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Styrelsen och verkställande direktören för

Avarn Security AB

Org nr 556256-8138

får härmed avge

Årsredovisning

för räkenskapsåret 1 januari - 31 december 2024

Innehåll: **sida**

Förvaltningsberättelse	**2**
Resultaträkning	**4**
Balansräkning	**5**
Kassaflödesanalys	**7**
Noter	**8**
Underskrifter	**14**

Undertecknad styrelseledamot i Avarn Security AB intygar, dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultaträkningen och balansräkningen fastställts på årsstämman den 2025-06-03. Årsstämman beslutade att godkänna styrelsens förslag till hur resultatet ska fördelas.

Ort och datum

Stockholm 2025-06-04

.....

Fredrik Blom

20250605144877

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Förvaltningsberättelse

Allmänt om verksamheten

Ägarförhållanden

Avarn Security AB är ett helägt dotterbolag till Avarn Security Holding AB (org.nr: 559311-4571) och ingår i en koncern där moderbolag är Avarn Security Group Holding AS (org.nr: 926 867 970) med säte i Oslo, Norge.

Information om verksamheten

Avarn Security AB är en heltäckande leverantör av säkerhetslösningar och ansvarar långsiktigt för kundens säkerhet och trygghet. Företaget erbjuder ett brett utbud av produkter och tjänster som täcker hela säkerhetskedjan – från förebyggande åtgärder till skydd, tillträdeshantering, övervakning och åtgärder.

Den huvudsakliga verksamheten i Avarn Security AB består av bemannade säkerhetslösningar. Företagets operativa verksamhet är beroende av myndighetsbeslut, exempelvis tillstånd för privata företag att bedriva bevakningsverksamhet. Riskexponeringen för företaget ligger inom den generella nivån för säkerhetsbranschen.

Resultat och ställning översikt (Tkr)	**2024**	**2023**	**2022**	**2021**
Nettoomsättning	3 637 348	3 430 378	3 161 610	2 778 852
Resultat efter finansiella poster	142 281	125 212	60 597	134 141
Rörelsemarginal	3,6%	3,3%	1,7%	4,7%
Balansomslutning	1 388 026	1 427 709	1 251 210	1 274 131
Soliditet	7,3%	7,1%	6,6%	6,5%
Medelantal anställda*	4 328	4 462	4 023	3 642

**genomsnittligt antal heltidsanställda*

Nyckeltalsdefinitioner

Rörelsemarginal
Rörelseresultatet i procent av nettoomsättningen.

Soliditet
Justerat eget kapital i procent av balansomslutning.

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Väsentliga händelser efter räkenskapsårets utgång
Efter räkenskapsårets utgång har inga händelser inträffat som bedöms ha väsentlig påverkan på bolagets ställning eller resultat.

Hållbarhetsredovisning enligt årsredovisningslagen
Bolaget har upprättat en hållbarhetsredovisning vilken finns tillgänglig på bolagets webbsida.

Framtida utveckling
Marknaden för bemannade säkerhetslösningar bedöms förbli stabil med fortsatt ökad efterfrågan från samhället i stort. Den tiltagande geopolitiska osäkerheten medför ett förstärkt fokus på säkerhetsfrågor, vilket i sin tur förväntas ha en positiv inverkan på efterfrågan av bolagets tjänster. Bolaget fortsätter att prioritera effektivisering av verksamheten samt att, i samverkan med koncernen, tillhandahålla marknaden innovativa och anpassade säkerhetslösningar.

Väsentliga risker och osäkerhetsfaktorer
Bolaget bedömer att verksamheten bedrivs utan normalt väsentliga risker eller osäkerhetsfaktorer. Sedan inledningen av kriget i Ukraina har det säkerhetspolitiska läget haft en negativ utveckling globalt, vilket kan ha en positiv effekt på efterfrågan av företagets tjänster, samtidigt som det också medför ökad risk, osäkerhet och investeringsvilja hos företagets kunder.

Miljö
Bolaget är sedan 2003 ISO certifierat avseende ISO 9001:2015 Ledningssystem för kvalitet, ISO 45001:2018, Ledningssystem för arbetsmiljö samt ISO 14001:2015 Ledningssystem för miljö. Därutöver innehar bolaget certifikat SSF 136:5 Larmcentraler samt EN 50518 Europeisk standard för larmcentraler. Det innebär att vi arbetar processtyrt och med hållbar utveckling ur ett *kvalitets-, miljö- och arbetsmiljöperspektiv i samtliga delar i företaget. Vi har fastställt företagets betydande miljöaspekter, har* beslutade mål för kvalitet, miljö och arbetsmiljö samt arbetar systematiskt med ständig förbättring.

Förändringar i eget kapital

	Aktie-kapital	Reserv-fond	Fond för utvecklingsutgifter	Balanserad vinst	Årets resultat	Totalt
Eget kapital 2023-01-01	5 000	1 000	527	46 727	29 151	82 405
Överföring föregående års resultat				29 151	-29 151	–
Antecipierad utdelning				3 000		3 000
Årets resultat					5 708	5 708
Eget kapital 2023-12-31	**5 000**	**1 000**	**527**	**78 878**	**5 708**	**91 113**

	Aktie-kapital	Reserv-fond	Fond för utvecklingsutgifter	Balanserad vinst	Årets resultat	Totalt
Eget kapital 2024-01-01	5 000	1 000	527	78 878	5 708	91 113
Överföring föregående års resultat				5 708	-5 708	–
Utdelning				-53 000		-53 000
Fond för utvecklingsutgifter			961	-961		–
Årets resultat					40 890	40 890
Eget kapital 2024-12-31	**5 000**	**1 000**	**1 488**	**30 625**	**40 890**	**79 003**

Förslag till disposition beträffande bolagets vinst
Styrelsen föreslår att till förfogande stående medel

Balanserad vinst	83 624 506
Årets vinst	40 889 602
Utdelning	-53 000 000
kronor	**71 514 108**

Disponeras enligt följande

Balanseras i ny räkning	71 514 108
kronor	**71 514 108**

*Vad beträffar företagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balans-*räkningar med tillhörande bokslutskommentarer.

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Resultaträkning

Belopp i Tkr	*Not*	**2024-01-01 2024-12-31**	**2023-01-01 2023-12-31**
Nettoomsättning	2, 6	3 637 348	3 430 378
Aktiverat arbete för egen räkning		1 870	–
Övriga rörelseintäkter		13 313	27 428
		3 652 530	**3 457 806**
Rörelsens kostnader			
Övriga externa kostnader	3, 5, 6	-435 405	-451 512
Personalkostnader	4	-3 039 472	-2 847 733
Avskrivningar av materiella och immateriella anläggningstillgångar	7	-46 335	-46 222
Rörelseresultat		**131 318**	**112 339**
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter		22 960	23 869
Räntekostnader och liknande resultatposter		-11 997	-10 996
Resultat efter finansiella poster		**142 281**	**125 212**
Bokslutsdispositioner			
Lämnade koncernbidrag		-72 918	-178 619
Bokslutsdispositioner	8	-15 449	58 682
Resultat före skatt		**53 915**	**5 275**
Skatt på årets resultat	9	-13 025	433
Årets resultat		**40 890**	**5 708**

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Balansräkning

Belopp i Tkr	*Not*	**2024-12-31**	**2023-12-31**
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar	10		
Balanserade utgifter för utvecklingsarbeten och liknande arbeten		–	–
Koncessioner, patent, licenser, varumärken samt liknande rättigheter		18 347	16 003
Övriga immateriella anläggningstillgångar		–	–
Kundkontrakt		25 420	46 000
Goodwill		–	–
Pågående utvecklingsarbete		3 193	4 593
		46 961	**66 596**
Materiella anläggningstillgångar	11		
Förbättringsutgifter på annans fastighet		11 606	14 022
Inventarier, verktyg och installationer		21 502	20 190
		33 108	**34 212**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	12	6 606	616
Uppskjuten skattefordran	17	4 806	4 874
		11 412	**5 490**
Summa anläggningstillgångar		**91 481**	**106 298**
Omsättningstillgångar			
Färdiga varor och handelsvaror		2 697	2 973
		2 697	**2 973**
Kortfristiga fordringar			
Kundfordringar	13	527 254	571 643
Fordringar hos koncernföretag	14	665 142	664 383
Skattefordringar		37 611	22 797
Fordringar hos kreditinstitut		–	–
Övriga fordringar		664	812
Förutbetalda kostnader och upplupna intäkter	15	60 854	55 967
		1 291 524	**1 315 602**
Kortfristiga placeringar	14	852	1 823
Kassa och bank	14, 20	1 471	1 013
Summa omsättningstillgångar		**1 296 545**	**1 321 411**
SUMMA TILLGÅNGAR		**1 388 026**	**1 427 709**

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Balansräkning

Belopp i Tkr	*Not*	**2024-12-31**	**2023-12-31**
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital (50 000 aktier)		5 000	5 000
Fond för utvecklingsutgifter		1 488	527
Reservfond		1 000	1 000
		7 488	**6 527**
Fritt eget kapital			
Balanserad vinst eller förlust		83 625	75 878
Antecipierad utdelning		–	3 000
Utdelning		-53 000	–
Årets resultat		40 890	5 708
		71 515	**84 586**
		79 003	**91 113**
Obeskattade reserver	16		
Ackumulerade avskrivningar utöver plan		28 267	12 818
		28 267	**12 818**
Kortfristiga skulder			
Förskott från kunder		109 069	108 578
Leverantörsskulder		57 624	52 148
Skulder till koncernföretag		96 868	179 593
Skulder till kreditinstitut		113 559	133 377
Övriga skulder		224 431	205 929
Upplupna kostnader och förutbetalda intäkter	18	679 205	644 153
		1 280 756	**1 323 778**
SUMMA EGET KAPITAL OCH SKULDER	19	**1 388 026**	**1 427 709**

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Kassaflödesanalys

Belopp i Tkr	*Not*	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Den löpande verksamheten			
Rörelseresultat		131 318	112 339
Justeringar för poster som inte ingår i kassaflödet			
Avskrivningar och nedskrivningar	7	46 335	46 220
Förändring av avsättningar		15 449	-58 682
Realisationsresultat		–	-545
		193 103	**99 332**
Erhållen ränta		22 960	23 869
Erlagd ränta		-11 997	-10 996
Betald skatt	9	-48 960	433
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**155 106**	**112 638**
Kassaflöde från förändringar i rörelsekapital			
Förändring av varulager		276	333
Förändring av rörelsefordringar		18 437	-80 815
Förändring av kortfristiga skulder		-9 252	226 473
Kassaflöde från den löpande verksamheten		**164 566**	**258 629**
Investeringsverksamheten			
Förvärv av immateriella anläggningstillgångar	10	-13 445	-3 264
Förvärv av materiella anläggningstillgångar	11	-12 152	-8 045
Förvärv/Avyttring av finansiella anläggningstillgångar		68	-432
Förvärv av dotterföretag		-3 826	–
Försäljning av inventarier		–	776
Kassaflöde från investeringsverksamheten		**-29 355**	**-10 965**
Finansieringsverksamheten			
Utbetald utdelning		-53 000	3 000
Utbetalt koncernbidrag		-72 918	-178 619
Obeskattade reserver	16	-15 449	58 682
Kassaflöde från finansieringsverksamheten		**-141 367**	**-116 937**
Årets kassaflöde		**-6 156**	**130 727**
Likvida medel vid årets början		**578 842**	**448 115**
Likvida medel vid årets slut	14	**572 686**	**578 842**

I likvida medel ovan ingår förutom kassa och bank även medel på cashpool konto samt kortfristiga placeringar.

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Noter

Not 1 Redovisnings- och värderingsprinciper

Belopp i Tkr om inget annat anges

Allmänt
Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Klassificering
Anläggningstillgångar, långfristiga skulder och avsättningar består i allt väsentligt enbart av belopp som förväntas återvinnas eller betalas efter mer än tolv månader räknat från balansdagen.
Omsättningstillgångar och kortfristiga skulder består i allt väsentligt enbart av belopp som förväntas återvinnas eller betalas inom tolv månader från balansdagen.

Värderingsprinciper m m
Tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Intäkter
Intäkter har upptagits till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Larmavtalsknutna inkomster intäktsförs linjärt över kontraktsperioden.

Immateriella och materiella anläggningstillgångar
Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde med avdrag för ackumulerade avskrivningar och eventuella nedskrivningar.

Linjär avskrivning görs på avskrivningsbart belopp (anskaffningsvärde med avdrag för beräknat restvärde) över tillgångarnas nyttjandeperiod enligt följande:

Balanserade utgifter för utvecklingsarbeten	5 år
Koncessioner, patent, licenser, varumärken och liknande rättigheter	3 - 10 år
Goodwill	5 - 10 år
Förbättringsutgifter på annans fastighet	3 - 10 år
Inventarier, verktyg och installationer	3 - 10 år

Aktiveringsmodellen tillämpas för internt upparbetade immateriella tillgångar

Fordringar
Fordringar upptas till det lägsta av anskaffningsvärde och det belopp varmed det beräknas inflyta.

Förskott från kunder
Larmavtalsknutna inkomster intäktsförs linjärt över kontraktsperioden. Inkomster hänförliga till framtida perioder skuldförs i balansräkningen under posten "Förskott från kunder".

Fordringar och skulder i utländsk valuta
Fordringar och skulder i utländsk valuta har omräknats till balansdagens kurs. Kursvinster och kursförluster på rörelsens fordringar och skulder tillförs rörelseresultatet. Vinster och förluster på finansiella fordringar och skulder redovisas som finansiella poster.

Likvida medel
Likvida medel omfattar kassa och tillgodohavanden hos bank samt kortfristiga placeringar med en ursprunglig löptid på högst tre månader.

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Skatt inklusive uppskjuten skatt
Redovisade inkomstskatter innefattar skatt som ska betalas eller erhållas avseende aktuellt år, justeringar avseende tidigare års aktuella skatt samt förändringar i uppskjuten skatt.

Värdering av samtliga skatteskulder/-fordringar sker till nominella belopp och görs enligt de skatteregler och skattesatser som är beslutade eller som är aviserade och med stor säkerhet kommer att fastställas.

För poster som redovisas i resultaträkningen, redovisas även därmed sammanhängande skatteeffekter i resultaträkningen. Skatteeffekter av poster som redovisas direkt mot eget kapital, redovisas mot eget kapital.

Uppskjuten skatt beräknas enligt balansräkningsmetoden på alla temporära skillnader som uppkommer mellan redovisade och skattemässiga värden på tillgångar och skulder. De temporära skillnaderna har huvudsakligen uppkommit genom avskrivning av förbättringsåtgärder på annans fastighet.

Avsättningar, eventualförpliktelser och eventualtillgångar
En avsättning redovisas i balansräkningen när företaget har ett formellt eller informellt åtangande som en följd av en inträffad händelse och det är troligt att ett utflöde av resurser krävs för att reglera åtagandet och en tillförlitlig uppskattning av beloppet kan göras.

Leasing
Samtliga leasingavtal redovisas som operationella. Leasingavgifter avseende operationella leasingavtal redovisas som kostnad i resultaträkningen och fördelas linjärt över avtalets löptid.

Koncernuppgifter
Bolaget ingår i en koncern i vilken Avarn Security Group Holding AS, org. nr 926 867 970 med säte i Norge är moderbolag. Enligt ÅRL 7 kap 2§ upprättas inte koncernredovisning då överordnat moderbolag upprättar koncernredovisning över samtliga dotterbolag.

Not 2 Nettoomsättningens fördelning på verksamhetsgrenar och geografiska marknader

	2024	2023
Bevaknings- och bevakningsrelaterade tjänster	3 396 225	3 205 058
Larmcentralstjänster	132 828	125 689
Parkeringstjänster	108 000	99 631
Summa	**3 637 053**	**3 430 378**

All försäljning sker i Sverige.

Not 3 Operationella leasingavtal

Framtida minimileaseavgifter som skall erläggas avseende icke uppsägningsbara leasingavtal.

	2024-12-31	2023-12-31
Förfaller till betalning inom ett år	49 546	52 274
Förfaller till betalning senare än ett men inom fem år	39 769	41 991
Totalt	**89 315**	**94 265**
Under perioden kostnadsförda leasingavgifter	**79 218**	**65 385**

För bolaget inkluderar uppgifterna i denna not även finansiella leasingavtal, vilka redovisas som operationella.

Förutom hyra av lokaler, avser avtalen leasing av kontorsutrustning och bilar. Inventarier leasas normalt på tre eller fyra år med möjlighet till förlängning med ett år eller utköp. Bilar leasas på två eller tre år med möjlighet till utköp.

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Not 4 Personal

	2024	2023
Medelantalet anställda		
Män	3 176	3 237
Kvinnor	1 151	1 224
Summa	**4 328**	**4 461**
Löner och andra ersättningar		
Styrelsen och verkställande direktören	6 753	5 824
(Varav tantiem och liknande ersättningar till styrelse och VD)	*1704*	*330*
Övriga anställda	2 158 083	2 024 555
Summa	**2 164 836**	**2 030 379**
Sociala avgifter och pensionskostnader		
Pensionskostnader för styrelsen och verkställande direktören	1 504	1 631
Pensionskostnader övriga anställda	140 343	130 006
Sociala avgifter enligt lag och avtal	701 198	655 617
Summa	**843 045**	**787 254**

För verkställande direktören gäller vid uppsägning från bolagets sida en uppsägningstid om 12 månader och därutöver ett kontant avgångsvederlag motsvarande tolv månaders anställningsförmåner.

Könsfördelning i företagsledning:	2024-12-31	2023-12-31
Fördelning mellan kvinnor och män i företagets styrelse:		
Kvinnor	1	1
Män	3	3
Totalt	**4**	**4**
Fördelning mellan kvinnor och män i företagsledningen:		
Kvinnor	3	4
Män	6	6
Totalt	**9**	**10**

Not 5 Arvoden till revisorer	2024	2023
PricewaterhouseCoopers AB		
Revisionsuppdrag	1140	1075
Revisionsverksamhet utöver revisionsuppdraget	–	75
Summa	**1 140**	**1 150**

Not 6 Inköp och försäljning mellan koncernbolag

Av årets inköp avser 25,9% (29,2%) inköp från andra koncernbolag.

Av årets försäljning avser 1,0% (1,2%) försäljning till andra koncernbolag.

