Group has elected to separate lease and non-lease components included in lease payments for property leases. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or a rate; initially measured using the index or rate as at the commencement date;
- (if any) lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a matching adjustment is made to the carrying amount of the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## **Extension and termination options**

The lease contracts related to land and buildings will under normal circumstances grant the Group a unilateral right to extend the lease term. A few of the contracts related to heavy machinery grant the Group a right to extend the lease term. Contracts related to cars generally do not give the Group the right to extend the lease contract. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of buildings premises the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations, profitability and the costs required to replace the leased asset.

Most extension options in premises leases have not been included in the lease liability because the Group could replace the assets without significant cost or business disruption.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group's long-term borrowing interest rate is the applicable IBOR plus a margin dependent on the leverage ratio of the Group.

Since the Group had no leases in 2019, no comparable tables have been created.



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER**

<b>Assets</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Right of use assets, except for investment property	12	600 641	0
<b>Booked value December 31</b>		<b>600 641</b>	<b>0</b>

<b>Right of use assets</b>	<b>Heavy machinery</b>	<b>Cars</b>	<b>Land and buildings</b>	<b>Total</b>
Balance at 01 April	0	0	0	0
Additions	264 988	251 457	229 081	745 525
Depreciations	-26 327	-59 182	-57 301	-142 810
Effects of movements in exchange rates	-2 074	0	0	-2 074
<b>Balance at 31 December</b>	<b>236 587</b>	<b>192 274</b>	<b>171 780</b>	<b>600 641</b>

#### Lease liabilities

<b>Maturity analysis - contractual undiscounted cash flows</b>	<b>2020</b>
Less than one year	214 686
One to five years	367 845
More than five years	54 315
<b>Total undiscounted lease liabilities at 31 December</b>	<b>636 846</b>
Discounting effect	29 380
<b>Lease liabilities included in the statement of financial position at 31 December</b>	<b>607 466</b>
Current	198 956
Non-current	408 510

#### Amounts recognised in profit or loss

Interest on lease liabilities	12 173
Depreciation of right-of-use assets	142 810

#### Amounts recognised in the statement of cash flow

Total cash outflow for leases	151 934
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There has not been identified any gains and losses due to terminations, purchases, impairment and other changes. Interests used for discounting have been in the range of 2 - 4%.

#### Additional information / sensitivity analysis

The Group has performed a sensitivity analysis on lease liabilities by looking at changes in the discount rate. If the discount rate were increased by 1 percentage point, the lease liabilities of the Group would be decreased by TNOK 6 650. If the discount rate were decreased by 1 percentage point, the lease liabilities of the Group would be increased by TNOK 6 865.

#### Note 24: Pensions and other long-term employee benefits

##### Defined contribution plan

The Group's companies in Norway, Denmark, Sweden and Finland have defined contribution plans in accordance with local laws. The defined contribution plans cover full time employees and the yearly costs amounts to between 2.5% and 8% of salary. The employees may manage the investments through an agreement with the insurance company. There are separate agreements for the management in the Group, see note 8 - salaries and remuneration. The contribution is expensed when it is incurred. As of 31.12.2020 there were 2 324 (2019: 0) members covered by the scheme.

The contributions recognized as expense was TNOK 76 632 in 2020 (2019: TNOK 0).



Remedy Topco AS – Consolidated Financial Statements 2020

**RECOVER**

**Note 25: Accounts payable and other current liabilities**

(NOK 1000)

	2020	2019
Trade accounts payable	248 705	0
Debt to parent company	186 000	0
Liabilities related to employees incl. holiday pay	196 731	0
Government taxes, vat, social security tax etc.	170 036	0
Restructuring provision	14 154	0
Accrued expenses	124 079	0
<b>Total 31 December</b>	<b>939 706</b>	<b>0</b>

Trade payables are non-interest bearing and are normally settled on between 30-45-day terms.

**Note 26: Financial instruments**

(NOK 1000)

**Derivatives:**

Derivatives are only used for economic hedging purposes to reduce cash flow risk and not as speculative investments.

Derivatives are classified as FVPL and initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value through profit and loss at the end of each reporting period. The fair values are based on observable market prices obtained from external parties and are based on mid-range marked interest rates and prices, excluding margins, at the reporting date. The derivatives are defined as Level 2 in the fair value hierarchy. The derivatives are classified as non-current asset or liability if the maturity date is later than 12 months from the balance sheet date and there is no intention to close the position within 12 months from the balance sheet date.

Changes in the fair value of any derivative instrument are recognized immediately in profit or loss and are included in finance income or finance expense if they are economic hedges for financing related risks. Derivatives that are economic hedges for operational cash flows are included in operating gain and loss. The fair values of the outstanding derivatives as at the balance sheet date are disclosed below.

The Group has the following derivative financial instruments:	2020	2019
<b>Other non-current assets</b>		
Interest rate swap contracts	2 992	0
<b>Total non-current derivative financial instruments assets</b>	<b>2 992</b>	<b>0</b>

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

For secured bank loans, the interest rate is based on IBOR and STIBOR + a margin. The margin is determined based on certain covenants which amongst other reflects the credit risk, therefore face value is a reasonable approximation of fair value.

	Carrying amount			Amortized cost	Fair value		
	Designated at fair value	Loans and receivables	Financial liabilities		Level 2	Level 3	Total
31.12.2020							
<b>Financial assets measured at amortised cost</b>							
Financial assets				-			-
Accounts receivable	0	325 130	0	325 130	0	0	0
Other current and non-current assets	0	31 331	0	31 331	0	0	0
Cash and cash equivalents	0	488 643	0	488 643	0	0	0
	<b>0</b>	<b>845 103</b>	<b>0</b>	<b>845 103</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial assets measured at fair value</b>							
Interest rate swaps	0	2 992	0	0	2 992	0	2 992
	<b>0</b>	<b>2 992</b>	<b>0</b>	<b>0</b>	<b>2 992</b>	<b>0</b>	<b>2 992</b>
<b>Financial liabilities not measured at fair value</b>							
Secured bank loan	0	0	1 201 972	1 201 972	0	0	0
Vendor loan	0	0	3 000	3 000	0	0	0
Contingent consideration	0	0	50 506	0	0	50 506	50 506
Finance lease liabilities	0	0	607 466	607 466	0	0	0
Accounts payable and other current liabilities	0	0	925 929	925 929	0	0	0
	<b>0</b>	<b>0</b>	<b>2 788 874</b>	<b>2 738 368</b>	<b>0</b>	<b>50 506</b>	<b>50 506</b>



## **Note 27: Covid-19**

Covid-19 has impacted operations in 2020 and lead to lost revenue and additional costs; this continues to be an issue in certain regions, particularly in Sweden. Despite this, on a pro-forma basis the operations in Norway report higher revenue in 2020 compared to 2019. Denmark report a decline in revenue in the industrial services business area, while Damage control is in line with 2019. Both Sweden and Finland report lower revenue in all business areas compared to 2019.

2021 is expected to be further impacted by Covid-19, especially in the Swedish operations. However, the impact is highly dependent how the virus spread, speed and effectiveness of vaccination and how any government enacted lock downs impact the industry in which the Group operates in. During 2020 the Group established good procedures for infection control amongst its employees. During the spring of 2020, the Group saw a significant reduction in the number of projects delayed due to the Covid- 19.

The improved effect of net working capital is partly due to Covid -19 support from governments in the Nordics. As of December 2020, the Group had received MNOK 86.8 in liquidity support from government in the Nordic countries through prolonged due dates for payments of VAT, social security tax and tax. The repayment date for approximately MNOK 60 of the support is expected to be prolonged for one year, meaning that they will be due in Q2 2022.

## **Note 28: Events after the balance sheet date**

In December 2020, the indirectly owned subsidiary Recover AS entered into an agreement to buy all the shares in TT-Teknikk AS. The transaction was closed in January 2021 and was financed with loan from Remedy Midco AS and with equity. In January 2021 the company registered a pending capital increase of TNOK 40 000 by the parent company with TNOK 40 in share capital and TNOK 39 960 in share premium.

In January 2021 the company contributed to a capital increase with TNOK 10 in share capital and TNOK 185 990 in share premium in its subsidiary Remedy Midco AS. Subsequently, in the same month, the company carried out another capital increase in Remedy Midco AS by way of contribution in kind of TNOK 10 in share capital and TNOK 17 990 in share premium. The receivables that were used as contribution in kind were established as part of the share purchase price of TT-Teknikk AS.

In February 2021 the company's parent Remedy Topco S.à r.l. including minority shareholders in Remedy Topco AS converted its receivables on Remedy Topco AS in total of TNOK 186 000, which increased the company's share capital of TNOK 186 and its share premium with TNOK 185 814.

In May 2021 the company provided capital contribution through cash with TNOK 10 in share capital and TNOK 24 990 in its subsidiary Remedy Midco AS. In May 2021 the company provided a contingent guarantee to its subsidiary Remedy Midco AS in the amount of MNOK 25. Furthermore, in May the company's indirectly owned subsidiary Recover AS has entered into an agreement to buy all the shares in a company related to the same business as the group operates in. The transaction is expected to close in June 2021.



# Company Financial Statements 2020

## Remedy Topco AS

**Income statement**  
**Balance sheet**  
**Notes to the Company Financial Statements**

**Org.nr.: 922 748 578**



## Remedy Topco AS

### Revenue statement (in thousands)

	Note	2020	2019
Other operating expenses	6	893	0
<b>Total operating expenses</b>		<b>893</b>	<b>0</b>
<b>Operating loss</b>		<b>-893</b>	<b>0</b>
<b>Financial income and expenses</b>			
Other interest income		76	0
<b>Net financial items</b>		<b>76</b>	<b>0</b>
<b>Net loss before tax</b>		<b>-817</b>	<b>0</b>
Tax expense	1	0	0
<b>Net loss for the year</b>	5	<b>-817</b>	<b>0</b>
<b>Transfers and allocations</b>			
Loss transferred to accumulated deficit	5	817	0
<b>Sum of transfers and allocations</b>		<b>-817</b>	<b>0</b>



## Remedy Topco AS

### Balance sheet pr. 31.12 (in thousands)

Assets	Note	2020	2019
<b>Financial fixed assets</b>			
Investments in subsidiary	3	1 753 398	60
<b>Total financial fixed assets</b>		<b>1 753 398</b>	<b>60</b>
<b>Total fixed assets</b>		<b>1 753 398</b>	<b>60</b>
<b>Current assets</b>			
<b>Debtors</b>			
Other short-term receivables		0	40
<b>Total receivables</b>		<b>0</b>	<b>40</b>
Cash and bank deposits	4	331 444	0
<b>Total current assets</b>		<b>331 444</b>	<b>40</b>
<b>Total assets</b>		<b>2 084 842</b>	<b>100</b>

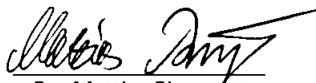


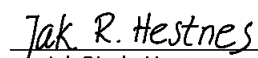
## Remedy Topco AS

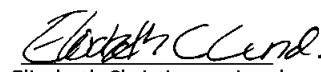
### Balance sheet pr. 31.12 (in thousands)

Equity and liabilities	Note	2020	2019
<b>Equity</b>			
<b>Paid-up equity</b>			
Share capital	2, 5	1 860	30
Non-registered share capital including share premium	5	40 000	0
Share premium	5	1 857 798	10
<b>Total paid-up equity</b>		<b>1 899 658</b>	<b>40</b>
<b>Retained earnings</b>			
Accumulated deficit	5	-817	0
<b>Total retained earnings</b>		<b>-817</b>	<b>0</b>
<b>Total equity</b>		<b>1 898 841</b>	<b>40</b>
<b>Liabilities</b>			
<b>Current debt</b>			
Trade creditors		2	0
Other current debt	3	186 000	60
<b>Total current debt</b>		<b>186 002</b>	<b>60</b>
<b>Total liabilities</b>		<b>186 002</b>	<b>60</b>
<b>Total equity and liabilities</b>		<b>2 084 842</b>	<b>100</b>

Oslo, 11.06.2021  
The board of Remedy Topco AS

  
Per Mattias Ringqvist  
Chairman of the board

  
Jak Rinde Hestnes  
Member of the board

  
Elisabeth Christiansen Lund  
Member of the board



## Accounting principles

The financial statements have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies. Remedy Topco AS was founded April 30th 2019. The comparable figures in the income statement for 2019 therefore consists of the figures from April 30th to December 31st 2019.

The purpose of the company is to be a holding company owning the shares in Remedy Midco AS.

### Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. In accordance with NRS 8 the deferred tax asset is not recognised.

### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### Investments in subsidiary

The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

### Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold.



## Note 1 Tax (in thousands)

	2020	2019	Change
Tax loss carryforward	-837	-20	817
<b>Deferred tax assets (22 %)</b>	<b>-184</b>	<b>-4</b>	<b>180</b>

Deferred tax assets are not recognised in the balance sheet in compliance with NRS 8.

<b>This year's basis for tax expense</b>	<b>2020</b>	<b>2019</b>
Ordinary profit/loss before tax	-817	0
Permanent differences	0	-20
<b>Taxable income/loss</b>	<b>-817</b>	<b>-20</b>
Payable tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
<b>Tax expense on ordinary profit/loss</b>	<b>0</b>	<b>0</b>
Payable tax in the balance:		
Payable tax on this year's result	0	0
<b>Total payable tax in the balance sheet</b>	<b>0</b>	<b>0</b>



## Note 2 Share capital and shareholder information

The share capital of TNOK 1 860 consists of 1 859 892 Class A shares and 16 738 999 Class B shares, all per value of NOK 0,1.

20 largest shareholders per 31.12.2020:

	Number of Class A shares	Number of Class B shares	Total number of shares	Share of company total
Remedy TopCo S.á r.l.	1 505 484	15 922 837	17 428 321	93,71 %
Atiler Förvaltning AB	30 000	150 000	180 000	0,97 %
Mattias Ringqvist	55 000	45 000	100 000	0,54 %
Investeringselskabet af 14.12.1999 ApS	7 000	63 000	70 000	0,38 %
Aristu Holding AS	6 910	62 187	69 097	0,37 %
BH Invest Vestfold AS	32 829	32 829	65 658	0,35 %
Magnifizent Inveztments AS	32 829	32 829	65 658	0,35 %
Ehlin och Rosenberg AB	5 978	53 796	59 774	0,32 %
AMM AS	5 812	52 307	58 119	0,31 %
Nygata 16 AS	18 000	32 000	50 000	0,27 %
IT-Effekt i Västmanland AB	2 989	26 898	29 887	0,16 %
VAK Invest AS	13 679	13 679	27 358	0,15 %
Haga Holding AS	2 278	20 506	22 784	0,12 %
Christian Roth	10 500	10 500	21 000	0,11 %
DOFI AB	2 044	18 392	20 436	0,11 %
Aleksander Holter	10 000	10 000	20 000	0,11 %
Pamiro Consulting AB	8 500	8 500	17 000	0,09 %
Andreas Tengelin	8 207	8 207	16 414	0,09 %
Valalia Invest AS	8 207	8 207	16 414	0,09 %
Kim Steendahl	5 971	5 971	11 942	0,06 %
<b>Sum</b>	<b>1 772 217</b>	<b>16 577 645</b>	<b>18 349 862</b>	<b>98,66 %</b>
Others	87 675	161 354	249 029	1,34 %
<b>Total</b>	<b>1 859 892</b>	<b>16 738 999</b>	<b>18 598 891</b>	<b>100,00 %</b>

## Note 3 Subsidiaries, guarantees and obligations (in thousands)

Subsidiaries	Municipality	Share of ownership	Equity last year	Result last year
Remedy Midco AS	Oslo, Norge	100 %	1 774 741	21 542

On 10 December 2019, EQT, through the buying entity Remedy Bidco AS which is an indirectly owned subsidiary of Remedy Topco AS, announced that they had entered into an agreement to acquire Navie Oy, the holding company of the Recover group, from Agilitas Private Equity. The closing date for the transaction was March 16th 2020.

Other acquisitions in the group in 2020:

On August 28th 2020, Recover AB acquired 100% of the shares in Mellansvensk Industrisanering AB.

On August 31st 2020, Recover AS acquired 100% of the shares in Byggmester Kompaniet AS.

On November 6th 2020, Recover AB acquired 100% of the shares in Skadesanering i Stockholm Holding AB.

On November 20th 2020, Recover AB acquired 100% of the shares in SWE Skadeteknikgruppen AB.

Intercompany balances:



	Payables		Other liabilities	
	2020	2019	2020	2019
Group companies	0	0	186 000	0
<b>Sum</b>	<b>0</b>	<b>0</b>	<b>186 000</b>	<b>0</b>

Guarantees provided to companies in the group:

Remedy Midco AS: TNOK 25 000

The subsidiary of the company, Remedy Midco AS, entered into a financing agreement with DNB, Swedbank and SEB on May 7th 2020. Through 2020 TNOK 1 096 000 has been drawn on the available facilities in Norwegian kroner, Swedish kroner, Danish kroner and Euro. The date of maturity is May 7th 2023. In connection with the financing agreement, Remedy Midco AS has lodged as security the shares in subsidiaries, the fixed assets, the receivables and the bank accounts. The security is limited to TNOK 2 300 000.

The bank loans are subject to a covenant restriction described below:

Net debt cover:

Means in respect of any testing period, the ratio of consolidated total net debt on the last day of that testing period to consolidated EBITDA for that testing period.

According to the agreement, EBITDA is to be calculated on consolidated figures adjusted for certain elements e.g. acquisition cost and integration cost. Total net debt is defined as the aggregate amount of all obligations of the group for or in respect of borrowings, (i) including, in case of capital leases, only the capitalized value and (ii) deducting the aggregate amount of cash and cash equivalent.

Financial covenants are tested quarterly at Remedy Midco level up until repayment in 2023 with Q1 21 the first testing period. In the event of a breach of the financial covenant, a grace period of 65 days after the relevant balance sheet date has been granted in order remediate any breach by the means of a capital injection. Remedy Topco AS provided a MNOK 25 guarantee to Remedy Midco AS in this respect in May 2021.

## Note 4 Cash and bank deposits

Cash and bank deposits is TNOK 331 444 at December 31st. The company does not have restricted cash deposits.