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Not 7 Av- och nedskrivningar	**2024**	**2023**
Avskrivningar		
Inventarier	-10 382	-9 285
Goodwill avskrivningar	–	-523
Övriga immateriella anläggningstillgångar	-24 380	-24 150
Förbättringsutgifter på annans fastighet	-2 873	-4 295
Koncessioner, patent, licenser, varumärken och liknande rättigheter	-8 700	-7 892
Balanserade utgifter för utvecklingsarbeten och liknande	–	-76
Summa	**-46 335**	**-46 221**

Not 8 Bokslutsdispositioner	**2024**	**2023**
Förändring av skillnad mellan bokförda avskrivningar och avskrivningar enligt plan	15 449	-16 082
Förändring av periodiseringsfond/upplösning av periodiseringsfond	–	-42 600
Summa	**15 449**	**-58 682**

Not 9 Skatt på årets resultat	**2024-12-31**	**2023-12-31**
Aktuell skatt	-10 273	–
Justering tidigare års skatt	-2 684	–
Förändring av uppskjuten skatt avseende temporära skillnader	-68	433
Skatt på årets resultat	**-13 025**	**433**
Redovisat resultat före skatt	**53 915**	**5 275**
Skatt beräknad enligt gällande skattesats	-11 106	-1 087
Skatteeffekt ej avdragsgilla kostnader	-1 340	-1 427
Skatteeffekt av schablonränta	–	-170
Övertaget negativt räntenetto	2 037	2 684
Skatt hänförlig till tidigare års resultat	-2 684	–
Uppskjuten skatt avseende temporära skillnader	68	433
	-13 025	**433**

Not 10 Immateriella anläggningstillgångar

Goodwill	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningsvärden	147 112	147 112
Nyanskaffningar	–	–
Utgående ackumulerade anskaffningsvärden	**147 112**	**147 112**
Ingående ackumulerade avskrivningar	-146 117	-145 594
Årets avskrivningar	–	-523
Utgående ackumulerade avskrivningar	**-146 117**	**-146 117**
Ingående nedskrivningar	-995	-995
Bokfört värde	**–**	**–**

Kundkontrakt	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningsvärden	120 000	120 000
Nyanskaffningar	3 800	–
Utgående ackumulerade anskaffningsvärden	**123 800**	**120 000**
Ingående ackumulerade avskrivningar	-74 000	-50 000
Årets avskrivningar	-24 380	-24 000
Utgående ackumulerade avskrivningar	**-98 380**	**-74 000**
Bokfört värde	**25 420**	**46 000**

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Koncessioner, patent, licenser, varumärken och liknande rättigheter	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningar	37 103	37 103
Utrangerat	-1 225	–
Nyanskaffningar	11 044	–
Utgående ackumulerade anskaffningsvärden	**46 922**	**37 103**
Ingående ackumulerade avskrivningar	-21 100	-13 208
Utrangerat	1 225	–
Årets avskrivningar	-8 700	-7 892
Utgående ackumulerade avskrivningar	**-28 575**	**-21 100**
Bokfört värde	**18 347**	**16 003**

Balanserade utgifter för utvecklingsarbeten och liknande arbeten	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningsvärde	4 650	4 650
Nyanskaffningar	–	–
Utgående ackumulerade anskaffningsvärden	**4 650**	**4 650**
Ingående ackumulerade avskrivningar	-4 650	-4 574
Årets avskrivningar	–	-76
Utgående ackumulerade avskrivningar	**-4 650**	**-4 650**
Bokfört värde	**–**	**–**

Övriga immateriella anläggningstillgångar	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningsvärde	1 000	1 000
Nyanskaffningar	–	–
Utgående ackumulerade anskaffningsvärden	**1 000**	**1 000**
Ingående ackumulerade avskrivningar	-1 000	-851
Årets avskrivningar	–	-149
Utgående ackumulerade avskrivningar	**-1 000**	**-1 000**
Bokfört värde	**–**	**–**

Pågående utvecklingsarbete	**2024-12-31**	**2023-12-31**
Ingående ackumulerade anskaffningsvärde	4 593	1 328
Nyanskaffningar	–	3 265
Aktiveringar	-1 400	–
Omklassificeringar	–	–
Utgående ackumulerade anskaffningsvärden	**3 193**	**4 593**
Utgående balans	**3 193**	**4 593**

Not 11 Materiella anläggningstillgångar	**2024-12-31**	**2023-12-31**
Inventarier, verktyg och installationer		
Ingående ackumulerade anskaffningsvärden	125 587	120 634
Nyanskaffningar	11 694	6 243
Omklassificeringar	–	–
Avyttringar/utrangeringar	-32 738	-1 290
Utgående ackumulerade anskaffningsvärden	**104 543**	**125 587**
Ingående ackumulerade avskrivningar	-105 397	-97 171
Avyttringar/utrangeringar	32 738	1 059
Omklassificeringar	–	–
Årets avskrivningar	-10 382	-9 285
Utgående ackumulerade avskrivningar	**-83 041**	**-105 397**
Bokfört värde	**21 502**	**20 190**
Förbättringsutgifter på annans fastighet		
Ingående ackumulerade anskaffningsvärden	52 502	50 700
Nyanskaffningar	458	1 802
Omklassificeringar	–	–
Utgående ackumulerade avskrivningar	**52 960**	**52 502**
Ingående ackumulerade avskrivningar	-38 480	-34 185
Omklassificering	–	–
Årets avskrivning	-2 874	-4 295
Utgående ackumulerade avskrivningar	**-41 354**	**-38 480**
Bokfört värde	**11 606**	**14 022**

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Not 12 Finansiella anläggningstillgångar	**2024-12-31**	**2023-12-31**
Andelar i koncernföretag		
Ingående ackumulerade anskaffningsvärde	2 666	2 666
Förvärv	5 990	
Utgående ackumulerade anskaffningsvärden	**8 656**	**2 666**
Ingående ackumulerade nedskrivningar	-2 050	-2 050
Utgående ackumulerade nedskrivningar	**-2 050**	**-2 050**
Bokfört värde	**6 606**	**616**

Specifikation av företagets innehav av andelar i koncernföretag

			2024-12-31	**2023-12-31**
Dotterföretag / Org nr / Säte	*Antal andelar*	*Andel i % i)*	*Redovisat värde*	*Redovisat värde*
Synenergy AB, 556855-0742, Stockholm	**2 000**	**100**	616	616
Skandia Sök AB, 556650-3883, Stockholm	**1 000**	**100**	–	–
N/S Bevakning AB, 556824-2183, Kalix	**500**	**100**	3 825	–
Avarn Security Solutions AB; 556222-4617, Stockholm	**200 000**	**100**	2 165	–
			6 606	**616**

Not 13 Uppskattningar och bedömningar

Bedömning av Kundfordringar och avsättning för eventuella kundförluster görs löpande individuellt per Kund.
Hänsyn tas till Kunds betalningsförmåga baserat på historisk data samt information från kreditinstitut.

Not 14 Likvida medel	**2024-12-31**	**2023-12-31**
Kassamedel	10	10
Banktillgodohavanden	1 461	1 003
Korta placeringar	852	1 823
Medel på koncernkonto	570 363	576 006
Summa likvida medel	**572 686**	**578 842**

Not 15 Förutbetalda kostnader och upplupna intäkter	**2024-12-31**	**2023-12-31**
Förutbetalda hyror	4 431	6 034
Upplupna intäkter	7 116	9 632
Övriga poster	49 307	40 301
Summa förutbetalda kostnader och upplupna intäkter	**60 854**	**55 967**

Not 16 Obeskattade reserver	**2024-12-31**	**2023-12-31**
Ackumulerade avskrivningar utöver plan	28 267	12 818
Summa obeskattade reserver	**28 267**	**12 818**

Obeskattade reserver

Obeskattade reserver redovisas med bruttobelopp i balansräkningen, inklusive den uppskjutna skatteskuld som är hänförlig till reserverna.

Not 17 Uppskjutna skatter	**2024-12-31**	**2023-12-31**
Uppskjuten skattefordran		
Temporär skillnad befarade kundförluster	149	300
Temporär skillnad förbättringsutgifter annans fastighet	4 657	4 574
Summa uppskjutna skattefordringar	**4 806**	**4 874**

Not 18 Upplupna kostnader och förutbetalda intäkter	**2024-12-31**	**2023-12-31**
Semesterlöneskuld	267 216	254 438
Sociala avgifter semesterlöneskuld	83 718	79 290
Upplupna löner	201 756	186 074
Övriga poster	126 515	124 351
Summa upplupna kostnader och förutbetalda intäkter	**679 205**	**644 153**

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Not 19 Ställda säkerheter	**2024-12-31**	**2023-12-31**
För egna skulder till kreditinstitut		
Företagsinteckningar	30 000	30 000
Summa ställda säkerheter	**30 000**	**67 568**

Not 20 Eventualförpliktelser

Avarn Security AB har, tillsammans med övriga 20 bolag som omfattas, ett solidariskt ansvar för Avarn Security Group Holding AS-koncernens cashpool limit som per 2024-12-31 uppgick till 2 375 000 000 NOK. Avarn Securitys tillgodohavande i cashpoolen uppgår per 2024-12-31 till 570 MSEK. Avarn Security AB har sålt kundfordringar till kreditinstitut för vilka bolaget står för 10 procent av risken om kunden inte betalar. Per 2024-12-31 uppgick den risken till ett belopp om 20 247 tkr (21 640 tkr).

Not 21 Väsentliga händelser efter bokslutsdagen

Inga väsentliga händelser har skett efter årets slut.

Stockholm den dag som framgår av vår elektroniska signatur

Vidar Berg
Ordförande

Fredrik Blom
Ledamot

David Larsson
Verkställande direktör

Merethe Nodtvedt Jacobsen
Ledamot

Vår revisionsberättelse har lämnats den dag som framgår av vår elektroniska signatur
Öhrlings PricewaterhouseCoopers AB

Martin By
Auktoriserad revisor

20250605114891

Deltagare

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

AVARN SECURITY AB 556256-8138 Sverige

Signerat med Norskt BankID — *2025-06-02 10:54:04 UTC*

Undertecknare — Datum

Namn returnerat från Norskt BankID: Vidar Berg

Vidar Berg

Ordförande

Leveranskanal: E-post

Signerat med Norskt BankID — *2025-06-02 13:10:21 UTC*

Undertecknare — Datum

Namn returnerat från Norskt BankID: Merethe Nødtvedt Jacobsen

Merethe Nødtvedt Jacobsen

Leveranskanal: E-post

Signerat med Svenskt BankID — *2025-06-02 10:56:34 UTC*

Undertecknare — Datum

Namn returnerat från Svenskt BankID: FREDRIK BLOM

Fredrik Blom

Leveranskanal: E-post

Signerat med Svenskt BankID — *2025-06-02 11:04:30 UTC*

Undertecknare — Datum

Namn returnerat från Svenskt BankID: David Larsson

David Larsson

Verkställande Direktör

Leveranskanal: E-post

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

Signerat med Svenskt BankID — *2025-06-02 13:59:32 UTC*

Undertecknare — Datum

Namn returnerat från Svenskt BankID: Per Martin Viktor By

Martin By

Auktoriserad revisor

Leveranskanal: E-post

20250605114892

Revisionsberättelse

Till bolagsstämman i Avarn Security AB, org.nr 556256-8138

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Avarn Security AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Avarn Security ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för Avarn Security AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Avarn Security AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Avarn Security AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Avarn Security AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

✔ **Signerat** 2025-06-03 08:09:55 UTC **Oneflow ID** 10960120 **Page** 1 / 3

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Stockholhm den dag som framgår av vår elektroniska signatur

Öhrlings PricewaterhouseCoopers AB

Martin By
Auktoriserad revisor

20250605114893

Deltagare

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

20250605114894

Signerat med Svenskt BankID — *2025-06-03 08:09:55 UTC*

Undertecknare — Datum

Namn returnerat från Svenskt BankID: Per Martin Viktor By

Martin By

Auktoriserad revisor

Leveranskanal: E-post

AVARN
Security

2024

ANNUAL AND SUSTAINABILITY REPORT

20250605148925

KEY FIGURES

Revenue

EBITDA

VISION

To deliver first-class security solutions

MISSION

To help our customers succeed by creating a smooth and secure operational environment.

VALUES

Commitment, Compassion, Collaboration.

Contents

5 CEO statement for 2024

7 Avarn Security Group at a glance
- 9 Offering and markets
- 13 Strategy
- 15 People
- 18 Digitalization and innovation

19 Corporate Governance
- 21 Overview of board of directors
- 23 Overview of Avarn Security Group management
- 25 The Board of directors report 2024

29 Sustainability
- 31 General information
- 45 Environmental information
- 51 Social information
- 65 Governance information

69 Consolidated financial statements

97 Financial statements of the parent company

109 Independent auditor's report

CEO statement for 2024

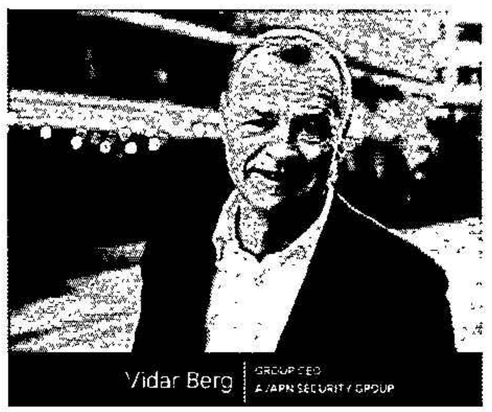
Avarn Security Group is making good progress towards becoming "Best-in-class" and is taking the next step in this journey by leveraging their Nordic scale. Both Avarn Security and Nokas Payment Solutions continues strong revenue and profit margin progress in 2024, and they have proven to be resilient and surpassed expectations.

Organic sales growth is solid at 8 % YOY, from mNOK 9.605 to mNOK 10.376. The revenue growth is driven by increased solution sales together with significant volume growth in all business units.

The profitability in 2024 is a continued sign of a growing and operationally robust business in all countries and service lines. Successfully balancing cost increases with price adjustments, improved productivity and solid operational excellence in all services account for significant increases in the results. EBITDA growth in 2024 is 3 % YOY, from mNOK 762 to mNOK 786. Excluding gain from sale of shares in 2023 the organic EBITDA growth in 2024 is 16 %, from mNOK 680 to mNOK 786.

We continue to make good progress in the journey towards becoming "Best-in-class" and the ambition of being "Best-in-class" appears both reasonable and within reach. Avarn is taking the next step in this journey by leveraging our Nordic scale and gradually transforming parts of our business in to a Security as a Service (SaaS) based on a subscription model. We will continue to focus on higher profitability for new contracts, overall improvement of productivity, and accelerating profitable growth by commercialising new concepts.

Avarn continues to take steps to future-proof our business by investing in digitalization and exploring new opportunities specifically within cybersecurity, automation, and artificial intelligence (AI), among others. We strongly believe that these technologies are critical enablers to further strengthen and improve our internal operations as well as differentiate our services in the market.



Vidar Berg | GROUP CEO AVARN SECURITY GROUP

At Avarn Security, we care about our employees and our impact on the environment, and in 2024 we continued to make significant progress in bringing sustainability to the forefront of our operations and strategy. We have received approval of our net-zero aligned emissions reductions targets by the Science Based Targets initiative. Avarn Security shall, according to current regulation, report in accordance with the European Corporate Reporting Directive from 2025, and welcomes the opportunity to expand and structure our already good work with sustainability activities. In preparation for CSRD compliance, this 2024 annual report seeks to level-up our reporting and disclosures using the methodology and requirements from CSRD and the European Sustainability Reporting Standards (ESRS).

In summary, 2024 was a year of building on our strong foundation, while investing in digitalization and starting the transformation phase with commercialization of new concepts to the Nordic market. With our new strategy in place, we are optimistic and believe that our ambitions for the future are reasonable and within reach.

Avarn is taking the next step in journey towards becoming "Best-in-class" by leveraging their Nordic scale and better meeting customer needs through integrated security as a service offering, while keeping pace with emerging technologies.

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Avarn Security Group at a glance

- Offering and markets
- Strategy
- People
- Transformation and innovation

Offering and markets

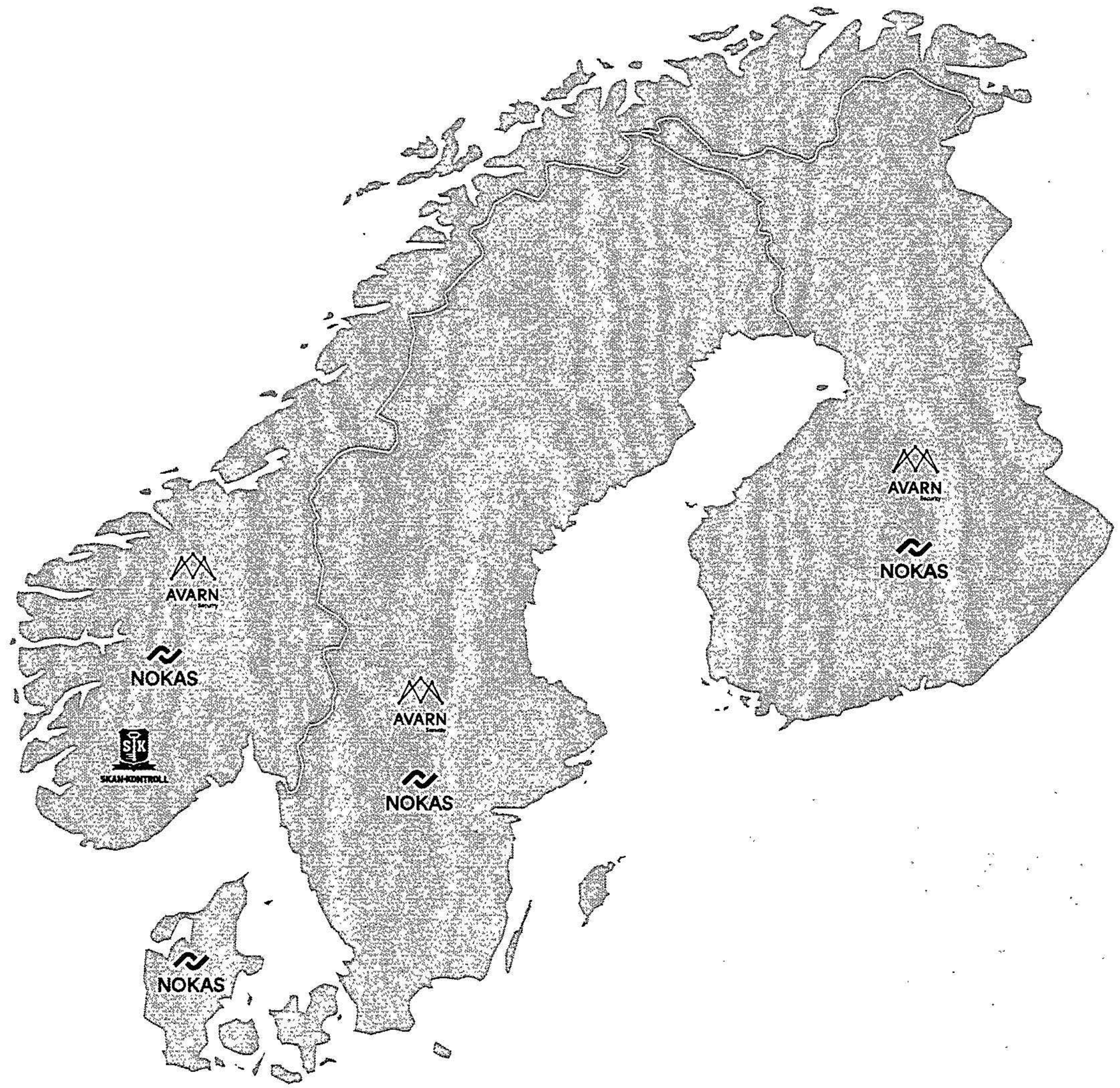
Avarn Security Group provides first-class security services in and across the Nordics.