## Note 5 Shareholders' equity (in thousands)

	Share capital	Non-registered capital increase	Share premium	Accumulated deficit	Total equity
As of Jan 1st 2020	30	0	10	0	40
Capital reduction Mar 12	-30	0	-10	0	-40
Issued new capital Mar 12	1 654	0	1 652 098	0	1 653 752
Issued new capital Mar 16	16	0	16 334	0	16 350
Issued new capital May 22	158	0	157 372	0	157 530
Issued new capital Aug 28	13	0	13 244	0	13 257
Issued new capital Aug 31	15	0	14 985	0	15 000
Issued new capital Nov 6	2	0	1 998	0	2 000
Issued new capital Nov 20	2	0	1 998	0	2 000
Issued new capital Dec 18	0	40 000	0	0	40 000



Result of the year	0	0	0	-817	-817
Transaction costs	0	0	-231	0	-231
<b>As of Dec 31st 2020</b>	<b>1 860</b>	<b>40 000</b>	<b>1 857 797</b>	<b>-817</b>	<b>1 898 841</b>

#### Summary capital changes:

- March 12th 2020 - cash capital increase in connection with the acquisition of Recover Group
- March 16th 2020 - capital increase through contribution in kind following reinvestment notes from acquisition of Recover Group
- May 22nd 2020 - capital increase by conversion of debt
- August 28th 2020 - capital increase through cash and contribution in kind following reinvestment notes from acquisition of Misab Group AS
- August 31st 2020 - capital increase through contribution in kind following reinvestment notes from acquisition of Byggmester Kompaniet AS
- November 6th 2020 - cash capital increase in connection with the acquisition of Skadesanering i Stockholm AB
- November 20th 2020 - cash capital increase in connection with the acquisition of SWE Skadeteknikgruppen AB
- December 18th 2020 - cash capital increase, registered January 2021

The capital contribution in December was registered in the enterprise registry (Foretaksregisteret) in January 2021. The capital contribution increased the share capital with TNOK 40 and the share premium with TNOK 39 960.

## Note 6 Specification of operating costs

	2020	2019
Services (auditing, legal etc.)	857	0
Other operating costs	36	0
<b>Total operating costs</b>	<b>893</b>	<b>0</b>

#### Auditor fees

Expensed audit fee for 2020 is TNOK 22 incl. VAT.

Other attestation services TNOK 231 incl. VAT.

Technical assistance (with tax returns and financial statements) TNOK 34 incl. VAT.

## Note 7 Events after the balance sheet date

In December 2020, the indirectly owned subsidiary Recover AS entered into an agreement to buy all the shares in TT-Teknikk AS. The transaction was closed in January 2021 and was financed with loan from Remedy Midco AS and with equity. In January 2021 the company registered a capital increase of TNOK 40 000 by the parent company with TNOK 40 in share capital and TNOK 39 960 in share premium.

In January 2021 the company contributed to a capital increase with TNOK 10 in share capital and TNOK 185 990 in share premium in its subsidiary Remedy Midco AS. Subsequently, in the same month, the company carried out another capital increase in Remedy Midco AS by way of contribution in kind of TNOK 10 in share capital and TNOK 17 990 in share premium. The receivables that were used as contribution in kind were established as part of the share purchase price of TT-Teknikk AS.

In February 2021 the company's parent Remedy Topco S.à r.l. including minority shareholders in Remedy Topco AS converted its receivables on Remedy Topco AS in total of TNOK 186 000, which increased the company's share capital of TNOK 186 and its share premium with TNOK 185 814.



In May 2021 the company provided capital contribution through cash with TNOK 10 in share capital and TNOK 24 990 to its subsidiary Remedy Midco AS. In May 2021 the company provided a contingent guarantee to its subsidiary Remedy Midco AS in the amount of MNOK 25. Furthermore, in May the company's indirectly owned subsidiary Recover AS has entered into an agreement to buy all the shares in a company related to the same business as the group operates in. The transaction is expected to close in June 2021.



To the General Meeting of Remedy Topco AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of Remedy Topco AS, which comprise:

- The financial statements of the parent company Remedy Topco AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Remedy Topco AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2020, the 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 a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

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#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in

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*PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no  
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and  
authorised accounting firm*



## Independent Auditor's Report - Remedy Topco AS



accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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### *Other information*

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### *Responsibilities of the Board of Directors for the Financial Statements*

The Board of Directors (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting 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. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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### *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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

(2)



Independent Auditor's Report - Remedy Topco AS



### *Report on Other Legal and Regulatory Requirements*

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#### *Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

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#### *Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 11 June 2021  
**PricewaterhouseCoopers AS**

  
Sjur Holseter  
State Authorised Public Accountant



# Årsregnskap 2020

## Recover AS

Styrets årsberetning  
Resultatregnskap  
Balanse  
Kontantstrøm  
Noter til regnskapet

Org.nr.: 995 761 440



## RECOVER AS

### ÅRSBERETNING

FOR

2020

Recover AS er spesialister på opprydding og gjenoppbygging etter brann-, vann- og miljøskader. Vi er Nordens ledende konsern innen faget skadebegrensning med totalt 2 000 medarbeidere og mer enn 40 års erfaring. Våre kunder er i første rekke forsikringsselskaper, men Recover har også oppgaver innenfor eiendom, verftsindustrien, offshore og kommunal og offentlig sektor. Vi er godkjent for ansvarsrett i flere klasser. Vårt kundeløfte er: Tilbake til hverdagen. Så fort som mulig. Vårt arbeid er, med andre ord, meningsfullt, morsomt og utfordrende. Våre verdier er: Ærlighet, Omsorg og PÅ! Hos oss er mennesket i fokus. Selskapet har sitt hovedkontor i Oslo. Recover konsernet fikk nye eiere i løpet av 2020, da gruppen ble kjøpt av Private Equity fondet EQT. Den 16. mars 2020 ble samtlige aksjer i Navie Oy solgt til Remedy Bidco AS, som kontrolleres av EQT VIII Fund. Deler av ledelsen i Recover gruppen deltok i transaksjonen som selgende og kjøpende aksjonærer

Recover AS har et tett samarbeid med øvrige konsernselskaper i Danmark, Finland og Sverige som gjør det mulig å samordne aktiviteter over landegrensene. Dette betyr at ved større oppdrag, som eksempelvis ved flom og/eller stormskader, kan selskapet levere personell med den kompetanse og opptreden som kreves for å håndtere slike oppdrag.

Recover AS har i dag 1020 ansatte og er representert over hele Norge fra Kristiansand i sør til Kirkenes i nord. Selskapet har etablert rammeavtaler med de fleste forsikringsselskaper i Norge og har langsiktige avtaler med de største selskapene som IF, Gjensidige, Tryg og Fremtind. I tillegg har selskapet etablert avtaler med kommuner, eiendomsselskaper og øvrig industri. Markedet er preget av store variasjoner i antall oppdrag tildelt fra forsikringsselskapene grunnet blant annet klima, lokalt vær og antall branner som resulterer i skadesanering. For å tilpasse antall oppdrag til driftsorganisasjonen er det nødvendig i perioder å benytte innleid arbeidskraft. Gode rammeavtaler med selskaper som yter denne type tjenester er derfor svært viktig for selskapet.

Recover AS setter kundenes krav og verdier i fokus. Gjennom årelang kompetanse har selskapet, som en av få innenfor bransjen spesialisert seg innenfor en rekke fagområder.

Vi søker derfor hele tiden å være i forkant når det gjelder bruk av ny teknologi som igjen bidrar til utvikling av gode og effektive løsninger. Proaktiv kommunikasjon, høy kvalitet og service på våre leveranser er våre viktigste konkurransefortrinn som er med på å skape merverdi for våre kunder.

Recover AS kjøpte i løpet av 2020 opp selskapet Byggmester Kompaniet AS. I 2021 gjennomførte Recover AS et oppkjøp av selskapet TT Teknikk AS.

#### Redegjørelse for årsregnskapet

Styret mener årsregnskapet gir et riktig bilde av selskapets resultat og stilling.

#### Resultat

Selskapets driftsinntekter i 2020 endte på NOK 1 361,1 millioner mot NOK 1 217,1 millioner i 2019. Dette utgjør en vekst på 11,8 % sammenliknet med fjoråret. Veksten knytter seg i hovedsak til høyere forekomster av ekstrem vær og nye strategiske samarbeidskontrakter knyttet mot forsikringsbransjen. Driftsresultatet (EBIT) for 2020 endte på NOK 13,8 millioner sammenliknet med et driftsresultat (EBIT) på NOK 45,3 millioner i 2019. Etter netto finanskostnader på NOK 14,5 millioner fremkommer et årsresultat på minus NOK 0,6 millioner mot et positivt årsresultat for 2019 på NOK 24,8 millioner.

#### Investeringer

Det ble investert NOK 27,4 millioner i anleggsmidler i 2020 hvorav NOK 2,4 millioner knyttet seg til IT



systemer og NOK 25,0 millioner til verktøy, utstyr og annen hardware.

## Balanse

Selskapets kortsiktige gjeld utgjorde ved årsslutt 61,2% av samlet total kapital, mot 70,6% for fjoråret. Totalkapitalen var ved utgangen av året NOK 688,7 millioner, sammenlignet med NOK 556,0 millioner for fjoråret. Egenkapitalandelen var ved årets slutt 10,3% sammenlignet med 12,9% i 2019. Egenkapitalen anses som forsvarlig for selskapets videre drift.

## Kontantstrøm

Kontantstrøm fra drift i 2020 endte på NOK 96,5 millioner mot tilsvarende NOK -7,5 millioner for 2019. Forskjellen mellom driftsresultat og kontantstrøm fra drift skyldes avskrivninger og endring i arbeidskapital i 2020.

## Covid-19

Covid-19 pandemien slo inn for Recover AS i mars 2020, og selskapet måtte permittere en del ansatte da man ikke fikk tilgang til skadested i mange tilfeller. Etterhvert som man fikk nye rutiner på smittevern pga Covid 19, så åpnet det gradvis opp for selskapet, og man var tilbake til normal omsetning etter relativt kort tid.