Our businesses in Norway, Sweden, Finland, and Denmark work in close collaboration in order to offer a complex range of services and tailor-made solutions across business areas.

Avarn Security counts 16 196 employees, all ready to secure both people and assets. Our mission is to establish a smooth and secure environment for our customers, thereby helping them achieve their operational goals.

Today, we have a strong position within the Nordic market as a full-service provider of security and safety – alarm and guard services, airport security, industry safety and contingency plans.

See note 19 – Overview of subsidiaries for an overview of all subsidiaries of the Group.



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We operate under three complementary brands

Avarn Security
Leading provider of security services and solutions with operations in Norway, Sweden and Finland. Mrd NOK 9 revenues in 2024, representing 87 % of Group revenue. 15 294 employees.

Provide manned guarding services, aviation security, remote alarm monitoring, and intelligent security technology and systems.

Nokas Payment Solutions
Provides payment solutions, cash handling and value transport services, ATM services, as well as various technologies within payments. Operations in Norway, Denmark, Sweden, and Finland. Mrd NOK 1.1 revenues in 2024, representing 11 % of Group revenue. 478 employees.

Rebranded with new logo in 2024.

Skan-Kontroll
Specialized provider of control services in the Norwegian market. Mrd NOK 0.2 revenues in 2024, representing 2 % of Group revenue. 419 employees.

What we offer

Creating security and safety is our passion – we secure people and valuables.

Intelligent security technology

Alarm monitoring services

Manned security services

Risk solutions

Cash processing & transportation

Intelligent security technology
we deliver cutting edge security technology such as cameras, access control systems, sensors, and more, oftentimes delivered "as-a-service" so that customers can be sure they always have a stable an updated security system

Alarm monitoring services
alarm services especially for small and medium businesses, with associated monitoring services by Avarn's operations monitoring centres.

Manned security services
security guards ensure a safe environment in public spaces, businesses, airports, and more.

Risk solutions
our people have significant expertise within security and control services, and we provide services like loss prevention, age control, inspection services, as well as custom security and safety consulting and training.

Cash processing and transportation
our Nokas business is a Nordic leader in transporting and processing cash, in addition to operating a significant portfolio of ATMs

Strategy

Avarn Security Group is poised for growth and transformation in the strategy period 2025–2030.

Within Avarn Security Group, we have taken a common approach to strategy thinking, while maintaining company-specific strategies. In 2024, we laid the foundation for a new strategy period from 2025 through 2030 and we have established an updated and ambitious long-term growth plan.

Although three separate businesses, the combined Avarn Security, Skan-kontroll, and Nokas brands have a shared history, shared customers and synergies with each other. The detailed drivers towards 2030 are unique, but the underlying principles are the same.

Strategic Vision

The group-wide focus for 2025-2030 is centered around three key pillars:

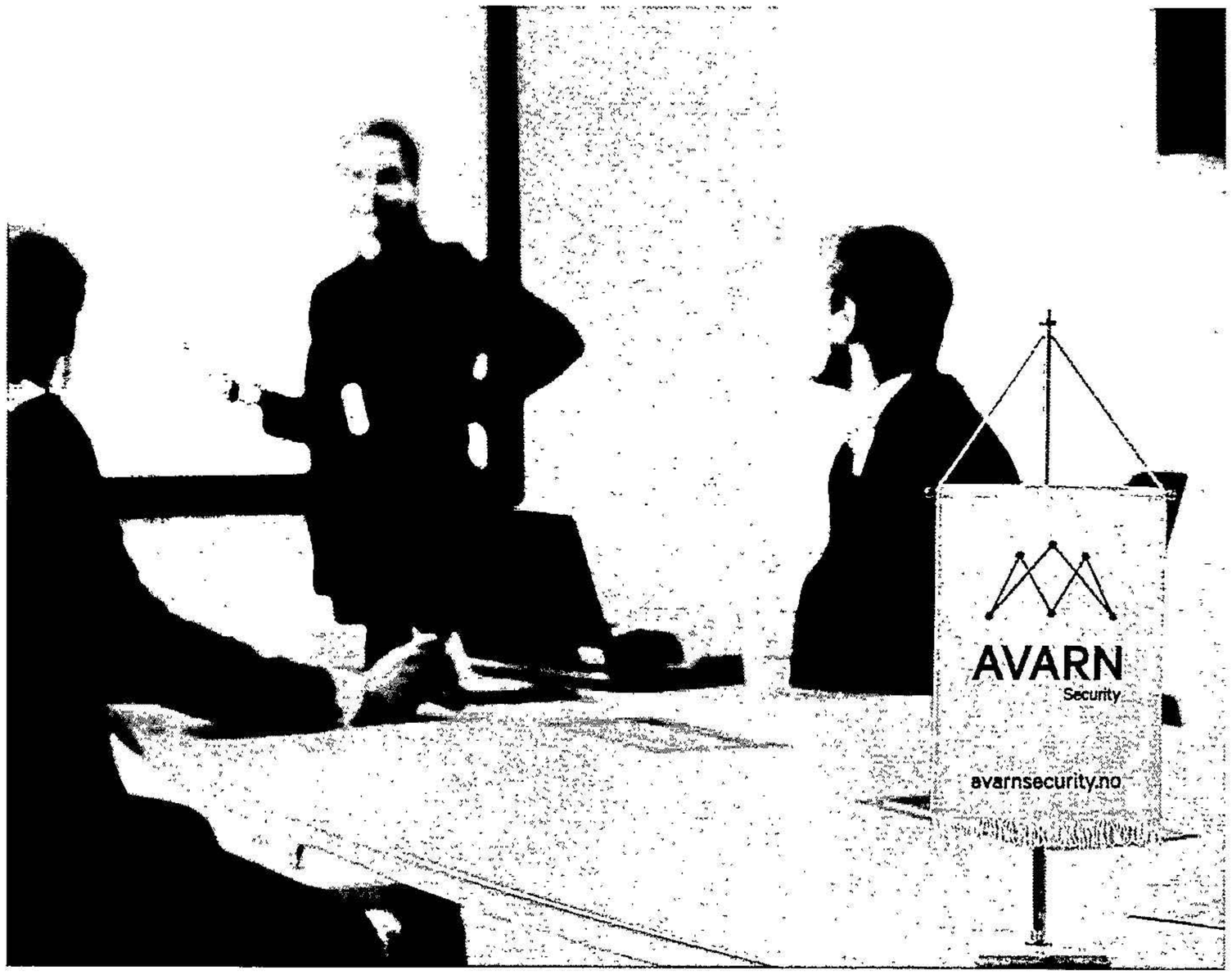
- **Maximizing Value Potential:** We aim to enhance profitability and scale effects by focusing on our core business and using Best-in-Class principles (Pricing, Productivity, Portfolio, People).
- **Integrating Offerings:** We are transforming into an increasingly "as-a-service" business model, integrating our product and service portfolio across business units and geographies to better meet evolving customer needs. This includes launching new offerings, in particular for the frequently underserved small- to medium-sized customer segments.
- **Future-Proofing Operations:** We are taking a clear position on new technologies and developing innovative product concepts. This includes exploring opportunities in automation and AI, launching offerings relating to cybersecurity, developing the future of payment solutions, and more.

> Avarn Security Group is poised for stable, profitable growth over the next five years. Our ambitious long-term financial plan, supported by new strategies for all group businesses, will ensure we remain a leader in the security industry.

Strategy programs

Each group brand has developed a strategy program for the 2025-2030 strategy period:

- **Avarn Security:** the "Nordic Best-in-Class" strategy program builds strongly on cross-Nordic collaboration to transform to an increasingly security-as-a-service business model, in addition to continuous improvement using the Best-in-Class principles consisting of pricing, productivity, portfolio and people.
- **Skan-kontroll:** the "Road to 2030" strategy program focuses on optimizing existing service areas, expanding into new segments and exploring new concepts to future-proof the business.
- **Nokas:** The "From Sunset to Growth" strategy program aims to build on existing best-in-group margins while entering new markets with existing offerings and launching innovative payment solutions.



Avarn Security Group is poised for stable, profitable growth over the next five years. Our ambitious long-term financial plan, supported by new strategies for all group businesses, will ensure we remain a leader in the security industry. We are confident in our ability to achieve our goals and look forward to continued success as a result of implementing our strategic initiatives.

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People

At Avarn Security, we care about our employees. Everyone who works for us helps to ensure that we supply high quality products and services to our customers on a daily basis. Our employees are the key to our success.

Finding, developing and retaining the best people is a priority for us. Great recruitment and training systems are a priority for Avarn Security, and as a result we have some of the lowest employee turnover in the industry.

Leadership and career development

We are proud that many of our leaders started their careers at Avarn Security have progressed through the many opportunities available. We support the career development of our employees by offering opportunities for continuous education, leadership training, and prioritizing internal promotions where possible.

In Norway, we have a leadership development program, consisting of both mandatory training for resources already in management and administrative roles, as well as curriculum available to those not yet in leaderships positions but who wish to further their development. In this way we both ensure consistent adoption of our values and leadership philosophy amongst managers, as well as providing a motivating opportunity for continuous personal development.

In Sweden, we have launched the Avarn Security Trainee Program – an intensive 12-week development program which re-skills people looking to make a career transition, equipping them with valuable technical skills and knowhow, as well as guaranteed employment with Avarn Security as alarm and security technicians upon completion. This attractive opportunity also ensures that Avarn Security has reliable access to technical resources which are critical to achieve our strategic growth ambitions.

In Finland, we have taken steps to implement a specific work rotation procedure, which allows an employee to switch over to another job on a temporary basis and guarantee return to their original work after the rotation period. This is an effective way to maintain good motivation and grow internal networks, and is a key part of leadership and career development programs. In addition, we believe it is an effective tool for improving cooperation across functions and reducing the silo effect between different parts of the organization. As an employer, Avarn also believes that these work rotation procedures can play a significant part of human resources development, well-being processes, and employee retention.

Employee and working environment surveys

In an effort to continuously improve and engage with our workforce, we conduct annual employee surveys locally to get feedback on the working environment, employee satisfaction and more. Surveys are conducted every year in the same way to ensure comparability. Based on results, targeted surveys are conducted if necessary. In 2024 the feedback indicates that the working environment is considered good, and continuously improving over the past years.

Diversity and equality

Avarn Security is proud to employ a workforce as diverse as the society we are protecting through our products and services. We view diversity as an important lever to ensuring we have a resilient workforce that is equipped to navigate all forms of environments, cultures, and relationships, and it is therefore an integral pillar of our HR strategy.

At Avarn Security there is zero tolerance for discrimination, and we are committed to counteract, remedy, and prevent all forms of discrimination. Our policy for Diversity, Inclusion and Equality engrains this into our corporate culture and safeguards the fundamental human rights to equal treatment, equality and non-discrimination. In Avarn Security there shall be equal opportunities regardless of gender, gender identity, ethnicity, religion, disability, sexual orientation or age. All cases of discrimination are investigated and necessary measures to prevent recurrence are implemented.

In 2024 we applied AI within video surveillance analytics. Whilst the system is currently in a piloting phase, we see substantial efficiencies and have reduced the time our operators need to spend on false and repetitive alarms.

Digitalization and innovation

Avarn Security has taken significant strides in digitalization to stay ahead in a fast-evolving security industry. Recognizing the critical role of technology in improving both operational efficiency and customer satisfaction, we have implemented over 70 digitalization initiatives over the past two years, effectively doubling our investments within IT infrastructure and digital solutions.

One of the digital initiatives in 2024 is the Artificial Intelligence (AI) follow-up system which is integrated into our Operations Monitoring Centers (OMC) dashboard. This innovative AI-powered solution provides real-time data analysis and insights, enabling proactive decision-making and swift response to potential security threats. By leveraging artificial intelligence, Avarn Security is able to enhance the accuracy and efficiency of our monitoring services, thereby offering improved security solutions to our customers. Another example from 2024 where we have applied AI, is within video surveillance analytics. Whilst the system is currently in a piloting phase, we see substantial efficiencies and have reduced the time our operators need to spend on false and repetitive alarms.

Furthermore, in 2024 we have progressed on several innovative initiatives. An example from Nokas include its continued focus to bridge physical and digital payments by offering payment solutions and an example from Avarn is the all new Avarn Security SAFE offering which is a new generation security system and services. Avarn Security SAFE and Nokas Payment Solutions exemplifies the company's commitment to innovation and excellence. These new offerings not only diversify our service portfolio but also provide comprehensive security and payment solutions tailored to meet the specific needs of the small to medium business segment.

In addition to enhancing our technological capabilities, Avarn Security emphasizes the importance of fostering a culture of innovation within the organization. By encouraging employees to embrace new technologies and methodologies, the company ensures that it remains agile and responsive to the dynamic demands of the market.

Overall, Avarn Security's commitment to digitalization and innovation has had a positive impact on operations, business development and service delivery. The continuous pursuit of excellence in digitalization and innovation underscores Avarn Security's dedication to remaining a leader in the security sector.

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Corporate Governance

Overview of board of directors

Overview of Avarn Security Group management

The Board of directors report 2024 for Avarn Security Group Holding AS

Overview of board of directors

Amund Skarholt

Born 1948
Chairman since 2019
Independent

Education: Master of Science (Sivilingjenør) in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU)

Experience: Amund has extensive experience in the security industry and has held leading roles within Securitas including Deputy CEO. He has also previously served as CEO of Tomra and CEO of Bravida 2003-2005. He has extensive board experience including Sector Alarm, AKVA Group, Anticimex, and Elektroimportøren.

Camilla Amundsen

Born 1976
Director since 2024
Independent

Education: Master of Science (Sivilingjenør), Industrial Economics (Ind.øk) and Technology Management from the Norwegian University of Science and Technology (NTNU)

Experience and other roles: Camilla is currently Managing Director of Rambøll Norge. Prior to this she has 12 years of experience from the telecommunications sector as Group CEO of Miles and a notably range of leadership roles within Telenor and its subsidiaries. Camilla has also 10 years of experience from management consulting at Accenture. Camilla brings extensive board experience from Sola Bredbånd, Altifiber and Nordic Technology Group.

Wenche Kjølås

Born 1962
Director since 2024
Independent

Education: Siviløkonom from the Norwegian School of Economics (NHH)

Experience and other roles: Wenche Kjølås has a strong background in finance and management, having served as CEO, CFO and COO for the Grieg Group, and prior to this various leadership roles within Kavli. She also has seven years of experience from management consulting at Deloitte. Wenche has extensive board experience from a range of industries, including Cermaq, Flytoget, DOF, Innovation Norway, Borgestad Grieg Seafood, Deep Ocean, and more

Bjørnar Olsen

Born 1963
Director since 2014
Independent

Education: Certified Financial Analyst from Norwegian School of Economics (NHH)

Experience and other roles: Bjørnar Olsen has experience in Corporate Banking and Risk Management from Kreditkassen (now Nordea), as well as equity research and sales experience from Forenede Fonds, Oslo Securities, FIBA Nordic Securities (ABGSC) and Saga Securities (Danske Bank). Since 1999 Olsen has served as Portfolio Manager Equities for Inak 3 AS. He is also a board member of 4human Invest AS.

Pål Asbjørn Vindegg

Born 1948
Director since 2023
Independent

Education: Bachelor in electronics from Gjøvik University College (HiG)

Experience and other roles: Pål Asbjørn Vindegg has over long experience and expertise in industrial logistics, and has over 15 years of experience from Komplett Group where he held various roles including COO. Vindegg is an experienced board member having served as director for AutoStore, Porterbuddy, Homeboxx, Element Logic, Norlux, and many more.

Knut-Johannes Berg

Born 1973
Director since 2022
Employee elected representative

Education: Berg has educational qualifications as both a security guard and bricklayer. He has taken extensive additional coursing as relates to his role as union representative.

Experience and other roles: Berg has worked in Avarn Security since 2008 and currently serves as an Area Manager for stationary guarding services. He is also chairman for a local division of the Norwegian Union of General Workers (Norsk Arbeidsmandsforbund), and serves as Chief Union Representative (Hovedtillitsvalgt) for the Norwegian Union of General Workers Employee Agreement for workers at Avarn Security. Prior to his career in security, Berg has worked as a bricklayer.

Christian Søvik Svensen

Born 1984
Director since 2022
Employee elected representative

Education: Svensen has educational qualifications as a security guard.

Experience and other roles: Svensen currently serves as and Operations Manager for guarding services in Avarn Security, and has held several other leadership roles relating to key customers within the Avarn Security's guarding business in Norway. Prior to joining Avarn Security, Svensen has 7 years of experience working as a security guard in Securitas and for Stena Line. He is also active within the Parat Union for Professionals, and has previously served as the Chief Union Representative (hovedtillitsvalgt) for the Parat Employee Agreement for Managers at Avarn Security.

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Overview of Avarn Security Group management

Vidar Berg
Chief executive officer (CEO)
since 2019

Berg joined Avarn Security (previously G42 and later Nokas) in 2006 and has previously served as country manager for Norway. Prior to this Berg has 12 years of experience within IT and Services from various leadership roles within Siemens (later Fujitsu), including roles as Divisional and Country Manager.

Berg holds an Economics degree (Handelsøkonom) from Handelsakademiet (now BI Norwegian Business School).

Tom Krohn
Chief Information Officer (CIO)
since 2022

Prior to joining Avarn Security in 2022, Krohn has over 20 years of experience in consulting, most recently as a Partner at PA Consulting Group where he led IT advisory and prior to that with ISG, a leading technology advisory and research firm.

Krohn holds a Master of Business Administration (MBA) from the Norwegian School of Economics (NHH) and a computer sciences degree from NITH.

David Larsson
Managing Director Avarn Security Sweden
since 2019

Larsson joined Avarn Security (previously Svensk Bevakningstjänst and later Nokas) in 2006 and has previously held leadership roles within both operations and financial controlling. He has additionally held a range of board roles within various security industry organizations.

Larsson holds a Master of Business Administration (MBA) from Stockholm Business School.

Rune Hegrestad
CEO Nokas Group
since 2021

Hegrestad joined Nokas in 2016 and previously served as CIO and COO for Nokas (later Avarn Security). He has long experience from IT and business services, having served in various leadership roles within Kværner, Kverneland, and Mowi.

Education in process engineering as a private candidate. His academic background includes studies, project management, and various leadership and coaching programs.

Merethe Nødtvedt Jacobsen
Chief Financial Officer (CFO)
since 2019

Jacobsen joined Avarn Security (previously Nokas) in 2013 and previously held senior positions within finance. Prior to this she has 10 years of experience from PwC as an auditor and senior consultant, working extensively with corporate governance, internal control, financial effectiveness and financial reporting primarily within retail and private equity.

Jacobsen holds a Master of Business Economics (Siviløkonom) in addition to a Master of Accounting and Auditing (MRR), and a bachelor in auditing, all from BI Norwegian Business School. She has additionally worked as a state authorized auditor.

Kjell Frode Vik
Managing Director Avarn Security Norway
since 2019

Vik joined Avarn Security (previously Nokas) in 2014 and has previously served as Director of the Aviation segment in Norway. Prior to this Vik has long experience from Securitas in various leadership positions within guarding and security systems, and later serving as country manager for the Norwegian business.