## Likviditet

Selskapets totale bankinnskudd ved utgangen av 2020 utgjorde NOK 135,1 millioner, mot NOK 39,6 millioner i 2019.

## Finansiering

Selskapets rentebærende gjeld består primært av gjeld til Remedy Midco AS, gjeld til finansinstitusjon, leasing gjeld samt gjeld til deltagere i konsernets konsernkonto ordning. Gjelden til Remedy Midco AS oppstod da all bankgjeld i selskapet ble refinansiert som følge av at konsernet ble kjøpt opp av EQT. All gjeld er bundet opp mot NIBOR-rente og er således variabel.

Selskapet har en god finansiell stilling ved utgangen av 2020. Recover konsernet, ved morselskapet Remedy Midco AS, videreførte i mai 2020 en konsernkontoordning som Recover AS sluttet seg til og står som eier av. Kredittrammen på fasiliteten er felles for kassekreditten og bankgarantier. Totalt er rammen på NOK 135 millioner, hvor NOK 31 millioner er benyttet til bankgarantier. Pr 31.12.2020 var det ikke trukket på kassekreditten, slik at tilgjengelig kassekredit var NOK 104 millioner.

Som følge av økt oppkjøpsaktivitet har konsernet en Multi Purpose Facility (MPF). Denne har en ramme på NOK 600 millioner, hvorav NOK 161 millioner er benyttet og NOK 135 millioner er knyttet til kassekredit og garantifasilitet. Gjenværende ramme er NOK 304 millioner. Oppkjøpte selskap i Recover AS gjennom 2020 er i hovedsak finansiert gjennom trekk på denne fasiliteten. I tillegg har selskapet inngått en rammeavtale for factoring på NOK 120 millioner, som var trukket opp med 106,5 pr 31.12.2020.

Recover AS garanterer, på lik linje med alle selskaper i konsernet, for Remedy Midco AS konsernets finansieringsordninger. Remedy Midco har en finansiell covenant som måles hvert kvartal, med første måling første kvartal 2021. Ved et eventuelt brudd er det gitt en frist på 65 dager etter dato for testing til å korrigere eks. ved et kapitalinnskudd. Remedy Topco har gitt en garanti til Remedy Midco AS, oppad begrenset til 25 MNOK frem til og med Q1 2022.

Konsernet driver virksomhet som i stor grad er syklisk. I perioder med vesentlige hendelser, som eksempelvis flom, medfører dette økt kapitalbinding for konsernet. Tilgjengelig likviditet som følgende av inngåtte fasiliteter sikrer selskapets og konsernets betalingsevne ved økt kapitalbinding.

## Finansiell risiko

Med unntak av konsernkontoordningen (trekkfasiliteten) og motsvarende posisjoner ovenfor øvrige konsernselskaper, har Recover AS i all hovedsak fordringer og gjeld i NOK. Da de ulike selskapene som er del i konsernkontoordningen stort sett har innskudd eller trekk i sin egen valuta, er valutarisikoen i konsernkontoordningen (trekkfasiliteten) i stor grad redusert som følge av til dels motsvarende posisjoner



ovenfor øvrige konsernselskaper. Som følge av flytende rente på Konsernkontoordningen (trekkfasiliteten) og gjeld til kredittinstitusjoner er selskapet utsatt for renterisiko. Kredittrisikoen er vurdert som lav som følge av kundesegmentene selskapet har omsetning til, samt at prosjektporteføljen består av mange relativt små prosjekter som gir god spredning i risikoen. Styret vurderer at den finansielle risikoen er under tilfredsstillende kontroll.

### **Fortsatt drift**

I samsvar med Regnskapsloven § 3-3 bekreftes det at forutsetningen om fortsatt drift er til stede. Styret legger til grunn at forutsetningene er tilstede basert på selskapets budsjetter og prognoser for 2021 samt selskapets langsiktige strategiske prognoser for årene fremover.

### **Selskapets framtidssikter**

Recover AS har hatt en solid vekst i omsetningen de siste årene og har etablert seg som den største aktøren innenfor skadesanering i Norge. Selskapet har en klar oppfatning om at markedet vil fortsette å vokse. Klimaendringer vil påføre også det norske samfunnet ekstra belastninger der våre tjenester vil være etterspurt. Med nødvendige igangsatte strategiske og strukturelle tilpasninger i vår organisasjon vurderer styret at Recover AS har etablert et godt fundament for fortsatt vekst og resultatutvikling i årene fremover. Styret påpeker at det midlertid er betydelig usikkerhet knyttet til vurdering av fremtidige forhold.

### **Miljø og likestilling**

Arbeidsmiljøet i bedriften anses tilfredsstillende og virksomheten forurenses ikke det ytre miljø i vesentlig grad. Det er i 2020 rapportert 22 skader med fravær. Sykefraværet i 2020 var på 5,5%.

Av selskapets 1020 ansatte var 14% kvinner og 86% menn. Selskapets styre har ved utgangen av 2020 fire kvinnelige og tre mannlige styremedlemmer

Høsten 2019 ble Recover AS sertifisert etter ledelsessystemstandard ISO 45001 for arbeidsmiljø. Selskapet er allerede sertifisert etter ISO 9001 for kvalitet og 14001 for miljøledelse.

Selskapet og konsernet har gjennom hele 2020 arbeidet aktivt med bærekraft ihht bla FN's bærekraftsmål.

Recover AS har som mål å være en arbeidsplass der det råder full likestilling mellom kvinner og menn, og det arbeides aktivt for å hindre diskriminering. Selskapet har i sin policy innarbeidet forholdet rundt likestilling som tar sikte på at det ikke forekommer forskjellsbehandling grunnet kjønn i saker som for eksempel lønn, avansement, rekruttering med mer. Selskapets ledelse mener at alle ansatte skal ha lik tilgang til muligheter, uavhengig av kjønn, rase, religion, nasjonalt opphav, alder eller uførhet. Dette gjelder alle ansettelsesforhold på alle nivåer.

### **Hendelser etter balansedagen**

Den 23. november 2020 inngikk selskapet avtale om kjøp av samtlige aksjer i TT-teknikk AS. Transaksjonen ble slutført og selskapet overtok aksjene den 8. januar 2021. Vederlaget bestod av en kombinasjon av et kontantvederlag og en selgerkreditt. Kontantvederlaget ble 100% finansiert med gjeld fra Remedy Midco AS. Selgerkreditt fordringen ble senere benyttet av de selgende aksjonærene som tingsinnskudd i Remedy Topco AS. som deretter benyttet den som tingsinnskudd i til Remedy Midco AS. Ledelsen mener at oppkjøpet vil styrke posisjonen til Recover AS i det norske markedet og at det vil ha en positiv effekt på fremtidig inntjening, utover virkelig verdi av netto ervervede eiendeler.

I april 2021 ble det heleide datterselskapet Byggmester Kompaniet AS fusjonert inn i Recover AS. Fusjonen er gjennomført med regnskapsmessig virkning fra 1. januar 2021.



## Resultatdisponering

Styret foreslår at årets underskudd dekkes slik, i tillegg til at det henvises til egenkapitalnoten hvoretter det fremgår at selskapet mottar konsernbidrag uten skattevirkning som tilsvarer netto avgitt konsernbidrag til konsernselskap Tosiva AS:

Avsatt konsernbidrag etter skatt	NOK 10.356'
Overført fra annen egenkapital	NOK 10.966'
<b>Sum overføringer</b>	<b>NOK -610'</b>

Oslo 21. juni 2021  
I styret for Recover AS

Trine Myhre Friis  
Styremedlem

Per Mattias Ringqvist  
Styreleder

Arne Riis  
Styremedlem

Keld Guldbæk  
Styremedlem

Vegar Kristoffersen  
Daglig leder

Lene Marie Domaas  
Styremedlem

Aleksander Dønnum Holter  
Styremedlem

Elisabeth Christiansen Lund  
Styremedlem



### Recover AS

#### RESULTATREGNSKAP (tall i hele tusen)

	Note	2020	2019
<b>Driftsinntekter</b>			
Salgsinntekt	13	1 360 801	1 217 036
Annen driftsinntekt		337	32
<b>Sum driftsinntekter</b>		<b>1 361 138</b>	<b>1 217 068</b>
<b>Driftskostnader</b>			
Varekostnad		568 346	489 444
Lønn og sosiale kostnader	14	556 282	485 532
Avskrivning på driftsmidler og immaterielle eiendeler	2, 3	25 611	17 610
Avskrivning goodwill	2	2 116	2 992
Andre driftskostnader	19	194 964	176 188
<b>Sum driftskostnader</b>		<b>1 347 319</b>	<b>1 171 766</b>
<b>Driftsresultat</b>		<b>13 819</b>	<b>45 302</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt	18	1 714	1 044
Renteinntekter	18	3 378	3 567
Rentekostnader	18	4 486	6 380
Andre finanskostnader	18	11 143	11 576
Rentekostnad til foretak i samme konsern	17	3 913	0
<b>Resultat av finansposter</b>		<b>-14 451</b>	<b>-13 345</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-632</b>	<b>31 957</b>
Skattekostnad på ordinært resultat	12	22	-7 126
<b>Ordinært resultat</b>		<b>-610</b>	<b>24 832</b>
<b>Årsresultat</b>	<b>10</b>	<b>-610</b>	<b>24 832</b>
<b>Overføringer</b>			
Avsatt konsernbidrag etter skatt		10 356	0
Overført til annen egenkapital		0	24 832
Overført fra annen egenkapital		10 966	0
<b>Sum overføringer</b>		<b>-610</b>	<b>24 832</b>



## Recover AS

### BALANSE PR. 31.12 (tall i hele tusen)

EIENDELER	Note	2020	2019
<b>ANLEGGSMIDLER</b>			
<b>Immaterielle eiendeler</b>			
IT systemer	2	2 835	2 435
Goodwill	2	12 804	14 919
<b>Sum immaterielle eiendeler</b>		<b>15 638</b>	<b>17 355</b>
<b>Varige driftsmidler</b>			
Leasing driftsmidler	3, 7	392	505
IT-driftsmidler	3	3 296	3 602
Maskiner, inventar og transportmidler	3	35 355	33 671
<b>Sum varige driftsmidler</b>		<b>39 043</b>	<b>37 778</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i datterselskap	4	139 905	60 235
Andre langsiktige fordringer	7, 8	15	15
<b>Sum finansielle anleggsmidler</b>		<b>139 920</b>	<b>60 250</b>
<b>SUM ANLEGGSMIDLER</b>		<b>194 601</b>	<b>115 383</b>
<b>OMLØPSMIDLER</b>			
<b>Varer</b>			
Varebeholdning	5	4 777	4 462
<b>Sum varer</b>		<b>4 777</b>	<b>4 462</b>
<b>Fordringer</b>			
Kundefordringer	7	71 515	104 757
Opptjent, ikke fakturert inntekt	6	126 314	138 790
Andre kortsiktige fordringer		30 304	32 751
Fordring konsern	8	126 100	120 250
<b>Sum fordringer</b>		<b>354 233</b>	<b>396 547</b>
<b>Bankinnskudd, kontanter o.l.</b>			
Bankinnskudd		135 117	39 592
<b>Sum bankinnskudd, kontanter o.l.</b>		<b>135 117</b>	<b>39 592</b>
<b>SUM OMLØPSMIDLER</b>		<b>494 127</b>	<b>440 601</b>
<b>SUM EIENDELER</b>		<b>688 728</b>	<b>555 984</b>



## Recover AS

### BALANSE PR. 31.12 (tall i hele tusen)

EGENKAPITAL OG GJELD	Note	2020	2019
<b>EGENKAPITAL</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	10, 11	3 349	3 349
<b>Sum innskutt egenkapital</b>		<b>3 349</b>	<b>3 349</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	10	67 866	68 476
<b>Sum opptjent egenkapital</b>		<b>67 866</b>	<b>68 476</b>
<b>SUM EGENKAPITAL</b>		<b>71 215</b>	<b>71 825</b>
<b>GJELD</b>			
<b>Avsetning for forpliktelser</b>			
Utsatt skatt	12	13 217	16 160
<b>Sum avsetning for forpliktelser</b>		<b>13 217</b>	<b>16 160</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig lån finansiell leasing	3, 7	309	401
Gjeld til kredittinstitusjoner	7, 22	60 000	74 875
Øvrig langsiktig gjeld konsern	7, 22	122 200	0
<b>Sum annen langsiktig gjeld</b>		<b>182 509</b>	<b>75 276</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		127 667	122 484
Offentlig avgift, skattetrekk og andre trekk	21	60 610	50 337
Påløpt lønn og feriepenger	15	58 737	52 742
Kortsiktig gjeld konsern	8	152 067	107 422
Kortsiktig lån finansiell leasing	3, 7	98	119
Kortsiktig rentebærende gjeld	22	0	42 000
Annen kortsiktig gjeld	20	22 607	17 619
<b>Sum kortsiktig gjeld</b>		<b>421 786</b>	<b>392 723</b>
<b>SUM GJELD</b>		<b>617 513</b>	<b>484 159</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>688 728</b>	<b>555 984</b>



## Recover AS

### BALANSE PR. 31.12 (tall i hele tusen)

Oslo, 21.06.2021

Trine Myhre Friis  
styremedlem

Per Mattias Ringqvist  
styreleder

Arne Riis  
styremedlem

Keld Guldbæk  
styremedlem

Végar Kristoffersen  
daglig leder

Lene Marie Domaas  
styremedlem

Aleksander Dønnum Holter  
styremedlem

Elisabeth Christiansen Lund  
styremedlem

**Recover AS****KONTANTSTRØMOPPSTILLING (tall i hele tusen)**

	Noter	2020	2019
<b>Kontantstrømmer fra operasjonelle aktiviteter</b>			
Resultat før skattekostnad		-632	31 957
Tap/gevinst ved salg av anleggsmidler	3	337	32
Ordinære avskrivninger	2, 3	27 727	20 602
Endring i varelager	5	-315	-2 630
Endring i kundefordringer	7	33 242	-36 952
Endring opptjent, ikke fakturert inntekt	6	12 475	-70 921
Endring i leverandørgjeld		5 184	46 243
Endring i andre tidsavgrensningsposter	8, 15, 20, 21	18 444	4 207
<b>Netto kontantstrøm fra operasjonelle aktiviteter</b>		<b>96 461</b>	<b>-7 462</b>
<b>Kontantstrømmer fra investeringsaktiviteter</b>			
Innbetaling salg varige driftsmidler	3	267	193
Utbetaling kjøp av varige driftsmidler	3	-24 718	-29 538
Utbetaling kjøp av immaterielle eiendeler	2	-2 760	-1 799
Utbetaling kjøp av aksjer og andeler i andre foretak	4	-79 670	-22 326
<b>Netto kontantstrøm fra investeringsaktiviteter</b>		<b>-106 880</b>	<b>-53 471</b>
<b>Kontantstrømmer fra finansieringsaktiviteter</b>			
Innbetaling opptak av ny langsiktig gjeld	22	178 287	31 775
Innbetaling andre langsiktige fordringer	7	0	743
Innbetaling kortsiktig gjeld konsern	8	44 645	38 819
Innbetaling opptak av kortsiktig gjeld		0	32 103
Utbetaling på gjeld til kredittinstitusjoner og trekkfa	22	-116 988	-11 453
<b>Netto kontantstrøm fra finansieringsaktiviteter</b>		<b>105 944</b>	<b>91 987</b>
Netto endring i kontanter og kontantekvivalenter		95 525	31 054
Beh. av kont. og kontantekvivalenter ved per. begyr		39 592	8 538
<b>Beh. av kont. og kontantekvivalenter ved per. slutt</b>		<b>135 117</b>	<b>39 592</b>



## Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk. Tallene er presentert i hele tusen, dersom ikke annet er angitt. Selskapet leverer tjenester innen skadebegrensning, skadesanering og gjenoppbygging, og har sitt hovedkontor i Oslo.

### Bruk av estimater

Utarbeidelse av regnskap i samsvar med regnskapsloven krever bruk av estimater. Videre krever anvendelse av selskapets regnskapsprinsipper at ledelsen må utøve skjønn. Områder som i stor grad inneholder slike skjønsmessige vurderinger, høy grad av kompleksitet, eller områder hvor forutsetninger og estimater er vesentlige for årsregnskapet, er beskrevet i notene.

### Salgsinntekter

Inntekter ved salg av varer og tjenester vurderes til virkelig verdi av vederlaget, netto etter fradrag for merverdiavgift, returer, rabatter og andre avslag. Tjenester inntektsføres i takt med utførelsen. Andelen av salgsinntekter som knytter seg til fremtidige serviceytelser balanseføres som annen kortsiktig gjeld ved salget og inntektsføres deretter i takt med levering av ytelsene.

### Skatt

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reverseres i samme periode er utlignet. Oppføring av utsatt skattefordel på netto skattereduserende forskjeller som ikke er utlignet og underskudd til fremføring, begrunnes med antatt fremtidig inntjening. Utsatt skatt og skattefordel som kan balanseføres oppføres netto i balansen.

Skattereduksjon ved avgitt konsernbidrag, og skatt på mottatt konsernbidrag som føres som reduksjon av balanseført beløp på investering i datterselskap, føres direkte mot skatt i balansen (mot betalbar skatt hvis konsernbidraget har virkning på betalbar skatt, og mot utsatt skatt hvis konsernbidraget har virkning på utsatt skatt). Utsatt skatt både i selskapsregnskapet regnskapsføres til nominelt beløp.

### Anleggskontrakter

Selskapets anleggskontrakter består av fastpriskontrakter og kontrakter med avtalte timepriser og faste påslag for medgått materiale. Arbeid under utførelse knyttet til fastpriskontrakter med lang tilvirkningstid vurderes etter løpende avregnings metode. Etter denne metoden utgjør arbeid under utførelse akkumulerte kontraktsfestede inntekter som er inntektsført i takt med fullføringsgraden, forutsatt at totalkostnad og fullføringsgrad kan estimeres pålitelig. Fullførelsesgraden beregnes som påløpte kostnader i prosent av forventet totalkostnad. Totalkostnaden revurderes løpende. Arbeid under utførelse knyttet til kontrakter hvor det er avtalt timepriser og faste påslag på medgått materiale vurderes til opptjent inntekt i henhold til påløpt tid og medgått materiale.

For prosjekter som antas å gi tap, kostnadsføres hele det beregnede tapet umiddelbart. Arbeid under utførelse inngår under "Opptjent, ikke fakturert inntekt" i balansen, fratrukket forskuddsbetalingen. I tilfeller der forskuddsbetalingen overstiger utført produksjon er netto mottatt forskudd oppført under annen kortsiktig gjeld.