Vik holds educational qualifications from the University of Bergen (UIB) and BI Norwegian Business School in Oslo. His academic background includes studies in business economics, law, project management, and various leadership and coaching programs.

Niclas Sacklén
Managing Director Avarn Security Finland
since 2021

Prior to joining Avarn Security in 2021, Sacklén has long experience within management and business development, having held a range of leadership roles within Stena Recycling, Caverion, ABB, Huurre Group, and Munters. He has also served in various boards, current as chairman of the board of directors at Cervi.

He holds a Master of Business Administration (MBA) from Hanken School of Economics as well as a Bachelor of Science in engineering from Yrkeshögskolan Arcada (previously Tekniska Läroverket).

Jørn Cato Olsen
CEO Skan-Kontroll
since 2002

Olsen has long experience within Skan-Kontroll since starting his career there in 1981 providing security services. He has served a range of operational and leadership roles within Skan-Kontroll, and was instrumental in establishing and growing the Skan-Kontroll subsidiary Semac, which was carved out in 2023.

G1.GOV1. Disclosure of role of administrative, management and supervisory bodies related to business conduct. Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters

The Board of directors report 2024 for Avarn Security Group Holding AS

Operations and locations

Avarn Security Group is a strategic and responsible security partner for corporate customers and public sector organizations. Avarn Security secures people and values, with a mission to help customers succeed by creating smooth and secure operational environments. The Group provides security services and solutions in the Nordic market, with main operations in Norway, Sweden, Denmark and Finland. The head office is in Oslo, Norway.

Avarn Security delivers an important part of the infrastructure of a modern society. The Group has the responsibility for safety across many customers and at airports, nuclear power plants, shopping malls, train and subway stations. Through services in Nokas Payment Solutions, the Group also ensures that cash can be used as a legal, accessible and alternative means of payment.

The business is run according to the company values and has an ongoing focus on the work of quality assurance throughout all parts of the business. Avarn Security's vision is to be a full-service security provider and to deliver first-class security solutions.

Three core values are rooted in daily work: Commitment, Compassion and Collaboration. These values are important guiding principles in the business and form the basis of all decisions, services and products. Internally, these core values help to maintain a steady course, as the Group works to uphold its commitment to customers.

Avarn Security is an important player in the Nordic security and cash payment solution market. With solid operations and footprints in the Nordic market, together with a strong common culture, the Group is prepared for further growth. This will primarily be achieved through profitable organic growth, commercialization of new concepts and digitalization.

The Group is largely dependent on certain intangible resources in order to conduct its activities. Amongst these resources, the Group's employees and software are considered to be the most important. These two intangible resources are critical for the Group in order to at earn revenue, but also to conduct its business in an efficient, safe and compliant manner.

Comments related to the consolidated financial statements

Avarn Security Group continues strong revenue and profit margin growth in 2024. The results are driven by high organic sales, improved productivity and solid operational quality.

Total revenue increased by 8 %, from mNOK 9 605 in 2023 to mNOK 10.376 in 2024.

The positive revenue growth is driven by margin threshold discipline, together with significant volume growth across all service lines.

Profitable growth and improving cash flow in 2024 is a continued sign of a stable growing and operationally robust business in all countries and all service lines, resilient to dynamic market conditions. EBITDA improved by 3 %, from mNOK 762 in 2023 to mNOK 786 in 2024. Excluding gain from sales of shares the organic EBITDA improved with 16 %, from mNOK 680 in 2023 to mNOK 786 in 2024. Cash flow from operations improved by 5 %, from mNOK 664 in 2023 to mNOK 695 in 2024.

The difference between cash flow from operations of mNOK 695 and EBITDA of mNOK 786 is related to changes in net working capital.

Comments related to the parent company

Avarn Security Group Holding AS is the parent company of the Group. The company does not have any employees and does not carry out any business activities besides owning shares in subsidiaries. Net income for the parent company decreased from mNOK 461 in 2023 to mNOK 0 in 2024, due to no dividend in 2024. Cash from operating activities amounted to mNOK 396, which was caused by dividend from group companies in 2023 of mNOK 415 received in 2024..

Financial risk

The Group is exposed to financial risks in different ways. The Group has implemented actions to mitigate and manage these risks, and the Board of Directors monitors these risks continuously. The Board of Directors considers these risks acceptable.

The Group has taken out liability insurance that applies to all companies within the Group, in addition to its board members and general managers. The insurance covers the possible responsibility towards the company and third parties. The insurers are Zurich Insurance plc and W.R. Berkley Insurance AG (S).

Market risk

The Group is exposed to exchange rate risk, primarily SEK, DKK and EUR, as a portion of the Group's revenue is in foreign currency. The company's current strategy does not include extensive use of financial instruments to mitigate these risks. Also, a portion of the Group's bank financing is denominated in foreign currency, however, the Group also holds foreign currency cash which offsets this currency risk. In addition, the Group also has intra-group loans between countries with different functional currencies, which also exposes the Group to currency risk.

Furthermore, Nokas holds foreign currency deposits as part of their operation, but hedging instruments are used to mitigate the exposure from fluctuating exchange rates.

The company is exposed to changes in interest rates since the company's debt carries a floating interest rate.

Credit risk

The risk for losses from receivables is considered low. Receivables comprise mainly of accounts receivables, which are distributed across many customers, of which public enterprises represent a significant share. Furthermore, the Group has a repurchasing agreement in which a portion of the Group's accounts receivable are acquired by DNB Bank upon invoicing, which reduces the credit risk on accounts receivable. The Group has not yet experienced significant losses on receivables.

Liquidity risk

The Group's liquidity has improved substantially compared to previous years, primarily driven by a high cash-conversion ratio. More specifically, inventory levels are at acceptable levels, invoicing occurs frequently, overdue receivables are closely monitored and payment terms on both in- and outgoing invoices are optimised. In addition, the repurchasing agreement and an overdraft facility is employed to always ensure adequate liquidity.

Going concern

We confirm that the financial statements have been prepared on the basis of going concern.

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This assumption is based on the current financial state, profit forecasts for the future years combined with the Group's long-term strategic goals. The Group's financial position is sound.

In general, the security market is growing in all Nordic countries. Avarn Security is experiencing increasing revenues in all countries.

Allocation of net income

The Board of Directors has proposed the net income of Avarn Security Group Holding AS of mNOK 0 to be attributed to retained earnings.

Share buyback program

The Board of directors has proposed a share buyback program in which shares of approximately mNOK 500 will be purchased from the shareholders of Avarn Security Group Holding AS in 2025. The program is approved by the General Meeting. The Board of directors plans to continue the share buyback program over the next years.

Sustainability and working environment

We are focused on social responsibility and sustainability and have committed to align our practices with the United Nations' sustainable development goals (SDGs). We have pledged to actively pursue a number of these SDGs, and have tailored each of these to ensure they are recognizable and relevant to our own business areas. This is to ensure a common understanding of our own impact and guide our sustainability goals and initiatives. Details of this can be found in the more detailed section on Sustainability in this Annual Report.

To mention some initiatives, Avarn Security Group has set clear ambitions regarding environmental impact and has committed to having these targets validated by the Science Based Targets initiative (SBTi). We have clear actions to reduce our direct emissions, such as replacing fossil fuel cars with electric cars, where this is economical and practical. As an example we have increased the share of electric vehicles from 19 % in 2023 to 27 % in 2024.

Avarn Security Group has set environmental demands for our partners and sub-contractors, requesting all of our suppliers which generate a significant share of our emissions footprint to commit to reducing their own footprint and having their targets for doing so validated by SBTi. During the last year we have implemented common KPIs for measuring and reporting both environmental and other sustainability related targets, where business units on country level are reporting quarterly.

Avarn Security Group is focused on social responsibility and sustainability, and works actively to curb gender inequality and prevent discrimination of any kind.

The working environment is considered good. The HR efforts support our strategic aim of being the preferred employer in the security & safety industry. Avarn Security Group works actively to curb gender inequality and prevent discrimination of any kind, whether related to gender, disability, ethnicity, national origin, skin colour, religion or outlook on life. We work actively as a company to promote equality and prevent discrimination in our workplace, both within recruitment, pay and working conditions, promotion, development opportunities, facilitation and the opportunity to combine work and family life. Several activities have been applied to increase our active and including work profile. This is based on our approach to employees and their connection to the workplace – "The whole person, all of the time".

Avarn Security is a collective bargaining company and the guardianship agreement has equal pay for women and men. Our commission schemes are gender-neutral and the wage level is the same for women and men in management and commercial functions on same level. As for information on the Group's compliance to the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act), reference is given to the Group's website, where such information is provided.

Details on sick leave, incidents of work-related accidents during the year, proportion of women, including gender pay differences, reference is given under Social Information under Sustainability.

Cyber security

In today's digital age, cyber risk is an ever-present threat to businesses of all sizes. At Avarn Security Group, we take this threat seriously and have implemented several measures to assess and reduce cyber risk.

The most extensive measure is an ongoing implementation project for ISO27001 (Information Security Management System, ISMS). Implementation and certification of the ISO27001 framework will help ensure that our management systems for information security are up-to-date and effective to protect against potential threats, and to protect our customers' critical information.

We regularly carry out risk assessments and identify potential vulnerabilities in our systems and processes. These assessments help us prioritise our efforts and allocate resources to address the most pressing risks. We also have controls and routines to limit risk and uncover potential threats. These include regular vulnerability assessments, execution of annual penetration tests by professional external suppliers, robust security measures and ongoing monitoring of our systems and networks.

In addition to our internal efforts, we also work closely with our partners, suppliers and authorities to ensure appropriate measures to protect against cyber risks. Important in this regard is connection to an external Security Operations Center (SOC), notification services about vulnerabilities and cyber incidents, as well as being actively present in professional environments for the exchange of relevant information.

Overall, our approach to cyber risk is proactive and comprehensive. We are committed to protecting our company, our customers and our partners from potential harm caused by cyber threats.

Vidar Berg
CEO

Amund Skarholt
Chairman

Camilla Amundsen
Board member

Bjørnar Olsen
Board member

Wenche Kjølås
Board member

Pål Asbjørn Vindegg
Board member

Knut Johannes Berg
Employee representative

Christian Søvik Svensen
Employee representative

Oslo, 25 April 2025

Sustainability

31 General information

45 Environmental information

61 Social information

65 Governance information

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General information

At Avarn Security, we are dedicated to the well-being of our employees and the sustainability of our operations. Our commitment is to continually integrate sustainable practices into every facet of our business. In 2024, we made significant strides towards enhancing our sustainability practices, aligning them with the latest reporting standards and leveraging sustainability as a key competitive advantage. This year's sustainability reporting is prepared based on the European Sustainability Reporting Standards (ESRS), which are applicable to Avarn Security from 2025.

BP-1, BP-2] BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

The sustainability reporting is prepared on a consolidated basis, and the scope is the same as for the financial reporting, which covers Avarn Security Group and all subsidiaries. Additionally, the sustainability reporting covers the full value chain, including upstream and downstream, in addition to own operations. See more details about how the value stream is defined in Strategy and Business model.

In 2024, we conducted a double materiality assessment in line with ESRS guidelines. The resulting material sustainability topics form the basis for our 2024 sustainability reporting which seeks to align more closely with CSRD and ESRS guidelines, marking a significant change and improvement compared to previous years disclosures. Many disclosures are reported for here for the first time, but for those metrics which have been disclosed previously, any changes to the methodology are noted where relevant.

Short-, medium- and long-term time horizons referred to in this sustainability statement are aligned with those established in ESRS methodology:

- Short-term: the period in these financial statements (1 year)
- Medium-term: the end of the short-term reporting period (more than 1 year) and up to 5 years
- Long-term: more than 5 years

[IRO-2 (56)] ESRS Index:

Adjacent is a table to indicate how Avarn Security has complied with the ESRS disclosure requirements in this sustainability statement and ensure easy navigation for readers directly to the relevant disclosures.

Section	ESRS Standard	Disclosure requirements	Pages (links)
Sustainability governance	ESRS 2	GOV-1, GOV-2, GOV-3	
Strategy and business model	ESRS 2	SBM-1, SBM-2, SBM-3, IRO-1, IRO-2, MDR-P	
Climate Change	ESRS E1	E1.GOV-3	
IRO management	ESRS E1	E1-1, E1-3, E1-4	
Metrics and targets	ESRS E1	E1-6	
Pollution	ESRS E2		
Own workforce	ESRS S1	SBM-3	
IRO management	ESRS S1	S1-1, S1-2	
Metrics and targets	ESRS S1	S1, 5, S1-6, S1-8, S1-9, S1-10, S1-11, S1-13, S1-14, S1-15, S1-16, S1-17	
Workers in the value chain	ESRS S2	SBM-3	
IRO management	ESRS S2	S2-1, S2-2, S2-3	
Consumers and end users	ESRS S4	SBM-3	
IRO management	ESRS S4	S4-1, S4-2	
Business conduct	ESRS G1		
IRO management	ESRS G1	G1-1, G1-3	
Metrics and targets	ESRS G1	G1-4	

We will continue to address more disclosure requirements in future reporting periods once Avarn Security is obliged to comply with CSRD reporting requirements.

SUSTAINABILITY GOVERNANCE:

[GOV-1] Administrative, management and supervisory bodies

The CEO is ultimately responsible for the daily operations and management of the company, including sustainability matters, and reports on these to the Board of Directors. Responsibility for sustainability reporting lies within the CFO organization, together with financial reporting. Within each country and brand there is a named individual with responsibility for coordinating ESG/Sustainability activities within their unit. We believe this supports a close link between sustainability and operations. These individuals are key contributors to the double materiality process to determine Avarn Security's material sustainability topics, and ensure continuous integration of sustainability matters into Avarn Security' strategy and business model.

The Board of Directors and the executive management team are comprised of a highly skilled and qualified individuals, bringing both expertise from the security industry as well as perspectives from other branches. The executive management team ensures that the necessary policies and guidelines are in place and through these they monitor, manage and oversee all aspects of Avarn Security's operations, including sustainability related impacts, risks and opportunities. The CEO or CFO are typically responsiblie for group-wide policies and guidelines, and country managers are typically responsible for local or country-specific policies and guidelines.

The Board of Directors meets approximately six times a year (more often if needed), and the CEO and CFO are responsible for ensuring the agenda and content of these meetings addresses the most critical topics for the company, including those pertaining to sustainability. The executive management team reports to the CEO, and there is continuous reporting on a weekly and monthly basis to ensure a continuous chain of communication and responsiveness to the business. Where sustainability related targets exist, reporting on these to group management is done on a quarterly basis in existing forums.

For additional details regarding the Board of Directors and Executive Management team, see the chapter on Corporate Governance.

Facts and figures

Board of directors composition	Quantity	Percentage
Executive vs. non-executive board members		
Executive members	0	0 %
Non-executive members	7	100 %
Board member independence		
Independent	7	100 %
Affiliated	0	0 %
Gender balance – excluding employee representatives		
Female	2	40 %
Male	3	60 %
Gender balance – employee representatives		
Female	0	0 %
Male	2	100 %

Executive management	Quantity	Percentage
Female	1	12 %
Male	7	88 %

[GOV-2] Sustainability matters addressed

Sustainability topics are addressed monthly within operative business units, quarterly in reporting to group management, and at least annually in management reporting to the board of directors. Group CFO is responsible for this reporting. In general, sustainability matters are considered in strategy processes and inform decision-making.

[GOV-3] Integration of sustainability-related performance in incentive schemes

Remuneration schemes do not currently incorporate sustainability-related performance metrics.

STRATEGY AND BUSINESS MODEL

[SBM-1] Strategy, business model and value chain

Avarn Security a leading provider of security services and products in the Nordics, with operations in Norway, Sweden, Finland and Denmark. Avarn Security Group is comprised of the Avarn Security, Nokas, and Skan-Kontroll brands:

- Avarn Security is a leading provider of security services and solutions with operations in Norway, Sweden and Finland. Security services and solutions include manned guarding services, aviation security, remote alarm monitoring, and intelligent security technology and systems
- Nokas provides payment solutions, cash handling and value transport services, ATM services, as well as various technologies within payments. Operations in Norway, Denmark, Sweden, and Finland
- Skan-kontroll is a specialized provider of control services in the Norwegian market

In 2024 the group had revenue of 10 376 MNOK, and consisted of 16.200 employees.

[S1-6] # Employees (headcount)	Avarn Security Group (total)	Avarn Security*	Nokas	Skan-Kontroll
Norway	**5 532**	4 956	157**	419
Sweden	**7 815**	7 815		
Finland	**2 666**	2 523	143	
Denmark	**178**		178	
Total	**16 191**	**15 294**	**478**	**419**

*Group-level employees are here counted as part of Avarn Security

**Nokas employees located physically in Sweden are reported together with Nokas Norway

Further details regarding our operations and products and services can be found in the section Avarn Security at a glance in this report.

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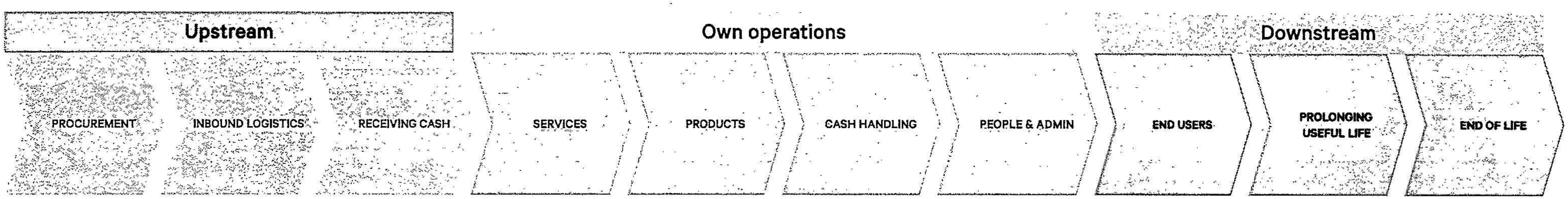
Avarn Security' value chain, including upstream and downstream, in addition to our own operations, can be depicted as follows:



Procurement

- Security systems (cameras, access control, alarms, etc.)
- Cash bags
- ATMs
- Uniforms
- Vehicles
- Services from subsuppliers
- Other necessary equipment or services

Inbound logistics

- Receive procured goods to the right location
- Warehousing of security equipment and supplies (when necessary)

Receiving cash

- Collection of cash from various clients (e.g., retail stores, banks, ATMs)

Services

- Manned guarding at client sites (stationary at 1 site or mobile to several), including airport security
- Monitoring and maintenance of security systems
- Delivery of various control services

Products

- Setting up and configuring security systems like cameras, alarms, and access control systems

Cash handling

- Counting, sorting, and verifying cash
- ATM operations
- Secure storage of cash
- Secure transport of cash for processing

People & admin

- Recruitment and training of skilled security personnel and technical staff
- Planning optimizing resource utilization and striving to minimize absences like sick leave
- Other administration (Finance, IT, Quality, etc.)