### Klassifisering av balanseposter

Eiendeler bestemt til varig eie eller bruk klassifiseres som anleggsmidler. Eiendeler som er tilknyttet varekretsløpet klassifiseres som omløpsmidler. Fordringer for øvrig klassifiseres som omløpsmidler hvis de skal tilbakebetales innen ett år. For gjeld legges analoge kriterier til grunn. Første års avdrag på langsiktig gjeld klassifiseres likevel ikke som kortsiktig gjeld, med unntak av første års avdrag knyttet til finansiell lease som er klassifisert som kortsiktig gjeld.



## **Varige driftsmidler**

Tomter avskrives ikke. Andre varige driftsmidler balanseføres og avskrives lineært til restverdi over driftsmidlenes forventede utnyttbare levetid. Ved endring i avskrivningsplan fordeles virkningen over gjenværende avskrivningstid ("knekkpunktmetoden"). Vedlikehold av driftsmidler kostnadsføres løpende som driftskostnader. Påkostninger og forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Skillet mellom vedlikehold og påkostning/forbedring regnes i forhold til driftsmidlets stand på anskaffelsestidspunktet.

## **Anskaffelseskost**

Anskaffelseskost for eiendeler omfatter kjøpesummen, med fradrag for bonuser, rabatter og lignende, og med tillegg for kjøpsutgifter (frakt, toll, offentlige avgifter som ikke refunderes og andre direkte kjøpsutgifter). Ved kjøp i utenlandsk valuta balanseføres eiendelen til kursen på transaksjonstidspunktet. For varige driftsmidler og immaterielle eiendeler omfatter anskaffelseskost også direkte utgifter for å klargjøre eiendelen for bruk, for eksempel utgifter til testing av eiendelen.

## **Investeringer i andre selskaper**

Med unntak for kortsiktige investeringer i børsnoterte aksjer, brukes kostmetoden som prinsipp for investeringer i andre selskaper. Kostprisen økes når midler tilføres ved kapitalutvidelse, eller når det gis konsernbidrag til datterselskap. Mottatte utdelinger resultatføres i utgangspunktet som inntekt. Utdelinger som overstiger andel av opptjent egenkapital etter kjøpet føres som reduksjon av anskaffelseskost. Utbytte/konsernbidrag fra datterselskap regnskapsføres det samme året som datterselskapet avsetter beløpet. Utbytte fra andre selskaper regnskapsføres som finansinntekt når det er vedtatt.

## **Varelager**

Varer vurderes til det laveste av anskaffelseskost (etter FIFO-prinsippet) og virkelig verdi. For ferdig tilvirkede varer og varer under tilvirkning består anskaffelseskost av utgifter til produktutforming, materialforbruk, direkte lønn, og andre direkte og indirekte produksjonskostnader (basert på normal kapasitet). Det foretas nedskrivning for påregnelig ukurans.

## **Fordringer**

Kundefordringer føres i balansen etter fradrag for avsetning til forventede tap. Avsetning til tap er gjort på grunnlag av individuell vurdering av fordringene og en tilleggsavsetning som skal dekke øvrige påregnelige tap. Vesentlige økonomiske problemer hos kunden, sannsynligheten for at kunden vil gå konkurs eller gjennomgå økonomisk restrukturering og utsettelse og mangler ved betalinger anses som indikatorer på at kundefordringer må nedskrives. Selskapet har etablert factoringavtale for salg av kundefordringer. Kundefordringer fraregnes balansen når risiko og kontroll knyttet til kundefordringene overføres til factoringsselskapet.

Andre fordringer, både omløpsfordringer og anleggsfordringer, føres opp til det laveste av pålydende og virkelig verdi. Virkelig verdi er nåverdien av forventede framtidige innbetalinger. Det foretas likevel ikke neddiskontering når effekten av neddiskontering er uvesentlig for regnskapet. Avsetning til tap vurderes på samme måte som for kundefordringer.

## **Utenlandsk valuta**

Fordringer og gjeld i utenlandsk valuta, balanseføres til kursen ved regnskapsårets slutt. Kursgevinster og kurstap knyttet til varesalg og varekjøp i utenlandsk valuta føres som finansinntekter og -kostnader.

## **Gjeld**

Gjeld, med unntak for enkelte avsetninger for forpliktelser, balanseføres til nominelt gjeldsbeløp

## **Konsernkonto**

Selskapets konsernkontoordning med tilhørende trekkfasilitet er bruttopresentert i regnskapet. Andre konsernselskapers anvendelse av konsernkontoordningen og trekkfasilitet presenteres som konsernmellomværende, se note 8.



## **Kontantstrømoppstilling**

Kontantstrømoppstillingen er utarbeidet etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer, som umiddelbart og med uvesentlig kursrisiko kan konverteres til kjente kontantbeløp og med gjenværende løpetid mindre enn tre måneder fra anskaffelsesdato.



## Note 2 Immaterielle eiendeler (hele tusen)

	IT Systemer	Goodwill	Sum
Anskaffelseskost 01.01.2020	14 916	35 685	50 601
Tilgang	2 379	0	2 379
Avgang	-844	0	-844
<b>Anskaffelseskost 31.12.2020</b>	<b>16 452</b>	<b>35 685</b>	<b>53 824</b>
Akkumulerte avskrivninger	13 617	22 881	36 499
<b>Bokført verdi per 31.12.2020</b>	<b>2 835</b>	<b>12 804</b>	<b>15 638</b>
Årets avskrivninger	1 136	2 116	3 252
Forventet økonomisk levetid	5 år	5-10 år	
Avskrivningsplan	Lineær	Lineær	

Goodwill ervervet i 2015 er knyttet til kjøp og innfusjonering av det tidligere datterselskapet, Kydland Byggeservice AS, og avskrives over 5 år. Goodwill ervervet i 2017 og 2018 er knyttet til kjøp og innfusjonering av hhv Serfix AS (2017) og Hallingdal Skade og Vedlikehold AS (2018) og avskrives over 10 år. Avskrivningstid for innfusjonert goodwill samsvarer med selskapets forventning på oppkjøpstidspunktet om at oppkjøpet vil gi meravkastning til selskapet over disse tidsrommene.



## Note 3 Varige driftsmidler

	Leasing driftsmidler	Maskiner, Inventar og transportmidler	IT-driftsmidler	Totalt
Anskaffelseskost 01.01.2020	14 507	71 843	7 670	94 021
Tilgang	0	21 788	3 222	25 010
Avgang	0	-692	0	-692
<b>Anskaffelseskost 31.12.2020</b>	<b>14 507</b>	<b>92 939</b>	<b>10 892</b>	<b>118 339</b>
Akkumulerte avskrivninger	14 115	57 585	7 596	79 296
<b>Bokført verdi 31.12.2020</b>	<b>392</b>	<b>35 355</b>	<b>3 296</b>	<b>39 043</b>
Årets avskrivninger	113	20 835	3 527	24 475
Forventet økonomisk levetid	3-5 år	3-5 år	3-13 år	
Avskrivningsplan	Lineær	Lineær	Lineær	
<b>Låneforpliktelser knyttet til finansiell leasing</b>			<b>2020</b>	<b>2019</b>
Forpliktelse 01.01			520	417
Tilgang			0	345
Avdrag			105	227
Renter i perioden			7	15
<b>Forpliktelse 31.12.</b>			<b>407</b>	<b>520</b>
<b>Forfallsstruktur</b>			<b>2020</b>	<b>2019</b>
Innen 1 år			98	119
1-5 år			309	401
<b>Sum</b>			<b>407</b>	<b>520</b>
<b>Årlig leie av ikke balanseførte driftsmidler</b>		<b>2020</b>		<b>2019</b>
<b>Driftsmiddel</b>	<b>Leieperiode</b>	<b>Årlig leie</b>	<b>Leieperiode</b>	<b>Årlig leie</b>
Biler	1-5 år	51 895	3-5 år	41 366
Bygg	1-7 år	27 603	1-7 år	25 933
Annet	3-5 år	1 040	3-5 år	827

Alle leasingkontrakter er bundet opp mot NIBOR-rente og er således variable. Beregning av forfallsstruktur er basert på den enhver tid gjeldende rente.



## Note 4 Aksjer i datterselskap

Datterselskap	Forretnings- kontor	Eierandel/ stemmeandel	Egenkapital siste år (100 %)	Resultat siste år (100 %)
Brdr Grønnerud AS	Gjøvik, Norge	100 %	6 545	763
Aktiv Tankrens AS	Oslo, Norge	100 %	14 059	3 482
Byggmester Kompaniet AS	Haugesund, Norge	100 %	8 972	8 040

31. august 2020 kjøpte Recover AS 100 % av aksjene i selskapet Byggmester Kompaniet AS til kostpris TNOK 79 669. Kostprisen består av et kontant vederlag tilsvarende TNOK 71 100, samt transaksjonskostnader tilsvarende TNOK 8 570. Kjøpesummen for oppkjøpet ble finansiert med konserngjeld.

Ledelsen mener at oppkjøpet vil styrke posisjonen til Recover AS i det norske markedet og at det vil ha en positiv effekt på fremtidig inntjening, utover virkelig verdi av netto ervervede eiendeler.

Beslutning om fusjon mellom Byggmester Kompaniet AS og Recover AS ble kunngjort i desember 2020. Fusjonen ble gjennomført i 2021 med regnskapsmessig virkning fra 1. januar 2021.

## Note 5 Varer

	<b>2020</b>	<b>2019</b>
Innkjøpte ferdigvarer	4 777	4 462
<b>Sum</b>	<b>4 777</b>	<b>4 462</b>

## Note 6 Anleggskontrakter

<b>Balanseførte verdier vedrørende prosjekter</b>	<b>2020</b>	<b>2019</b>
Inntektsført på anleggskontrakter under utførelse	381 614	376 750
Fakturert på anleggskontrakter under utførelse	255 300	237 960
<b>Opptjent ikke fakturert inntekt</b>	<b>126 314</b>	<b>138 790</b>
Kostnadsført på anleggskontrakter under utførelse	287 509	291 605

Selskapet har ikke mottatt forskuddsbetalinger som overstiger opptjente inntekter. Det er ingen tilbakeholdte betalinger av forskuddsfakturert produksjon eller vesentlig gjenværende produksjon på tapsprosjekter.



## Note 7 Fordringer og gjeld

	2020	2019
<b>Kundefordringer</b>		
Kundefordringer til pålydende	179 137	200 482
Factoring	-106 542	-94 595
Avsetning til tap på kundefordringer	-1 080	-1 130
<b>Kundefordringer i balansen</b>	<b>71 515</b>	<b>104 757</b>

Factoringavtalen med DnB hadde pr. 31.12.2020 en ramme på MNOK 120.

	2020	2019
<b>Fordringer med forfall senere enn ett år</b>		
Andre langsiktige fordringer	15	15
<b>Sum</b>	<b>15</b>	<b>15</b>

	2020	2019
<b>Langsiktig gjeld med forfall senere enn 5 år</b>		
Gjeld til kredittinstitusjoner	0	0
Annen langsiktig gjeld konsern	0	0
<b>Sum</b>	<b>0</b>	<b>0</b>

	2020	2019
<b>Leasinggjeld sikret ved pant</b>		
Låneforpliktelser knyttet til finansiell leasing	407	520
<b>Sum</b>	<b>407</b>	<b>520</b>

	2020	2019
<b>Balansført verdi av pantsatte eiendeler</b>		
Lease driftsmidler	392	505
<b>Sum</b>	<b>392</b>	<b>505</b>

## Note 8 Mellomværende med selskap i samme konsern m.v.

	Fordring konsern	
	2020	2019
Tosiva AS	51 571	52 102
Konsernbidrag Brdr Grønnerud AS	0	776
Fordringer konsernselskaper under konsernkontoordningen	74 471	67 372
Andre fordringer	58	0
<b>Sum</b>	<b>126 100</b>	<b>120 250</b>

	Kortsiktig gjeld konsern	
	2020	2019
Gjeld konsernselskaper under konsernkontoordningen	137 146	107 422
Annen gjeld konsern	12 000	0
Skyldig konsernbidrag netto mot Tosiva AS	2 921	0
<b>Sum</b>	<b>152 067</b>	<b>107 422</b>

	Langsiktig gjeld konsern	
	2020	2019
Annen langsiktig gjeld konsern (se note 22)	122 000	0
Recover AS		Side 17



## Note 9 Bundne bankinnskudd, trekkrettigheter

### Bundne bankinnskudd

Recover AS har etablert skattetrekksgaranti med en ramme på TNOK 25 000.

Trekkrettigheter	2020	2019
Ubenyttet trekkfasiliteter (TNOK)	135 000	138 621

Selskapet er hovedkonto inneholder i en konsernkontoordning etablert for selskapene i Remedy-konsernet. I tilknytning til konsernkontoordningen er det etablert en flervaluta trekkfasilitet begrenset til TNOK 135 000 (i 2019 TDKK 105 000) som er betinget av at selskapet overholder finansielle betingelser ihht låneavtalen med DNB, Swedbank og SEB, jfr note 22 og det er stillet sikkerhet for trekkfasiliteten. Selskapet er som hovedkonto inneholder ansvarlig for konsernets netto trekk under konsernkontoordningen. Deltagende konsernselskaper er solidarisk ansvarlige under ordningen og konsernets eiendeler er stillet som sikkerhet.

Selskapet hadde ikke benyttet noe av trekkfasiliteten ved utgangen av 2020 og 2019. Tilgjengelig trekk etter trukkede garantier er 104 TNOK. Trekk eller innskudd foretatt av andre enheter i gruppen er presentert som kortsiktig konsernmellomværende. Ubenyttet trekkfasilitet per 31.12.2020 er tilgjengelig for alle driftsselskapene i konsernet.

## Note 10 Egenkapital

	Aksjekapital	Annen egenkapital	Sum egenkapital
Egenkapital 01.01.2020	3 349	68 476	71 825
Årets resultat	0	-610	-610
Avgitt konsernbidrag etter skatt	0	-10 356	-10 356
Mottatt konsernbidrag uten skatteeffekt	0	10 356	10 356
<b>Egenkapital 31.12.2020</b>	<b>3 349</b>	<b>67 866</b>	<b>71 215</b>

## Note 11 Aksjekapital og aksjonærinformasjon

Aksjekapitalen på TNOK 3 349 består av 1 000 aksjer à kr 3 349.

Morselskapet Tosiva AS har forretningskontor i Kristoffer Robins vei 13, 0978 Oslo. Tosiva AS inngår i Remedy Topco AS-konsernet. Remedy Topco AS kjøpte Navie Oy med Recover-gruppen i mars 2020 gjennom sitt indirekte datterselskap Remedy Bidco AS. Konsernregnskapet for Remedy Topco AS kan utleveres ved henvendelse til konsernets hovedkontor i Kristoffer Robins vei 13, 0978 Oslo.



## Note 12 Skatt

Skatteeffekten av midlertidige forskjeller og underskudd til fremføring som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller:

	2020	2019	Endring
Varige driftsmidler	-6 428	3 621	10 049
Tilvirkningskontrakter	72 084	74 116	2 032
Fordringer	86	473	386
Balanseførte leieavtaler	-15	53	67
Gevinst – og tapskonto	-138	-172	-34
Avsetninger mv	-5 511	-4 634	877
<b>Sum</b>	<b>60 079</b>	<b>73 456</b>	<b>13 378</b>
Aksjer og andre verdipapirer	139 905	60 235	-79 670
Inngår ikke i beregningen av utsatt skatt	-139 905	-60 235	79 670
<b>Grunnlag for beregning av utsatt skatt</b>	<b>60 079</b>	<b>73 456</b>	<b>13 378</b>

<b>Utsatt skatt (22 %)</b>	<b>13 217</b>	<b>16 160</b>	<b>2 943</b>
----------------------------	---------------	---------------	--------------

Årets skattekostnad	2020	2019
Skattepliktig inntekt:		
Ordinært resultat før skatt	-632	31 957
Permanente forskjeller	532	432
Endring i midlertidige forskjeller	13 378	-21 858
Avgitt konsernbidrag	-13 277	0
Anvendelse av fremførbart underskudd	0	-10 531
<b>Skattepliktig inntekt</b>	<b>0</b>	<b>0</b>

Resultatført skatt på ordinært resultat:		
Betalbar skatt	2 921	0
Endring i utsatt skatt	-2 943	7 126
<b>Skattekostnad ordinært resultat</b>	<b>-22</b>	<b>7 126</b>

Beregning av effektiv skattesats		
Resultat før skatt	-632	31 957
Beregnet skatt av resultat før skatt	-139	7 031
Skatteeffekt av permanente forskjeller	117	95
<b>Sum</b>	<b>-22</b>	<b>7 126</b>
Effektiv skattesats	3,5 %	22,3 %

Betalbar skatt i balansen:		
Betalbar skatt på årets resultat	2 921	-168
Betalbar skatt på avgitt konsernbidrag	-2 921	0
Betalbar skatt på mottatt konsernbidrag	0	168
<b>Sum betalbar skatt i balansen</b>	<b>0</b>	<b>0</b>



## Note 13 Driftsinntekter

	2020	2019
Inntekter knyttet til skadebegrensningsprosjekter og tjenester levert på timebasis	1 360 801	1 217 036
Andre driftsinntekter	337	32
<b>Sum</b>	<b>1 361 138</b>	<b>1 217 068</b>

## Note 14 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte mm.

Lønnskostnader	2020	2019
Lønninger	450 687	392 213
Arbeidsgiveravgift	62 246	55 216
Pensjonskostnader	36 441	30 597
Andre ytelser	6 907	7 506
<b>Sum</b>	<b>556 282</b>	<b>485 532</b>

Sysselsatte årsverk 871 715

Ytelser til ledende personer	Daglig leder	Styret
Lønn/styrehonorar	2 308	0
Pensjonsutgifter	34	0
Annen godtgjørelse	142	0
<b>Sum</b>	<b>2 484</b>	<b>0</b>

Det er ikke gitt lån/sikkerhetsstillelse til daglig leder, styrets leder eller andre nærstående parter.

Kostnadsført godtgjørelse til revisor	2020	2019
Lovpålagt revisjon (inkl. teknisk bistand med årsregnskap)	605	764
Skatterådgivning (inkl. teknisk bistand med ligningspapirer)	30	50
Honorar for bistand ifbm oppkjøp og andre prosjekter	2 245	674
<b>Sum</b>	<b>2 879</b>	<b>1 487</b>

## Note 15 Påløpt lønn og feriepenger

	2020	2019
Påløpt lønn	5 132	4 522
Påløpt feriepenger	47 202	42 584
Skyldig arbeidsgiveravgift på avsatte feriepenger	5 862	5 225
Refusjoner	540	411
<b>Sum</b>	<b>58 737</b>	<b>52 742</b>



## Note 16 Pensjoner

Selskapet har en innskuddsbasert pensjonsordning som omfatter i alt 1 160 personer i 2020 (909 i 2019). Samtlige ansatte er med i en kollektiv pensjonsordning etter Lov om foretakspensjon. Ledende ansatte har også en tilleggspensjonsordning. Ordningene gir rett til definerte fremtidige ytelser, som i hovedsak bestemmes av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. Forpliktelsene knyttet til den kollektive ordningen er dekket gjennom et forsikringsselskap. Tilleggspensjonsordningen finansieres over selskapets drift.