End users

- Deliver security resources, services, and personnel to client locations,
- End users of ATMs and cash in general can be anyone engaged in payments
- End users are often the public

Prolonging useful life

- Uniforms are reused as much as possible
- Remote services provided where possible
- ATMs are updated and/or upgraded to prolong lifetime

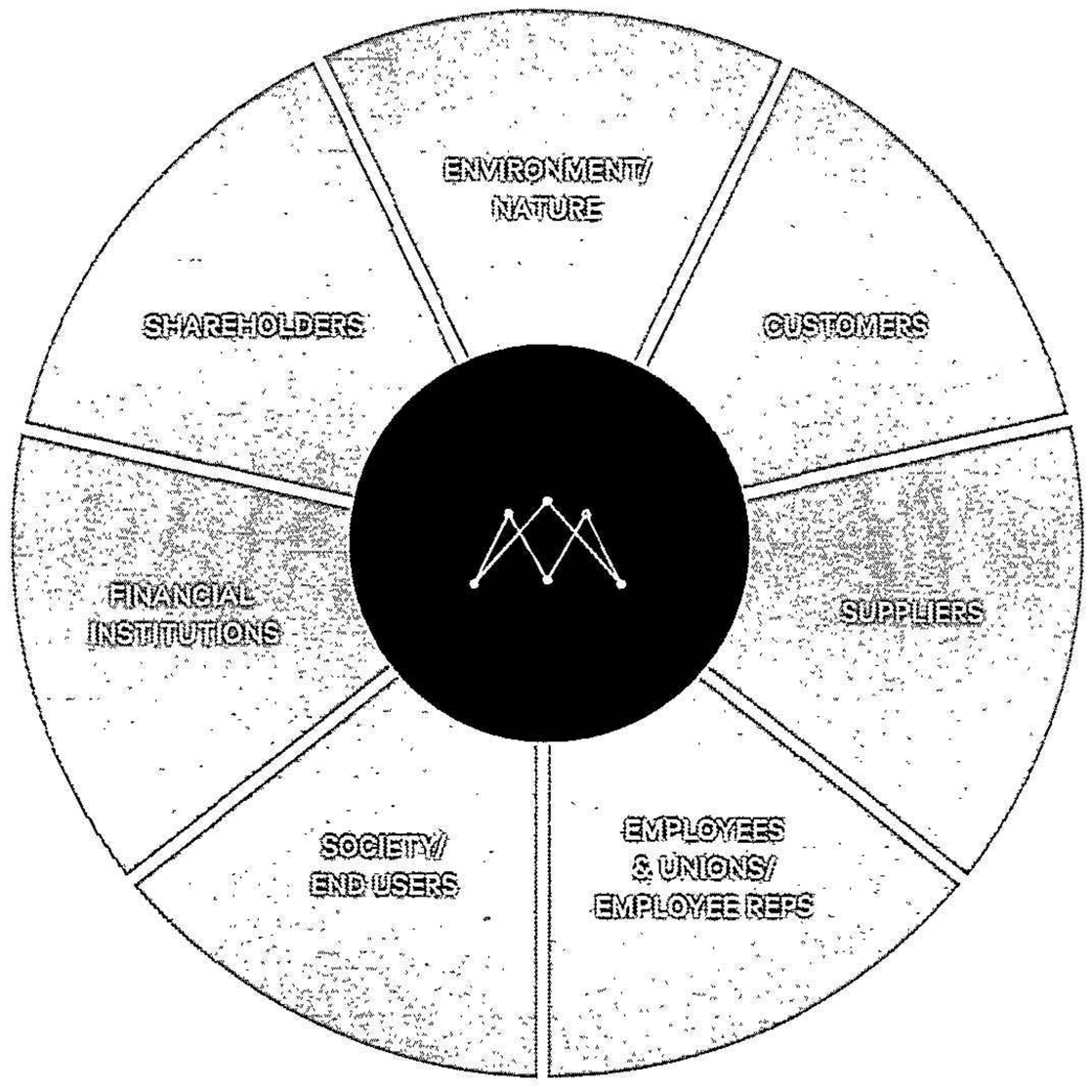
End of life

- Customers use installed security equipment and typically handle directly the disposal at end of useful lifetime
- Waste from operations

CSRD requirement ESRS 1 states that double materiality assessment should look for sustainability matters not limited to own operation but also include upstream and downstream value chain. The mapped value chain shows the most material activities relevant for the analysis.

[SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS

Avarn Security Group's stakeholders:



Avarn Security pursues an active and frequent dialogue with its various stakeholders. Understanding and incorporating their views is essential to understanding and properly addressing sustainability matters, and the views of these stakeholders have therefore informed our materiality assessment.

Stakeholder group	How we engage with them	What topics are they concerned with (not exhaustive)
Customers	Continous dialogue from sales process into ongoing operations, via meetings and our digital customer portal which is continuously being developed	Transparency around emissions footprint, compliance throughout our value chain, diversity
Suppliers	Continuous dialogue between procurement and suppliers, and via tools like Worldfavor to systematically map and develop our supplier base	Workers in the value chain, predictable requirements, emissions
Society / End users	Enable a safe society by providing services to secure public and private spaces, public disclosures of company information	Emissions footprint, corruption and bribery
Employees & unions/employee reps	Continuous dialogue between managers and employees, collaboration tools like Teams, employee reps in BoD, open dialogue with unions,	Fair pay, diversity and inclusion, safe work environment
Financial institutions	Quarterly/yearly reporting, refinancing and new agreements	KPIs in sustainability linked loan: reduced CO2 footprint, gender balance, LTIFR
Shareholders	AGM, quarterly results, annual reporting	Corporate governance
Environment / Nature	Take a science-based approach to minimizing Avarn's impact on the planet	Emissions footprint

[SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The following topics are considered material for Avarn Security, including how we understand them:

- **Climate change:** reducing emissions and energy use from Avarn's value chain and own operations is a high priority for Avarn Security. There are additionally risks and opportunities connected to changing requirements in this area.
- **Pollution:** pollution caused by Avarn's own vehicles and upstream value chain activities is considered to be a material topic due to the negative impact it can have on local areas.
- **Own workforce:** Avarn Security views the working conditions and equal treatment/opportunities for our own workforce to be of very high importance due to the criticality of human resources on the ability to successfully provide our services and being an area where a positive impact can be made. It is additionally a strategic differentiator as an employer.
- **Workers in the value chain:** Avarn Security takes responsibility for the impacts, risks, and opportunities that we generate as it relates to working conditions and other rights of workers upstream in the value chain.
- **Consumers and end-users:** Avarn's services can have significant impact on society, particularly on the health and safety and social inclusion of individuals.
- **Business conduct:** Avarn's corporate culture is largely considered to have a positive impact and opportunity, however there are also serious risks connected to corruption and bribery that are of strategic importance to prevent and mitigate.

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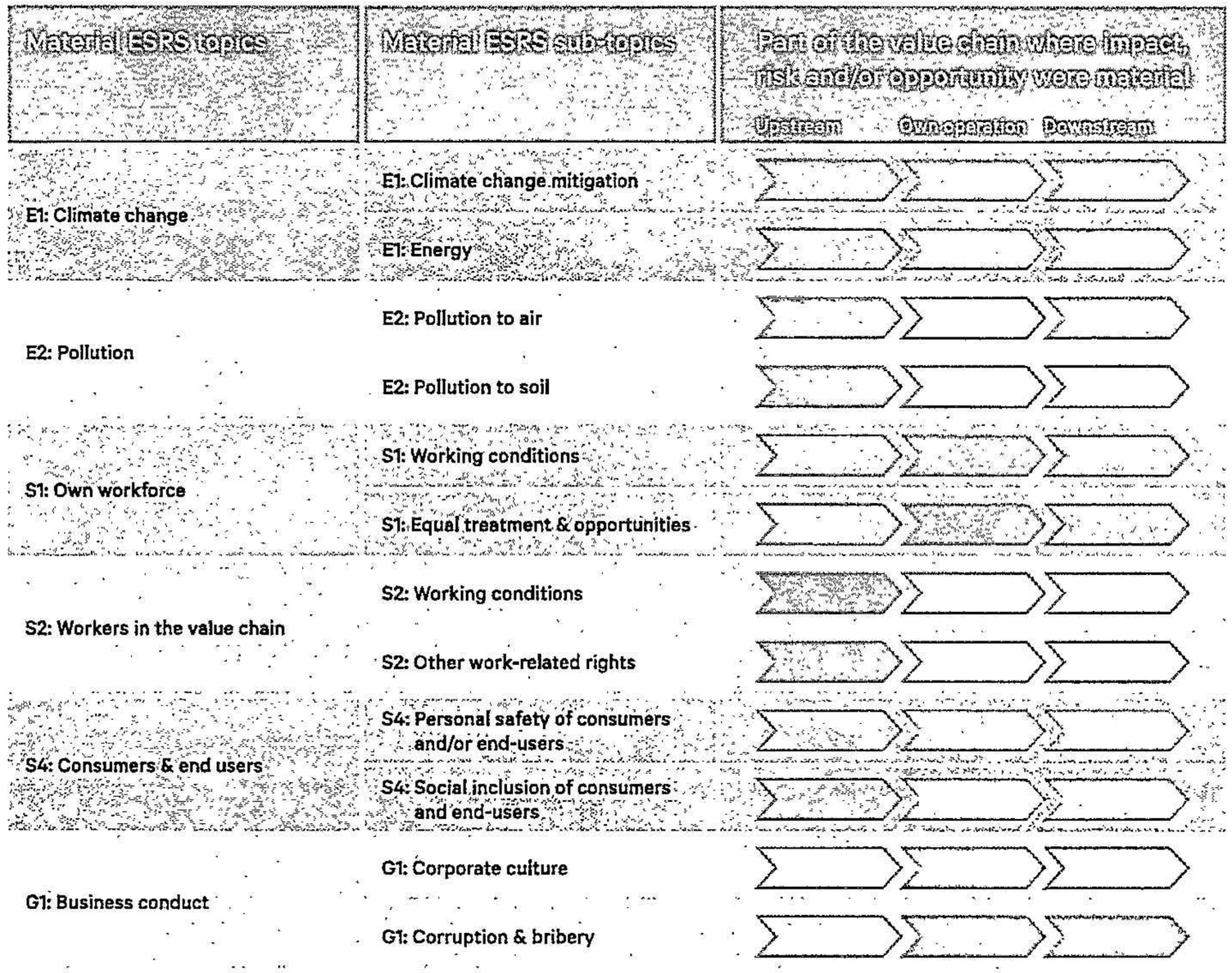
Each material topic and sub-topic can also be mapped towards Avarn Security's value chain:



[IRO-1] DOUBLE MATERIALITY ASSESSMENT

Avarn Security has in 2024 conducted a double materiality assessment to identify, assess, prioritize, and establish a basis for monitoring our potential and actual impacts on people and the environment, as well as the risks and opportunities that Avarn is therefore exposed to which may or may not have financial effects. The materiality assessment will form the basis for future sustainability reporting and will therefore be revised when necessary.

The process has considered the value chain and stakeholders as defined above. Internal and external stakeholders have been involved and consulted in the assessment, through both direct involvement or representation by qualified internal proxies.

With guidance from expert third-party resources, the materiality assessment was conducted in a four phase process:

Phase 1: Understand

Initiate a process to assess impacts, risks, and opportunities. This process is used to establish a foundation for informed decision-making and comprehensive reporting. Activities included mapping Avarn Security's activities, business model, business relationships and value chain, as well as identifying potential ESG-topics along the value chain.

Phase 2: Identify

Identify potential areas of influence through analysis and conversations with internal and external stakeholders. The outcome of this phase was a long list of potentially material matters (topics and sub-topics) and their related impacts, risks and opportunities.

- The analysis is based on a broad range of inputs:
- Interviews and workshops with internal stakeholders
- Interviews with external stakeholders and industry-insights
- External reports and sources
- Document review of internal reports

This ensures a comprehensive understanding of impacts, risks and opportunities. The identified impacts, risks and opportunities were classified as positive/negative, actual/potential, and linked to different levels of the value chain and ESRS topics

Phase 3: Assess

In this phase the final list of material matters was determined, based on an assessment of the materiality of the impacts, risks and opportunities (IROs). In this phase we confirmed scoring methodology for impact materiality:

Impact materiality	Financial materiality
Likelihood of occurrence	**Likelihood of occurrence**
Severity, defined as the average of: • Scale (how grave or beneficial), and • Scope (how widespread, the extent, or number of cases), and • Irremediable character for negative impacts (could it be remediated)	**Financial consequence, defined as the maximum of either:** • Financial impact (positive or negative), or • Reputation or compliance impact, or • Resource dependency
In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.	

Each above dimension was scored on a scale from 1 to 5, where the resulting score for an IRO is the product of its likelihood and severity or financial consequence scores.

Financial impact is measured in terms of EBITDA effect at a Group level, and accordingly makes possible the assessment of risks of unexpected costs, lost business, as well as commercial opportunities. Intervals used for scoring are aligned with other Group financial risk management.

Phase 4: Determine

[IRO-2] In this phase threshold values were established to decide which of the impacts will be covered in future sustainability reporting, and to create internal understanding on the topic. Key activities were to determine threshold values to identify significant ESRS topics, based on these thresholds confirm material sustainability topics, and finally understand how this is used moving forward with strategy and reporting.

Thresholds are used to determine which impacts, risks and opportunities are material, which drives the identification of material matters and material information for disclosure.

Best practice is to determine thresholds for materiality in collaboration with internal stakeholders and based on EFRAG's implementation guidance. The thresholds for impact materiality, financial materiality and for cases where the impact could have negative impacts on human rights, could be set separately. The thresholds could then be used to decide which impacts, risks and opportunities are material for reporting. Based on the scoring of each impact, risk or opportunity (IRO), the respective IRO will be assessed as either material for reporting or not material for reporting.

Thresholds for (potentially) negative impacts on human rights deviate from impact materiality to emphasize that the severity of the negative impact on human rights takes precedence over likelihood of occurrence.

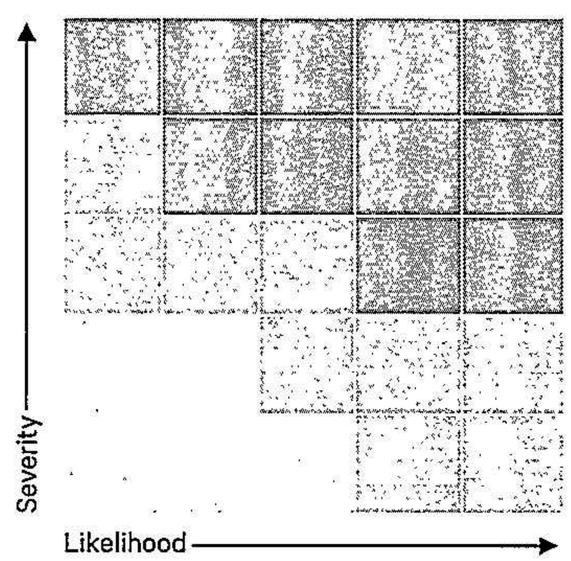
Avarn's thresholds for impact and financial materiality are based on EFRAG's implementation guidance:

High – Material for reporting
The topic is both strategically important and material for reporting

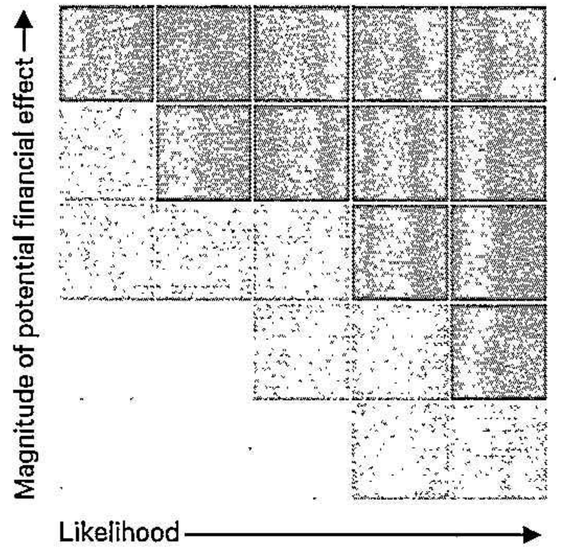
Medium – Not material for reporting
The topic may be material for future reporting and should be monitored

Low – Not material for reporting
The topic is considered non-material for Avarn's sustainability reporting

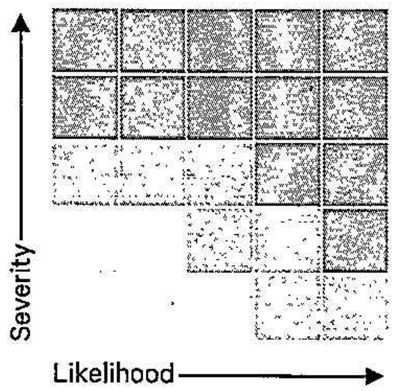
Impact materiality



Financial materiality



Negative impact on human rights
(potential)



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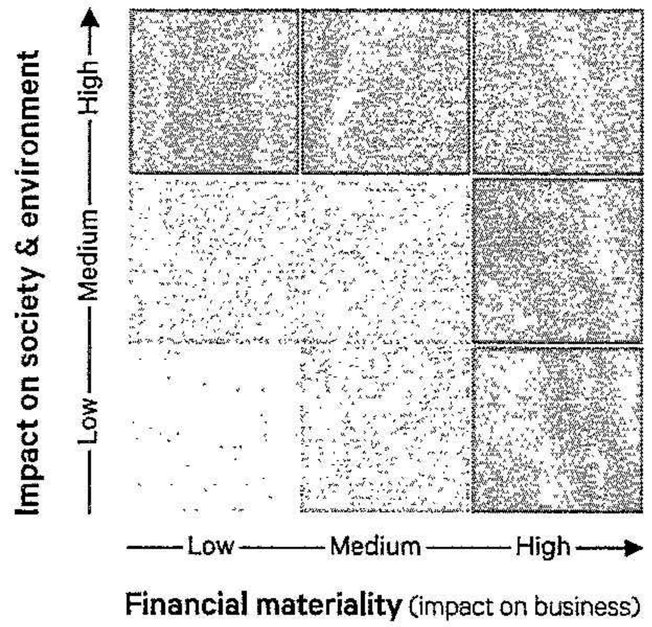
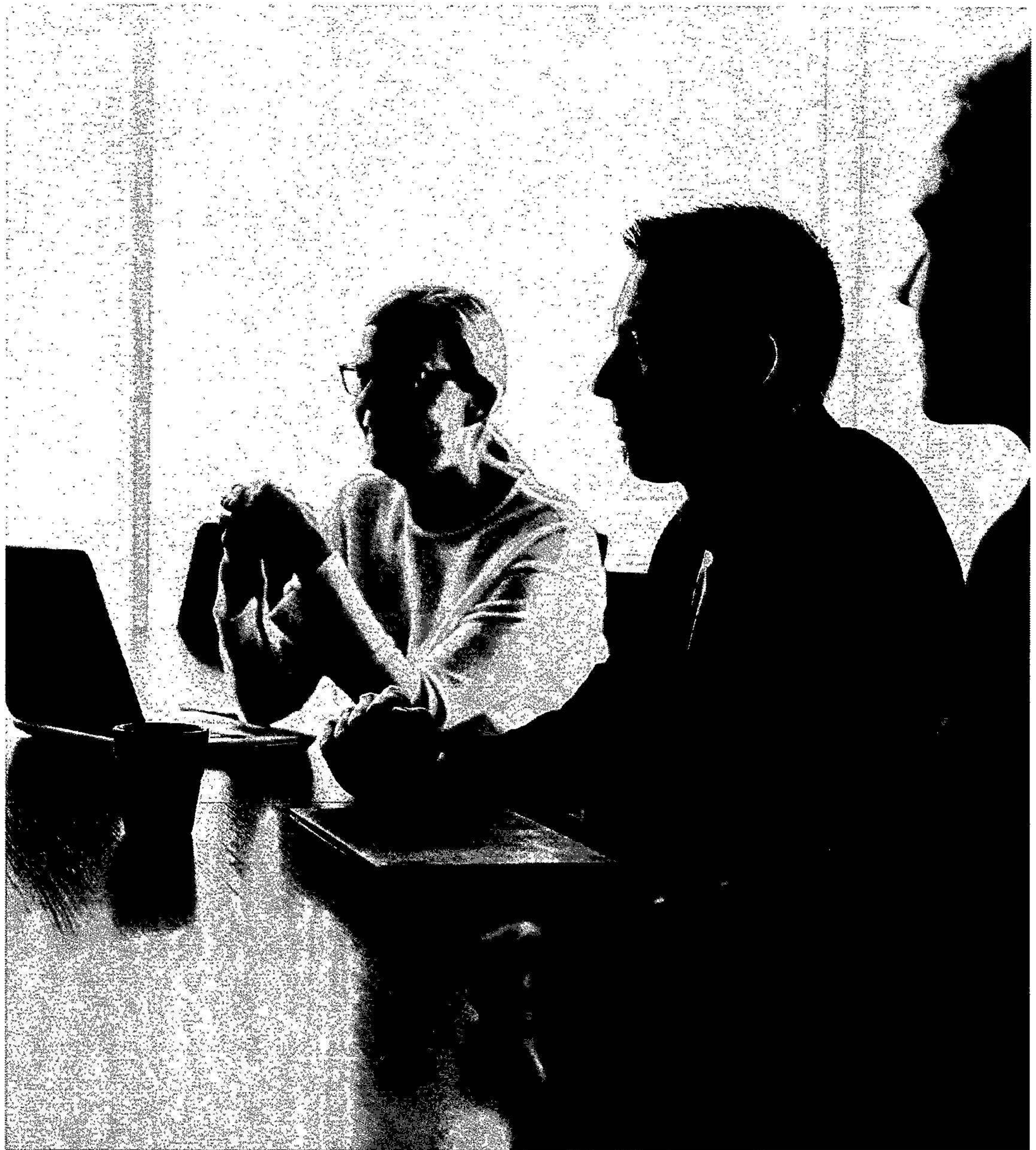
The only adjustment made to the EFRAG guidance relates to the impact materiality level in case of Severity score of 2 and Likelihood score of 5. EFRAG guidance suggests to score as "High" (material for reporting). As Avarn has chosen to score all actual impacts with a likelihood of 5, it is deemed appropriate to adjust the scoring of these cases to "Medium".

Finally, the double materiality perspective combines both the impact materiality and financial materiality to determine and prioritize the topics most critical for Avarn. Below materiality matrix visualizes this:



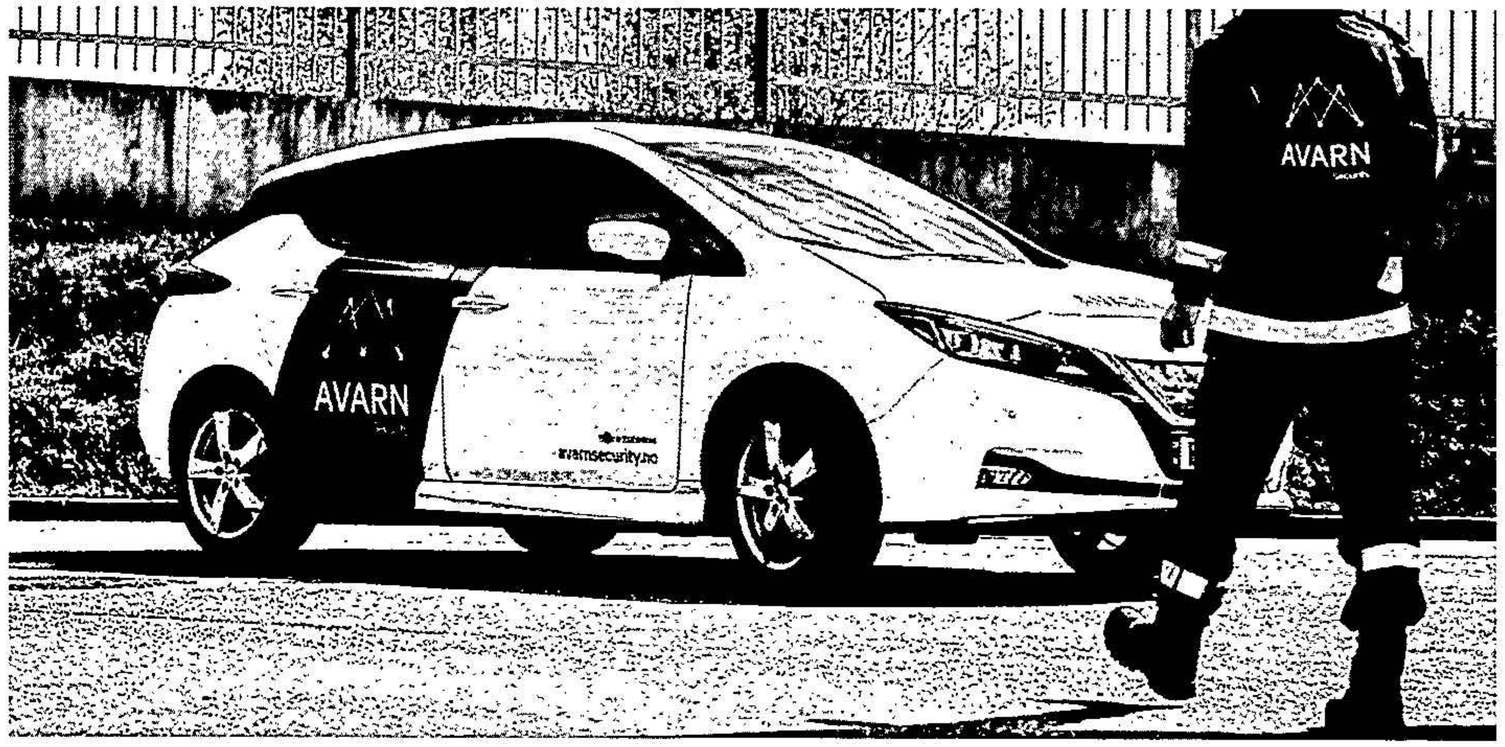
[MDR-P] POLICIES AND ACTIONS

Policy	Description	Relevant impacts, risks & opportunities	Scope	Accountable for implementation
Code of conduct	Avarn Security's overarching ethical principles as they relate to human rights, the environment, society, corruption and bribery, corporate governance, HR and compliance	Business conduct, own workforce,	Group	
Supplier code of conduct	Avarn Security's standard of business ethics as they apply to all suppliers and business partners, including business conduct, human rights and working conditions, environment, compliance, and reporting.	Business conduct, workers in the value chain	Group	
Anti-money-laundering policy	Measures to combat money laundering and terrorist financing, in compliance with "Hvitvaskingsloven" and applicable EU regulations.	Business conduct	Group	CFO
Anti-corruption policy	Avarn Security's principles for fostering an ethical business culture and preventing corruption and bribery. Avarn Security has zero tolerance for corruption and bribery.	Corruption and bribery	Group	Approved by BoD CEO is responsible
Privacy policy	Avarn Security's approach to proper processing of all personal data, in accordance with GDPR.	Own workforce, consumers and end users	Group	
Diversity, inclusion and equality policy	An extension of the Code of Conduct, this policy outlines principles and expectations which embed diversity, inclusion and equality into all business activities.	Equal opportunities for own workforce,	Group	CEO
Other local policies	Policies that are implemented locally, e.g. HR, HSE, CSR, Environmental	Climate change, own workforce, etc.	Local	Country management



SUSTAINABILITY

Environmental information



CLIMATE CHANGE

Climate change mitigation

Avarn Security's operations generate GHG emissions first and foremost through indirect sources – primarily purchased goods and services, in addition to fuel consumed by our vehicle fleet, and energy consumed by our offices and electric vehicles. These emissions have a negative impact on the environment and world we operate in, and we are committed to reducing our footprint.

Energy

All electronic equipment which Avarn Security delivers to customers consumes energy throughout its useful lifetime. Our own locations consume energy, and our increasingly electric-powered vehicle fleet also requires energy.

[E1.GOV-3] Climate-related considerations are not currently factored into remuneration schemes.

Impacts, risks, and opportunities management

Policies

Environmental policies are in place at the local level.

Actions

[E1-1, E1-4] Avarn Security is pleased to have in 2024 received validation from the Science Based Targets Initiative (SBTi) of its targets for reducing greenhouse gas emissions in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at the latest. By definition, in order to have GHG reduction targets approved by SBTi, the targets must be compatible with limiting global warming to 1.5 degrees Celsius in line with the Paris Agreement.

The exact wording of Avarn Security's SBTi targets are as follows:

- Overall Net-Zero Target: Avarn Security Group Holding AS commits to reach net-zero greenhouse gas emissions across the value chain by 2050.

- Near-Term Targets:
  - Avarn Security Holding AS commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year.*
  - Avarn Security Holding AS commits that 82% of its suppliers by spend covering purchased goods and services, capital goods, and upstream transportation and distribution will have science-based targets by 2028.
  - *The target boundary includes land-related emissions and removals from bioenergy feedstocks.

- Long-Term Targets:
  - Avarn Security Holding AS commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2050 from a 2022 base year.*
  - Avarn Security Holding AS also commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.*
  - *The target boundary includes land-related emissions and removals from bioenergy feedstocks.

[E1-1, E1-3] The primary decarbonization levers that will support achieving these targets are:

- Scope 1: shift from fossil-fueled to electric vehicles.
- Scope 2: maximize energy efficiency in buildings and electric vehicle charging
- Scope 3: reduce supply chain emissions through a supplier engagement program to require and prioritize suppliers to set their own science-based targets for reducing their GHG emissions.

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Metrics and targets

Data

[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions

GHG emissions in tons CO_2e	Avarn Security Group			Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2022 (baseline)	% vs baseline	2024	2024	2024	2024	2024	2024	2024
Total GHG emissions – location-based	**52 017.08**	**62 901.35**	**-17 %**	**19 437.47**	**11 756.17**	**10 782.68**	**1 390.75**	**3 065.95**	**2 664.16**	**2 919.89**
Total GHG emissions – market-based	**56 181.75**	**66 725.25**	**-16 %**	**22 295.81**	**11 852.70**	**10 872.42**	**1 475.35**	**3 869.00**	**2 753.90**	**3 062.57**
Scope 1	**8 408.74**	**9 382.80**	**-10 %**	**1 319.83**	**3 870.08**	**1 055.65**	**164.98**	**498.41**	**661.76**	**838.02**
Scope 2 – location based	**778.82**	**957.00**	**-19 %**	371.96	76.29	60.92	5.03	47.70	60.92	156.00
Scope 2 – market based	**4 943.49**	**4 077.90**	**21 %**	3 230.30	172.82	150.66	89.63	850.75	150.66	298.68
Scope 3										
Category 1: Purchased goods and services	**30 289.36**	**40 665.00**	**-26 %**	13 906.58	4 455.32	7 304.13	836.26	1 771.95	840.87	1 174.26
Category 2: Capital goods	**658.84**	**1 168.00**	**-44 %**	143.12	230.35	242.06	11.36	3.85	4.15	23.97
Category 3: Fuel- and Energy-Related	**2 741.74**	**3 295.00**	**-17 %**	492.83	1 302.49	327.12	45.49	148.47	182.27	243.05
Category 4: Upstream transport	**162.62**	**260.00**	**-37 %**	104.14	5.88	23.12	–	14.08	–	15.39
Category 5: Waste	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 6: Business travel	**2 833.06**	**2 730.00**	**4 %**	1 306.16	354.60	903.12	117.46	44.46	94.79	12.46
Category 7: Employee commuting	**1 582.16**	**1 617.00**	**-2 %**	294.63	488.99	350.76	31.61	26.85	350.76	38.55
Category 8: Upstream leased assets	**2 760.54**	**2 118.80**	**30 %**	943.75	417.69	238.59	56.12	497.27	191.41	415.71
Category 9: Downstream transport	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 10: Processing of sold products	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 11: Use of sold products	**898.56**	**703.00**	**28 %**	276.97	276.97	138.49	61.00	5.58	138.49	1.07
Category 11a: Use of sold products, excluding sale of fossil fuels	**898.89**	**703.00**	**28 %**	276.97	276.97	138.49	61.33	5.58	138.49	1.07
Category 11b: Sale of fossil fuels	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 12: End-of-life treatment of sold products	**3.75**	**4.75**	**-21 %**	0.53	0.53	0.26	0.10	1.74	0.26	0.33
Category 13: Downstream leased assets	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 14: Franchises	**n/a**	**n/a**		–	–	–	–	–	–	–
Category 15: Investments	**n/a**	**n/a**		–	–	–	–	–	–	–

Discrepancies in 2022 baseline in this report compared to figures reported in 2023 are due to improvements to the calculation methodology to align with the Greenhouse Gas Protocol's standards for measuring emissions.

Supplier engagement program

Avarn Security's scope 3 emissions are the largest contributor the company's overall footprint. Engaging suppliers to set their own science-based targets is therefore an important lever to indirectly reducing Avarn Security's emissions. This is one of the targets set with SBTi and progress is therefore reported here:

% Suppliers with science based targets for emissions reductions (by spend)	Avarn Security Group	
	2024	Target – 2028
% committed to setting targets for validation by SBTi	29 %	
% suppliers with SBTi validated targets	4 %	82 %

Suppliers that are "committed" to settings targets for validation by SBTi means that the company has formally registered with and committed to setting science-based targets for reducing their emissions that will be validated by SBTi within a specified deadline. Suppliers with validated targets have set targets for reducing their own GHG emissions that SBTi has validated as being science-based and in line with the Paris agreement.

There is some uncertainty in the figures due to the availability of data on companies with SBTi targets, and the compatibility of this data with our own data on suppliers and spend.

Electrification of vehicles

Avarn Security requires a substantial fleet of vehicles in order to deliver services to customers. Shifting this fleet to consist of increasingly electric vehicles in one of the primary levers for reducing Avarn Security's direct emissions. We therefore report on the development of this initiative:

Vehicle mix	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
# fossil-fueled vehicles	1 481	1 544	317	771	181	26	66	59	61
# electric vehicles	538	366	189	255	24	31	28	0	11
Total # vehicles	2 019	1 920	506	1 026	205	57	94	59	72
% electric vehicles	27 %	19 %	37 %	25 %	12 %	54 %	30 %	0 %	15 %

POLLUTION

Pollution to air
Fossil fuels used in transportation and logistics for purchased goods, and later from vehicles used to deliver products and services to customers pollutes the air.

Pollution to soil
Equipment which Avarn procures and sells to customers – primarily electronics – may contain substances such as metals which can pollute local soil during activities upstream in the value chain of these products (such as mining).

Impacts, risks, and opportunities management

As pollution to air and pollution to soil were identified as material sustainability topics in the 2024 materiality assessment, this is an area that Avarn Security needs to further understand and address in the future.

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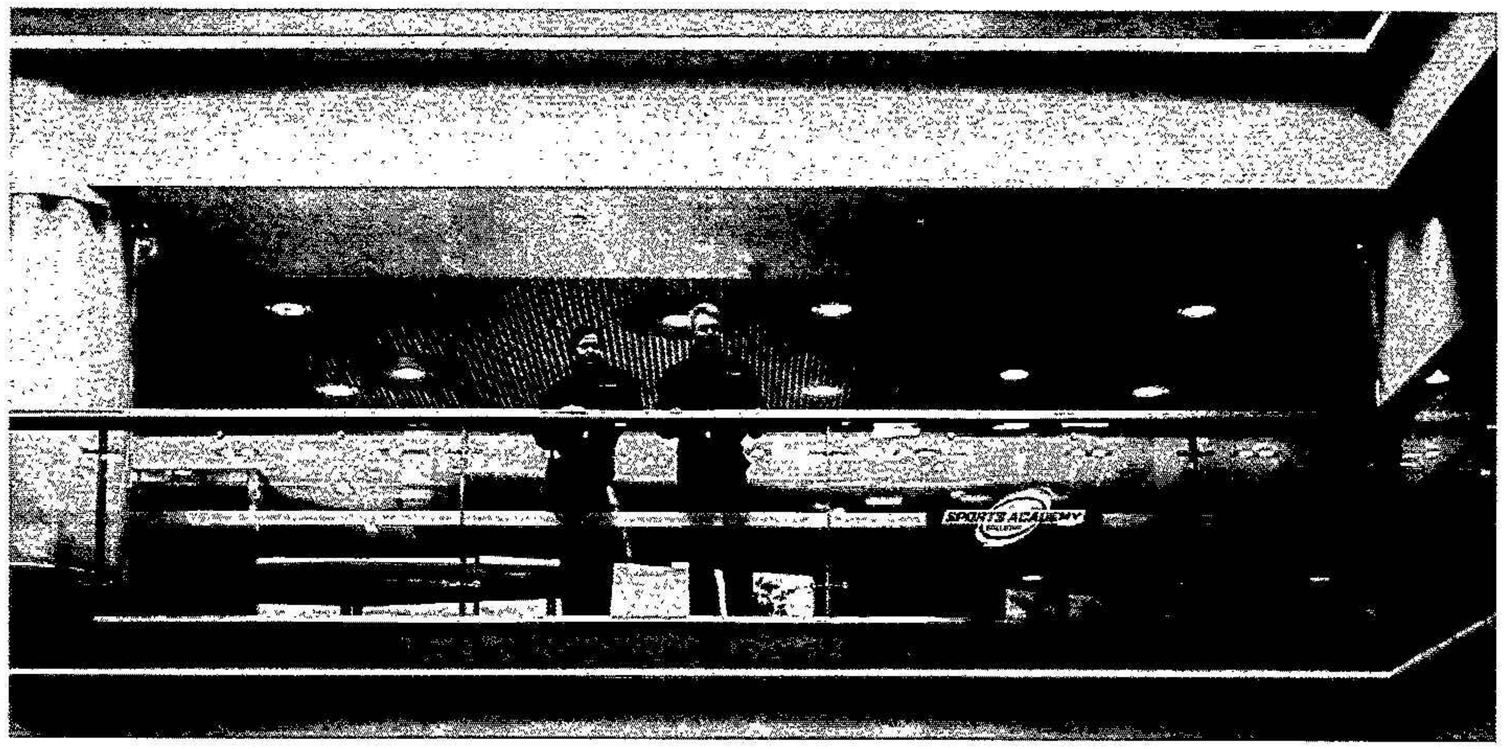
Social information



OWN WORKFORCE

[SBM-3] All people in Avarn Security's workforce are included in the scope of our materiality assessment and therefore this reporting. The materiality assessment has taken into consideration our own operations and the interfaces to the rest of our value chain. Our workforce consists mainly of employees, with some very limited use of hired in consultants.