Selskapet har også en avtalefestet førtidspensjonsordning (AFP). AFP-ordningen, som var gjeldende fra og med 1. januar 2011, er å anse som en ytelsesbasert flerforetaksordning, men regnskapsføres som en innskuddsordning frem til det foreligger pålitelig og tilstrekkelig informasjon slik at konsernet kan regnskapsføre sin proporsjonale andel av pensjonskostnad, pensjonsforpliktelse og pensjonsmidler i ordningen. Selskapets forpliktelser er dermed ikke balanseført som gjeld.

Selskapets pensjonsordninger tilfredsstiller kravene i lov om obligatorisk tjenestepensjon.

## Note 17 Transaksjoner med nærstående

Ytelser til ledende ansatte er omtalt i note 14, og mellomværende med konsernselskaper er omtalt i note 8.

<b>Selskapets transaksjoner med nærstående parter:</b>	<b>2020</b>	<b>2019</b>
<b>a) Salg av varer og tjenester</b>		
- Søsterselskap Recover Nordic APS, Danmark (adm. tjenester / management fee)	5 659	4 820
- Søsterselskap, Recover Nordic OY, Finland (adm. tjenester / management fee)	4 402	4 740
- Søsterselskap, Tosiva AB, Sverige (adm. tjenester / management fee)	14 354	8 090
<b>b) Kjøp av varer og tjenester</b>		
- Recover Nordic Group (adm. tjenester / management fee)	5 296	2 134
- Tosiva AS (adm. tjenester / management fee)	12 284	9 116
<b>c) Andre transaksjoner med nærstående</b>		
- Rentekostnader till foretak i samme konsern		
- Rentekostnader Remedy Midco AS	3 913	0

Management fee består av felleskostnader som fordeles til de respektive selskapene basert på omsetningsbasert fordelingsnøkkel. Påslag er beregnet med 5 % på kostpris.

Se note 8 for opplysninger om mellomværende med selskap i samme konsern, samt note 9 for opplysninger om konsernkontoordningen.



### Note 18 Finansinntekter og finanskostnader

	2020	2019
<b>Finansinntekter</b>		
Renteinntekt fra foretak i samme konsern	3 240	3 359
Annen renteinntekt	138	208
Valutagevinst	453	234
Annen finansinntekt	1 266	810
<b>Sum</b>	<b>5 097</b>	<b>4 611</b>
<b>Finanskostnader</b>		
Rentekostnader fra foretak i samme konsern	3 913	0
Rentekostnader	4 486	6 380
Andre finanskostnader	11 148	11 576
<b>Sum</b>	<b>19 548</b>	<b>17 956</b>

### Note 19 Andre driftskostnader

	2020	2019
Frakt	174	81
Energikostnader	3 042	3 593
Reklame	2 895	1 662
Verktøy og inventar	14 192	14 610
Reparasjons-og vedlikeholdskostnader	12 702	14 996
Leie- og leasingkontrakter	88 954	75 088
Reiseutgifter	25 097	25 539
Konsulentonorar og innleie av personell	11 071	11 855
Tap på fordringer	-125	841
Andre driftskostnader	36 962	27 924
<b>Sum</b>	<b>194 964</b>	<b>176 188</b>

### Note 20 Annen kortsiktig gjeld

	2020	2019
Periodiserte kostnader	14 120	6 393
Restruktureringsavsetning	5 487	3 414
Annen kortsiktig gjeld	3 000	7 813
<b>Sum</b>	<b>22 607</b>	<b>17 619</b>



## Note 21 Offentlige avgifter, skattetrekk og andre trekk

	2020	2019
Forskuddstrekk	17 854	17 462
Skyldig arbeidsgiveravgift	10 509	10 708
Skyldig merverdiavgift	32 246	22 167
<b>Sum</b>	<b>60 610</b>	<b>50 337</b>

## Note 22 Rentebærende gjeld

Langsiktig rentebærende gjeld	Valuta	Nominell rente	Forfall	Pålydende verdi	Bokført verdi
				2020	2020
Multi Purpose Facility (RCF)	NOK	NIBOR + 3,50 %	07.05.2023	60 000	60 000
Konsernlån (Remedy Midco AS)	NOK	NIBOR + 3,75 %	*	122 200	122 200
<b>Sum</b>				<b>182 200</b>	<b>182 200</b>

\* Ihht låneavtalen mellom Remedy Midco AS og Recover AS forfaller lånebeløpet når det avtales mellom partene. Remedy Midco AS har bekreftet til selskapet at forfall ikke vil søkes i løpet av en periode på 12 måneder fra dato for årsregnskapet. Renter knyttet til konsernlån fra Remedy Midco AS akkumuleres som del av hovedstolen hver tredje måned og forfaller til betaling sammen med hovedstolen som beskrevet ovenfor.

I forbindelse med refinansieringen i 2020 av selskapets og Recover Nordic Group Oy-konsernets låneavtale med DNB ble det etablert en ny låneavtale mellom DNB, Swedbank, SEB som långivere og Remedy Midco AS. Eksisterende kassekreditt- og konsernkontoavtale ble videreført under ny låneavtale. Andre fasiliteter under den gamle låneavtalen ble gjort opp i forbindelse med refinansieringen. Recover AS har i løpet av 2020 trukket opp 60 MNOK under den nye låneavtalen (Multi Purpose Facility).

Som sikkerhet for alle lån fra konsortiet DnB, SEB og Swedbank til Remedy Midco AS konsernet det gitt pantesikkerhet i Remedy Midco AS konsernets eiendeler, herunder Recover AS sine eiendeler, begrenset oppad til 2 300 MNOK.

Bokført verdi av Recover AS sine eiendeler stillet som sikkerhet utgjorde per 31.12.2020:

Driftsløsøre	Varebeholdning	Kundefordringer
39 043	4 777	71 515

Det er finansielle betingelser knyttet til den eksterne gjelden til konsortiet DNB, SEB og Swedbank som måles kvartalsvis basert på konsolidert IFRS regnskap for Remedy Midco AS. Den finansielle betingelsen er knyttet til maksimal netto gjeldsgrad i forhold til siste 12 mnd justert EBITDA som definert i låneavtalen. Første rapportering etter låneavtalen vil skje per Q1 2021. Dersom Remedy Midco AS ikke overholder betingelsene gir låneavtalen långiver anledning til å rette forholdet innen en frist gjennom tilførsel av ny kapital. Remedy Midco AS har mottatt en garanti fra Remedy Topco AS som sikrer tilgang til en gitt mengde kapital dersom det vil bli behov for kapitaltilførsel for å rette forholdet. Recover AS vil basert på gitte betingelser i låneavtalen med bank-konsortiet anses som med-garantist for oppfyllelse av Remedy Midco AS sine forpliktelser under låneavtalen.



## Note 23 Hendelser etter balansedagen

Den 23. november 2020 inngikk selskapet avtale om kjøp av samtlige aksjer i TT-teknikk AS. Transaksjonen ble sluttført og selskapet overtok aksjene den 8. januar 2021. Vederlaget bestod av en kombinasjon av et kontantvederlag og en selger kreditt. Kontantvederlaget ble 100% finansiert med gjeld fra Remedy Midco AS. Selgerkreditt fordringen ble senere benyttet av de selgende aksjonærene som tingsinnskudd i Remedy Topco AS som deretter benyttet den som tingsinnskudd til Remedy Midco AS. Ledelsen mener at oppkjøpet vil styrke posisjonen til Recover AS i det norske markedet og at det vil ha en positiv effekt på fremtidig inntjening, utover virkelig verdi av netto ervervede eiendeler.

I april 2021 ble det heleide datterselskapet Byggmester Kompaniet AS fusjonert inn i Recover AS. Fusjonen er gjennomført med regnskapsmessig virkning fra 1. januar 2021.

I mai 2021 har Recover AS inngått avtale om kjøp av et selskap med tilknytning til bransjen som selskapene i konsernet opererer i. Transaksjonen er planlagt sluttført i juni 2021.

## Note 24 Virkning av COVID-19

Covid-19 pandemien slo inn for Recover AS i mars 2020, og selskapet måtte permittere en del ansatte da man ikke fikk tilgang til skadested i mange tilfeller. Etterhvert som man fikk nye rutiner på smittevern pga Covid 19, så åpnet det gradvis opp for selskapet, og man var tilbake til normal omsetning etter relativt kort tid.



Til generalforsamlingen i Recover AS

## *Uavhengig revisors beretning*

### *Uttalelse om revisjonen av årsregnskapet*

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#### *Konklusjon*

Vi har revidert Recover AS' årsregnskap som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

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#### *Grunnlag for konklusjonen*

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

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#### *Øvrig informasjon*

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

---

#### *Styrets og daglig leders ansvar for årsregnskapet*

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

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PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Uavhengig revisors beretning - Recover AS



Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

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### *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avggi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:  
<https://revisorforeningen.no/revisjonsberetninger>

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### *Uttalelse om andre lovmessige krav*

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#### *Konklusjon om årsberetningen*

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

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#### *Konklusjon om registrering og dokumentasjon*

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Oslø, 21. juni/2021

**PricewaterhouseCoopers AS**

Sjur Hølseter  
Statsautorisert revisor

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