Working conditions

As an employer, Avarn Security has a number of positive impacts on the working conditions of employees. One of the most important levers of impact is through constructive and active contribution to dialogues with unions and workers organization to ensure good working conditions and terms and conditions for employees. Furthermore, elected employee representatives and their participation is various decision making forums ensures a continuous dialogue with employees.

Avarn Security has robust resource planning systems and dedicated functions, which supports a working environment in line with regulations for, for example, working time. Additionally, Avarn Security has a positive impact on employee safety through providing additional training on conflict de-escalation and self-defence, optimizing staffing, closely following up our system for reporting safety observations and deviations, and more.

A few risks relating to the working conditions for employees are identified. Observed increases in violence in society can pose a risk to the health and safety of employees, in particular security guards. This results in a financial risk for Avarn due to risk of sick leave and potential reputational risks. If we do not work actively to ensure good working conditions, there is risk of increased turnover, challenges in recruitment, and increased costs of delivering manned services.

Equal treatment and opportunities

Avarn Security employs a diverse workforce of over 16.000 employees representing a wide range of ethnicities and genders. We contribute positively to equal opportunities and integration of minorities. We strongly believe that a diverse workforce that mirrors the diversity of society is better equipped to meet the public in our roles to protect and secure, and even presents an opportunity for Avarn by being an attractive as an employer.

Avarn Security has a positive impact on our workforce, and the wider potential workforce, by striving for gender equality in the workforce. Transparency and reporting on gender balance creates accountability, and there are initiatives to improve gender balance at all levels, including management. Improved gender balance is increasingly required or considered by customers, and needs further improvement. Avarn faces a risk of decreased competitiveness due to insufficient gender equality combined with increasing requirements from customers.

Furthermore, a positive impact on employees is generated by providing advancement opportunities internally in Avarn Security, as well as regular performance and career development reviews. Many supervisors and leaders have started their careers as security guards. Good resource management, continuous education, and talent retention develops these resources and provides a career of opportunities.

Impacts, risks, and opportunities management

Policies

[S1-1] Avarn Security's Code of Conduct outlines the ethical principles that guide all business activities, and sets expectations for both how employees should be treated and how employees should conduct themselves, and e-learning on the Code of Conduct is required training for all employees. The Code of Conduct specifies the importance of respecting human rights, and emphasizes the fundamental rights of employees as at Avarn Security as the freedom of association and the right to collective bargaining, freedom to choose without coercion

whether or not you want to remain in employment, freedom from child labour, and freedom from discrimination on the basis of gender, skin colour, ethnicity, cultural background, religion, sexual orientation or any disability.

Avarn Security's Diversity, Inclusion, and Equality policy cements the strategic importance of diversity, and specifies that in all group companies there shall be equal opportunities regardless of gender, gender identity, ethnicity, religion, disability, age, sexual orientation, or age. The policy ensures the fundamental human right of all employees to equal treatment, equality, and non-discrimination. All incidents of discrimination are investigated and mitigating actions to prevent reoccurrence shall always be taken. Reporting on gender equality is done on a monthly basis.

These group-wide policies are supplemented by other policies and guidelines within local units, covering for example HR and health, safety, and environment. This includes local management systems for accident prevention and reporting.

Processes

[S1-2] Avarn Security's employees and employee representatives are considered key stakeholders in our sustainability work. As such, their perspective is represented in among others our double materiality assessment through credible proxies (primarily leaders for human resources) to ensure the relevant impacts, risks, and opportunities as pertaining to our suppliers and workers in the value chain are identified. Employee representatives in the board of directors also ensures the employee perspective is considered in decision-making and strategy, including also sustainability topics.

Employees are engaged directly through recurring HR processes with line management and annual surveys of the working environment. The most senior role with operational responsibility for ensuring employee engagement occurs is the HR Director in each group company.

[S1-3] Avarn Security has in place processes and channels for employees to raise concerns. In addition to raising grievances via line management or human resources, the whistleblowing channel in place in each country Avarn Security operates which is available to all employees. Information regarding how to report a concern via the whistleblowing channels is available publicly on local company websites.

Metrics and targets

Data

Figures for the number of employees are reported using headcount and are based on the last date of the reporting period (31 December 2024).

Data points presented by gender are broken down into male, female, other gender, and gender not reported, in accordance with ESRS guidance. However, most countries in which Avarn Security operates do not have the possibility to legally register as a gender other than male or female.

[S1-6] Characteristics of employees

EMPLOYEE HEADCOUNT BY GENDER

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
Male	11 658	11 224	3 535	5 577	1 897	301	115	93	132	8
Female	4 533	4 329	1 408	2 238	626	118	42	50	46	5
Other gender	0	0	0	0	0	0	0	0	0	0
Gender not reported	0	0	0	0	0	0	0	0	0	0
Total employees	16 191	15 553	4 943	7 815	2 523	419	157	143	178	13

The total number of employees, as detailed above, can be cross-referenced with Note 5 the total salary costs reported in our financial statements, providing a comprehensive view of our workforce's financial impact.

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13 group-level employees are counted in the total figures for Avarn Security Group.

EMPLOYEE HEADCOUNT BY CONTRACT TYPE AND GENDER

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
Permanent employees										
Male	8 534		3 127	3 337	1 479	260	112	81	130	8
Female	3 365		1 238	1 458	462	87	34	35	46	5
Other gender	0		0	0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0	0
Total permanent employees	11 899	–	4 365	4 795	1 941	347	146	116	176	13
Temporary employees										
Male	366		281	0	48	22	6	8	1	0
Female	168		126	0	14	17	5	5	1	0
Other gender	0		0	0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0	0
Total temporary employees	534	–	407	–	62	39	11	13	2	–
Non-guaranteed hours employees										
Male	2 761		127	2 241	370	19	0	4	0	0
Female	997		44	779	150	14	0	10	0	0
Other gender	0		0	0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0	0
Total non-guaranteed hours employees	3 758	–	171	3 020	520	33	0	14	0	0

Headcount by contract type is based on number of employees at the end of the reporting period. This means that for example temporary employees with a start and end date within the same year are not reflected.

EMPLOYEE HEADCOUNT BY FULL-TIME OR PART-TIME AND GENDER

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
Full-time employees										
Male	6 230		1907	2749	1126	167	98	64	111	8
Female	2 180		645	1071	306	61	26	30	36	5
Other gender	0		0	0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0	0
Total full-time employees	8 410	–	2 552	3 820	1 432	228	124	94	147	13
Part-time employees										
Male	5 431		1 629	2 828	771	134	20	29	20	
Female	2 350		762	1 167	320	57	13	20	11	
Other gender	0		0	0	0	0	0	0	0	
Gender not reported	0		0	0	0	0	0	0	0	
Total part-time employees	7 781	–	2 391	3 995	1 091	191	33	49	31	–

EMPLOYEE TURNOVER

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
# employees who have left during the year	3 374		925	1630	616	110	20	37	36	0
Average # employees during the year	15 469		4 440	7 581	2 532	418	164	153	169	12
Percentage of employee turnover	22 %		21 %	22 %	24 %	26 %	12 %	24 %	21 %	0 %

[S1-8] Collective bargaining coverage and social dialogue

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
% employees covered by collective bargaining agreements	95 %	86 %	92 %	100 %	100 %	30 %	83 %	76 %	82 %	0 %

Due to the Swedish Co-Determination Act ("Medbestämmandelagen"), Avarn Security in Sweden does not map which employees are affiliated with a union or not. 100% coverage by collective bargaining agreements for Avarn Security Sweden is reported on the basis that the Swedish Discrimination Law ("Diskrimineringslagen") requires that employers must treat all employees equally regardless if they belong to a trade union or not, therefore all benefits or conditions that a collective bargaining agreement provides also apply to non-affiliated employees.

[S1-9] Diversity metrics

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK	Group / Corporate
	2024	2023	2024	2024	2024	2024	2024	2024	2024	2024
Gender distribution at top management level – headcount										
Male	37		10	4	6	3	6	1	1	6
Female	8		1	3	1	0	0	0	0	3
Other gender	0		0	0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0	0
Total top management employees	45	–	11	7	7	3	6	1	1	9
Gender distribution at top management level – percentage										
Male	82 %		91 %	57 %	86 %	100 %	100 %	100 %	100 %	67 %
Female	18 %		9 %	43 %	14 %	0 %	0 %	0 %	0 %	33 %
Other gender	0	0	0	0	0	0	0	0	0	0
Gender not reported	0	0	0	0	0	0	0	0	0	0
Age distribution of employees – headcount										
Under 30 years old	6 987		2 079	3 580	995	251	30	20	32	0
30-50 years old	6 313		1 912	2 933	1 097	132	65	77	87	10
Over 50 years old	2 891		952	1 302	431	36	62	46	59	3

Regarding the disclosure on gender at top management, the definition of top management used is in line with standard EFRAG guidance of one and two levels below the executive management team. In practice for Avarn this means "top management" includes the CEO and their direct reports (the executive management team), the teams reporting to members of the executive management team, and the first level of middle management. Internally these are referred to as "Level 1" through "Level 4".

[S1-10] Adequate wages

In 2024 Avarn Security performed an assessment to ensure all employees are being paid a living wage, by benchmarking against data from the Wage Indicator Foundation. This assessment confirmed that 100% of employees are paid above the benchmark living wage.

[S1-11] Social protection

All employees in Avarn Security are covered by public programs for social protection, and supplemented by company provided benefits, against loss of income due to major life events, including sickness, unemployment, employment related injuries or disabilities, parental leave, and retirement.

[S1-13] Training and skills development metrics

The average number of training hours per employee in 2024 was 17 hours, however comparable data was not available for all reporting units. This metric will be refined in future reporting.

[S1-14] Health and safety metrics

100% of employees in Avarn Security's workforce are covered by health and safety management system based on legal requirements and/or recognised standards/guidelines.

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	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
# of fatalities as result of work-related injuries and work-related ill health	0	0	0	0	0	0	0	0	0
# of fatalities as result of work-related injuries and work-related ill health of other workers working on Avarn Security sites	0	0	0	0	0	0	0	0	0
# of recordable work-related accidents for own workforce	257	241	48	142	57	6	4	0	0
Rate of recordable work-related accidents for own workforce (H1-value)	12.4	11.82	7.6	17.0	19.3	15.4	13.9	0.0	0.0

Rate of recordable work-related incidents is determined by dividing the respective number of cases by the number of total hours worked multiplied by 1000000, thereby representing the rate of cases per one million hours worked.

[S1-15] Work-life balance metrics

100% of Avarn Security's employees are entitled to family-related leave through local social policies in each country of operation.

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
Employees that took family-related leave – headcount									
Male	342		107	175	38	6	4	1	11
Female	253		126	72	40	12	1	0	2
Other gender	0		0	0	0	0	0	0	0
Gender not reported	0		0	0	0	0	0	0	0
Total	595		233	247	78	18	5	1	13
Employees that took family-related leave – percentage									
Male	3%		3%	3%	2%	2%	3%	1%	8%
Female	6%		9%	3%	6%	10%	2%	0%	4%
Other gender	0%		0%	0%	0%	0%	0%	0%	0%
Gender not reported	0%		0%	0%	0%	0%	0%	0%	0%
Total	4%		5%	3%	3%	4%	3%	1%	7%

[S1-16] Remuneration metrics

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
Gender pay gap	13 %	8 %	4 %	16 %	24 %	12 %	6 %	31 %	5 %
Total remuneration ratio	18		16	18	25	15	16	23	12

Gender pay gap is calculated as the difference between average yearly salary for males vs. females, divided by the average yearly salary for males.

Total remuneration ratio is the total remuneration for the highest paid individual divided by the median total remuneration for all employees (excluding the highest paid individual). Median employee annual total remuneration for the entire Group is determined as the weighted average of the median annual total remuneration for each reporting unit. See note 5 for information regarding CEO remuneration. Total remuneration for each reporting unit is determined using the same highest paid individual.

[S1-17] Incidents, complaints and severe human rights impacts

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
# incidents of discrimination, including harassment	42		34	0	4	4	0	0	0
# complaints filed through channels for employees to raise concerns	92		5	67	19	1	0	0	0
# of complaints filed to National Contact Points for OECD Multinational Enterprises	0		0	0	0	0	0	0	0
Amount (NOK) of fines resulting from cases of discrimination or other complaints from own workforce	0		0	0	0	0	0	0	0

The reported incidents of discrimination include all internally registered cases relating to discrimination and harassment. This can include both incidents affecting our own workers and incidents caused by our workers. Examples of incidents affecting our own workers caused by customers or members of the public could be unwanted sexual advances, use of racial slurs towards Avarn Security employees, or spitting towards security guards. Many reported cases relate to internal disagreements between employees. All incidents are included here as they have been reported as discrimination or harassment, but many of these can be assessed to not be relevant. Actions are planned to both improve reporting routines and prevent future incidents of misunderstanding. There are also variations in reporting routines across the reporting units, leading to a high volume of incidents for some reporting units and possibly inaccurately low volume for others, making it difficult to compare. In the future, improvements will be made to harmonize reporting routines.

[S1-18] Sick leave

	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
	2024	2023	2024	2024	2024	2024	2024	2024	2024
Short-term sick-leave (%)	4.9 %	4.9 %	5.0 %	5.0 %	6.0 %	4.1 %	5.2 %	3.1 %	5.0 %
Long-term sick-leave (%)	3.5 %	2.9 %	4.7 %	3.2 %	1.8 %	5.2 %	3.6 %	2.4 %	2.5 %

Targets

[S1-5] Avarn Security has set a target to improve gender balance from a baseline in 2022 of 29% females to 40% by 2030. Gender diversity is measured and reported on a quarterly basis so that actions to enable this can continuously be considered. This target is also one of the metrics reported as part of Avarn's sustainability linked loan, demonstrating the commitment and strategic priority of this dimension.

Furthermore, Avarn Security strives to create a safe working environment and reduce LTIFR by at least 30%, from a baseline in 2022 of 12.1 to 8.5 by end of 2027. This target is also a key metric reported in our sustainability linked loan.

WORKERS IN THE VALUE CHAIN

[SBM-3] All value chain workers who are likely to be materially impacted by Avarn Security, including impacts connected through Avarn Security's own operations and value chain, including through products or services, as well as through business relationships, are included in the scope for this matter.

Value chain workers who could be materially impacted are primarily workers working for entities in the upstream value chain.

Working conditions

Avarn Security purchases goods like electronics and uniforms, which often have value chains in regions with a higher risk of poor working conditions. Procuring these end products generates a potential negative impact on human rights upstream in our value chain. As such we have implemented a Supplier Code of Conduct in line with our own values and Code of Conduct, and have implemented a mapping of suppliers and follow up on potential risks. We use the Worldfavor platform to support these efforts.

Other work-related rights

Avarn Security's Supplier Code of Conduct has a positive impact on the working conditions and human rights within our upstream value chain by, for example, requiring our suppliers to provide good working conditions, freedom for workers to organize, pay workers a living wage, and address their emissions impact. Taking responsibility for our upstream activities is increasingly in focus from our customers, in particular within the public sector.

Impacts, risks, and opportunities management

Policies

[S2-1] Avarn Security has developed a group-wide Supplier Code of Conduct which supports developing value chain relationships that share our values and ensure our business partners adhere to a compliance and ethical approach to business conduct. The Supplier Code of Conduct applies to all of Avarn Security's suppliers and business partners in their business relationship with Avarn Security.

Suppliers shall respect and promote fundamental human rights and decent working conditions within their business operations and supply chains as set forth in the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises. This includes not causing or contributing to violations of human or labour rights.

Furthermore, the Supplier Code of Conduct explicitly requires that suppliers shall not participate in, use, or tolerate the use of child labour, forced labour, human trafficking or modern slavery.

The Supplier Code of Conduct is based on UN Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises, the UN Covenant on Civil and Political Rights, the UN Covenant on Economic, Social and Cultural Rights, and ILO's core conventions on fundamental principles and rights at work.

Avarn Security is not aware of any cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers.

Processes

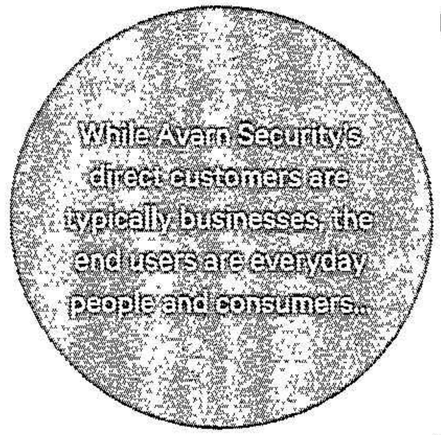
[S2-2] Avarn Security's suppliers and thereby workers in the value chain are considered a key stakeholder in our sustainability work. As such, their perspective is represented in among others our double materiality assessment through credible proxies (primarily leaders for procurement function) to ensure the relevant impacts, risks, and opportunities as pertaining to our suppliers and workers in the value chain are identified.

Avarn Security also engages directly with suppliers using the Worldfavor platform to map risks and obtain reporting from suppliers. The most senior role with operational responsibility for this engagement is the Director of Procurement.

[S2-3] Avarn Security has in place processes and channels for value chain workers to raise concerns. This is the via the whistleblowing channel in place in each country Avarn Security operates which is available to all employees in Avarn Security, customers, suppliers, sub-suppliers, and other stakeholders connected to these entities – including workers in value chain companies. Information regarding how to report a concern via the whistleblowing channels is available publicly on local company websites.

END USERS AND CONSUMERS

[SBM-3] All consumers and end-users who are likely to be materially impacted by the undertaking, including impacts connected with Avarn Security's own operations and value chain, including through our products or services, as well as through business relationships, are included in the scope for this matter.



While Avarn Security's direct customers are typically businesses, the end users are everyday people and consumers: people traveling by air and meeting our security agents performing airport security checks; users of cash obtaining money from Nokas ATMs; users of public transportation meeting a ticket controller on a bus; an employee at a small business using Avarn Security delivered security equipment for access management; other members of the public encountering a security guard in a public or private space.

Personal safety of end users and consumers

Avarn Security has a positive impact on the public and society in which we operate as a result of the services we provide. We provide security services to critical infrastructure, assets, and organizations. Additionally, we are in contact with members of the public who benefit from our workers being trained in things like conflict de-escalation, suicide prevention, and first aid. Our employees minimize violence in operations and support the public we encounter through our services by providing skilled personnel trained in a variety of situations. Security guards contribute to safer public spaces, security systems and personal safety alarms, and more all contribute to increased individual safety. The impact in the most extreme case is saving a life. We also see

20250605149 10

that these competencies can present an opportunity for Avarn as a competitive advantage.

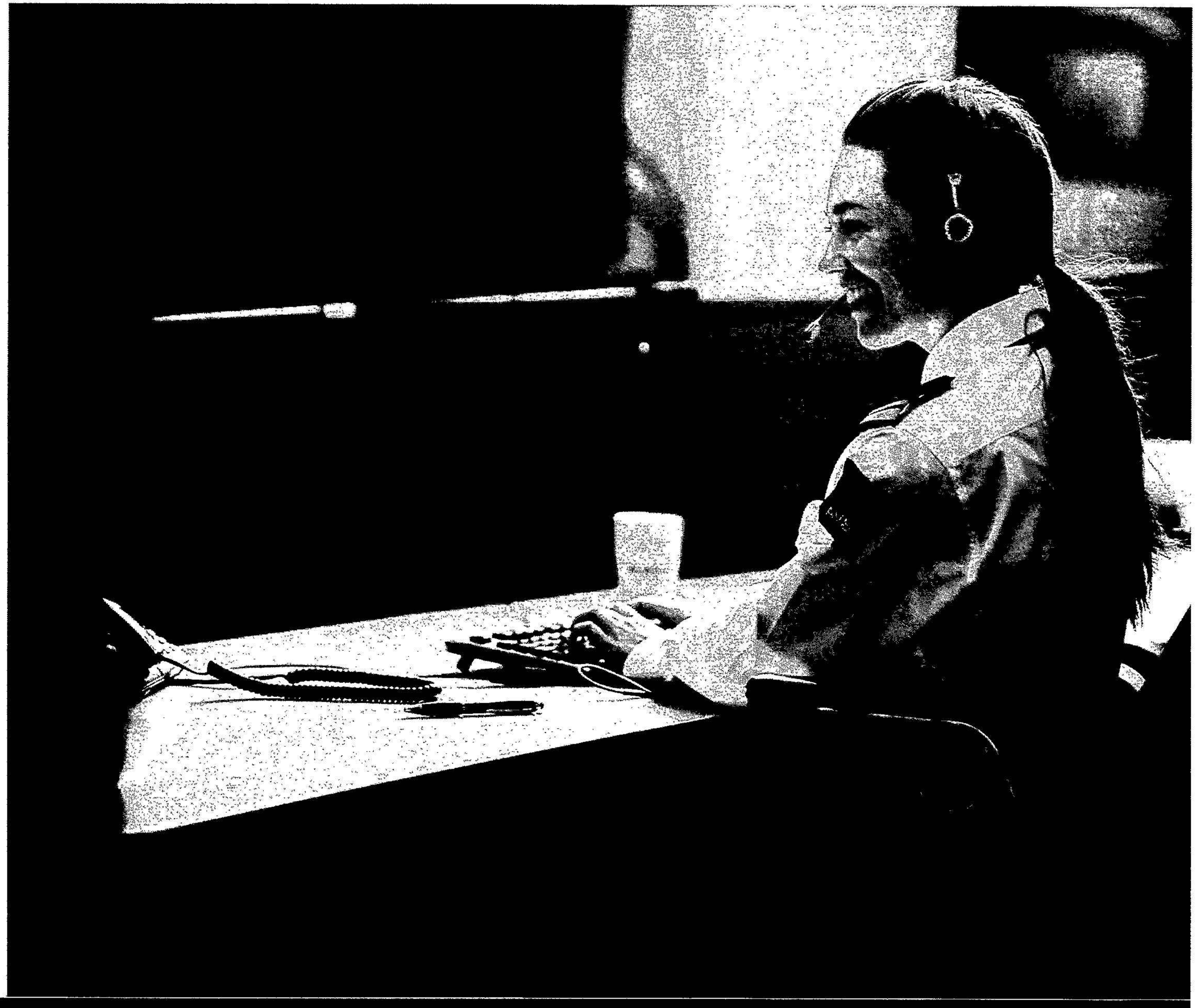
Social inclusion of end users and consumers
Avarn Security's operations have a positive impact on society by training and upskilling employees on how to avoid discrimination and bias in their interactions with the public. Employees meet the public with an open mind and a humane approach. Employees know how to avoid violating foundational human rights in their work. This is a critical focus area, as the reputational risk for Avarn is significant should there occur cases of discrimination, bias, or other misconduct by our employees in their interactions with the public.

Impacts, risks, and opportunities management

Policies
[S4-1] Avarn Security's Code of Conduct outlines the overarching ethical principles that guide all business activities, including how we interact with society.

Processes
[S4-2] Society and end users of Avarn Security's services are considered a key stakeholder in our sustainability work. As such, their perspective is represented in among others our double materiality assessment through credible proxies to ensure the relevant impacts, risks, and opportunities as pertaining to our end users and consumers are identified.

[S4-3] Avarn Security's whistleblowing channels are available to all employees in Avarn Security. customers, suppliers, sub-suppliers, and other stakeholders connected to these entities – including consumers and end users. Information regarding how to report a concern via the whistleblowing channels is available publicly on local company websites.



Governance information

BUSINESS CONDUCT

Impacts, risks, and opportunities management

Corporate culture

Avarn Security has a strong corporate culture that is viewed as a competitive differentiator. A relentless loyalty to our values – Commitment, Compassion, Collaboration - supports our HR strategy, leadership development, and creates a culture where we support and care about our employees. We firmly believe that taking care of our employees in turn drives good results.

Conversely, the risk of misconduct of our own workforce increases if we do not actively work with our corporate culture and operate according to our values and Code of Conduct. Leadership development, employee training, solid chain of command, and a spirit of openness and trust, all contribute to a positive working environment and minimizes the risk of misconduct. We must also apply rigorous standards when recruiting to ensure our workforce is qualified and shares the same commitment to our values.

Corruption and bribery

Avarn Security sets high ethical standards and has zero tolerance for corruption and bribery. Preventing corruption and bribery is a key element of ongoing training for all employees and thereby minimizes the risk of incidents. Nevertheless, Avarn is exposed to a reputational risk should incidents occur within our workforce, and a high degree of vigilance must be maintained at all time. In the Nokas business specifically, the nature of transporting and handling cash and valuables can be seen as a target for bad actors.

Policies

[G1-1] Avarn Security's code of conduct forms the ethical foundation for all company activities, and is based on our core values of Commitment, Compassion, and Collaboration. These ethical principles describe how we expect all of our employees in all countries to perform their duties in a way that upholds our values. All employees receive training in the Code of Conduct.

The established whistleblowing channels are available to both internal and external stakeholders, including all employees in Avarn Security, customers, suppliers, sub-suppliers, and other stakeholders connected to these entities. Information regarding how to report a concern via the whistleblowing channels is available publicly on local company websites. Additionally, regular dialogue between employees and managers and human resources serves also as a mechanism for continuously identifying concerns regarding unlawful behavior or behavior suspected to be in contradiction to Avarn Security's Code of Conduct. Whistleblower cases are handled anonymously unless the reporter chooses to provide their identity. Avarn Security firmly disavows retaliation against whistleblowers. Whistleblowing channels are established in each local (country) entity, and in some cases are incidents are received directly by a third-party law firm, ensuring strict confidentiality and handling by highly-trained and independent individuals.

Avarn Security's Anti-Corruption policy applies to all employees and should guide all agreements made with business partners. The policy defines corruption as the misuse of power for own gains, and underlines the company's zero tolerance for corruption. Principles for preventing corruption are also defined: never conceal corrupt or potentially corrupt activities, avoid activities which can facilitate any form for corruption, refrain from fraudulent or dishonest activities, never accept or offer anything which can be perceived as bribery or embezzlement. Concerns or suspicions regarding corruption can reported via the whistleblowing channel. Avarn Security shall provide training and guidance to its employees and workers regarding its ethical guidelines that communicate basic expectations for business conduct, as well as ensure that employees and workers receive advice on how to handle ethical dilemmas that they may encounter in their work.

Avarn Security's Anti-Money Laundering policy applies to all employees and is developed in compliance with applicable regulations. The policy sets out a definition for both money laundering and the financing of terrorism in line with applicable regulations. Furthermore, this policy defines the necessary due diligence, control and reporting measures, and internal training which are required to comprehensively prevent and counteract money-laundering.

In general, training in business conduct is part of onboarding and continuous education for all employees in Avarn Security. The functions which are most at risk for corruption and bribery are considered to be procurement, commercial resources managing contracts, and financial operations, due to their high interaction with external stakeholders and significant influence over resource allocation.

Processes

[G1-3] As reiterated in Avarn Security's Code of Conduct, we have zero tolerance for corruption or bribery, and all employees, suppliers, customers, and other business partners or stakeholders are encouraged to use the publicly available whistleblowing channels to flag any suspected incidents. All cases raised through these channels

202506051491 1

are reviewed and addressed through our process for handling whistleblowing cases. Whistleblowers can raise cases anonymously, and Avarn Security strictly forbids any retaliation measures towards whistleblowers.

We seek to prevent corruption and bribery by educating all employees on what constitutes corruption and bribery and equipping them with information regarding how to proceed should they observe or find themselves in a questionable situation. A good and open dialogue between employees and their line managers also fosters an environment where corruption and bribery can more easily be prevented. Training is available for all employees through our internal e-learning platform, and the Code of Conduct is available to all employees through the document center.

In case of allegations or incidents of corruption and bribery, if a situation is considered to be real then reporting regarding details and outcomes occurs to group management through existing weekly and monthly reporting forums. When relevant, independent external advisors might be used to ensure an objective review of the situation and required actions.

Metrics and targets

Data

[G1-4] *Incidents of corruption or bribery*

There is one incident relating to embezzlement which is included in the reporting. This relates to an ongoing investigation against a terminated Nokas employee in Norway

INCIDENTS OF CORRUPTION OR BRIBERY

	Unit	Avarn Security Group		Avarn Security NO	Avarn Security SE	Avarn Security FI	Skan-Kontroll	Nokas NO	Nokas FI	Nokas DK
		2024	2023	2024	2024	2024	2024	2024	2024	2024
Convictions for violation of anti-corruption and anti-bribery laws	#	0	0	0	0	0	0	0	0	0
Amount of fines for violating anti-corruption and anti-bribery laws	NOK	0	0	0	0	0	0	0	0	0
Confirmed incidents of corruption or bribery	#	1		0	0	0	0	1	0	0
Confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	#	1		0	0	0	0	1	0	0
Confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	#	0		0	0	0	0	0	0	0

Consolidated financial statements

71 Consolidated statement of profit and loss and comprehensive income

73 Consolidated statement of financial position

74 Consolidated statement of changes in equity

75 Consolidated statement of cash flows

76 Notes to the consolidated financial statements of the Group

76 General information
- Note 1 – General information
- Note 2 – Summary of significant accounting policies
- Note 3 – Critical accounting estimates and judgements

79 Consolidated statement of profit and loss
- Note 4 – Revenue from contracts with customers
- Note 5 – Employee benefits
- Note 6 – Finance income and expenses
- Note 7 – Income tax

83 Consolidated statement of financial position
- Note 8 – Goodwill and brand impairment testing
- Note 9 – Intangible assets
- Note 10 – Leasing
- Note 11 – Property, plant and equipment
- Note 12 – Financial assets
- Note 13 – Inventory
- Note 14 – Accounts receivable
- Note 15 – Cash and cash equivalents
- Note 16 – Share capital and shareholder information
- Note 17 – Financial instruments
- Note 18 – Other current liabilities

95 Other information
- Note 19 – Overview of subsidiaries
- Note 20 – Guarantees and pledges
- Note 21 – Subsequent events

20250605149 12

Consolidated statement of profit and loss and other comprehensive income

Amounts in NOK millions	Note	2024	2023
Revenue	4	10 376	9 605
Gain from sale of shares	4	-	82
Total revenue		10 376	9 687
Cost of materials		-1 169	-1 076
Personnel expenses	5	-7 573	-7 081
Other operating expenses	5	-849	-768
EBITDA		786	762
Depreciation and amortisation	9,10,11	-422	-418
EBIT		363	343
Net Finance	6	-111	-65
EBT		253	278
Income tax expense	7	-72	-8
Net income (loss)		181	270
Attributable to			
Equity holders of the parent company		173	255
Non-controlling interests		8	15

Consolidated statement of comprehensive income

Net income (loss)		181	270
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Currency translation differences in foreign operations		25	56
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Actuarial gain/loss on defines benefit pension plans	5	41	-61
Tax effects	7	-9	13
Other comprehensive income		57	8
Total comprehensive income (loss)		238	278
Equity holders of the parent company		230	254
Non-controlling interests		8	24

Consolidated statement of financial position

Amounts in NOK millions	Note	2024	2023
Assets			
Non-current assets			
Intangible assets			
Goodwill	8,9	1 718	1 680
Brand	8,9	163	158
Customer portfolio	9	265	327
Other intangible assets	9	192	179
Deferred tax assets	7	37	84
Total intangible assets		2 375	2 428
Tangible assets			
Right-of-use assets	10	509	473
Property, plant and equipment	11	550	480
Total tangible assets		1 059	953
Non-current financial assets	12	9	7
Total financial assets		9	7
Total non-current assets		3 443	3 388
Current assets			
Inventory	13	114	125
Accounts receivables	14	1 086	1 221
Other receivables		477	444
Cash and cash equivalents	15	399	479
Total current assets		2 076	2 269
Total assets		5 519	5 657

Consolidated statement of financial position

Amounts in NOK millions	Note	2024	2023
Equity and liabilities			
Equity			
Paid in capital	16	1 054	1 054
Other equity		-33	163
Non-controlling interests		22	21
Total equity		1 043	1 238
Non-current liabilities			
Deferred tax liabilities	7	75	100
Pension liabilities	5	16	66
Lease liabilities	10	329	292
Interest bearing debt	17	914	491
Other non-current liabilities		2	2
Total non-current liabilities		1 336	951
Current liabilities			
Lease liabilities	10	206	212
Interest bearing debt	17	20	182
Accounts payable		286	386
Tax payable	7	55	24
Public duties payable		782	724
Other current liabilities	18	1 791	1 940
Total current liabilities		3 140	3 468
Total equity and liabilities		5 519	5 657

Vidar Berg
CEO

Amund Skarholt
Chairman

Camilla Amundsen
Board member

Bjørnar Olsen
Board member

Wenche Kjølås
Board member

Pål Asbjørn Vindegg
Board member

Knut Johannes Berg
Employee representative

Christian Søvik Svensen
Employee representative

Oslo 29 April 2025

Consolidated statement of changes in equity

Amounts in NOK millions	Paid-in capital	Share-holder loan	Retained earnings	Foreign currency translation differences	Total equity - Owners of the parent	Non-controlling interests	Total equity
Opening balance 1.1.2023	1 042	308	-423	49	977	118	1 095
Income (loss) for the period			255		255	15	270
Other comprehensive income			(48)	47	-1	9	8
Transactions with owners							
Acquisition of non-controlling interests[1]					–	-109	-109
Derecognition of non-controlling interest – Sale of Semac AS						-11	-11
Settlement of shareholder loan	12	(308)	283		-14		-14
Dividends paid to non-controlling interests						-1	
Closing balance 31.12.2023	1 054	–	68	96	1 217	20	1 238

[1] Acquisition of non-controlling interests in Avarn Holding OY.

Amounts in NOK millions	Paid-in capital	Share-holder loan	Retained earnings	Foreign currency translation differences	Total equity - Owners of the parent	Non-controlling interests	Total equity
Opening balance 1.1.2023	1 054	–	68	96	1 217	20	1 238
Income (loss) for the period		–	173		173	8	181
Other comprehensive income		–	32	23	55	1	57
Transactions with owners							
Share buyback		–	(400)		-400		-400
Dividends paid to non-controlling interests						-7	-7
Correction of prior year error[1]			(25)		(25)		(25)
Closing balance 31.12.2024	1 054	–	-152	119	1 021	22	1 043

[1] Correction of previous years' errors in NVH A/S and CMS A/S.

20250605149 13

Consolidated statement of cash flows

Amounts in NOK millions	Note	2024	2023
Cash flows from operating activities			
Earnings before taxes		253	278
Tax paid for the period		-24	-26
Loss / gain from sale of fixed assets		-2	-3
Gain from sale of shares	4	–	-82
Depreciation and amortisation		422	418
Net interest expense	6	105	113
Change in inventory, acc. rec. and acc. pay		22	-177
Net payment to/received from pension fund and liability		-11	–
(Dis)agio on financial liabilities		2	3
Change in other accruals		-72	140
Net cash from operating activities		695	664
Cash flow from investing activities			
Proceeds from sale of fixed assets		5	25
Investments in fixed and intangible assets	9, 11	-166	-124
Proceeds from sales of shares in Semac AS	4	–	94
Interest received	6	18	15
Net cash from investing activities		-142	11
Cash flows from financing activities			
Proceeds from interest-bearing debt	17	1 120	600
Repayment of interest-bearing debt	17	-774	-769
Interest paid	6	-119	-124
Payments on lease liabilities	10	-223	-228
Net repayment of overdraft facilities	17	-102	-26
Acquisition of non-controlling interests			-102
Dividend paid to non-controlling interests		-7	-1
Net proceeds from cash cycle financing (Nokas Payment Solutions)	18	-156	181
Repayment of shareholder loan (liability portion)	17		-51
Share buyback	16	-400	
Net cash from financing activities		-662	-521
Net increase / decrease in cash and cash-equivalents		-109	154
Cash and cash equivalents 01.01	15	479	320
Foreign currency translation on cash flows		19	
Foreign currency translation on cash and cash equivalents		10	4
Cash and cash equivalents 31.12	15	399	479

Notes

Amounts in NOK millions

NOTE 1 – GENERAL INFORMATION

Avarn Security Group Holding AS ("the company") and its subsidiaries (together "the Group") is a leading Nordic security provider with operations in Norway, Sweden, Denmark and Finland. The company is a limited liability company domiciled in Norway with headquarters in Alf Bjerckes vei 1, Oslo.

An overview of subsidiaries included in the consolidated financial statements is provided in note 19 – Overview of subsidiaries.

All figures in the notes are presented in NOK millions, unless otherwise stated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Framework for financial reporting

This note provides a list of the significant accounting policies adopted in the preparation of the consolidated financial statement. These policies have been consistently applied to all accounting periods presented, unless otherwise stated.

The consolidated financial statements of Avarn Security Group Holding AS have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union.

The consolidated financial statements have been prepared on a historical cost basis.

Preparation of financial statements in compliance with IFRS requires the use of estimates. Application of the Group's accounting principles also require management to use judgement. Areas significantly influenced by judgement, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in note 3 – Critical accounting estimates and judgements.

The consolidated financial statements have been prepared under the going concern assumption.

2.2 Changes in accounting policies and financial notes

There have been no changes in accounting policies with significant impact on the figures for 2024.

2.3 Principles of consolidation

a) Associated companies
Holdings in associated companies are reported using the equity method.

2.4 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 Norwegian kroner (NOK), which is both the functional currency of the parent company and the presentation currency of the Group.

b) Transactions and balance sheet items
The results and financial positions of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date
- income and expenses for each statement of profit or are translated at average exchange rates for the quarter, and
- all resulting exchange differences are recognised in other comprehensive income.

2.5 Intangible assets

a) Goodwill
Goodwill is measured by including non-controlling interests share of goodwill. Goodwill is monitored per cash generating unit. Goodwill is tested for impairment annually or more frequently if certain events occur or changes to conditions indicate a possible impairment need. The carrying value of goodwill is compared to the recoverable amount, which is the higher of fair value less costs of disposal and value in use. Any impairment is immediately reported as an expense and is not reversed.

b) Brand
Brand is an intangible asset and is assessed to have indefinite useful life. Brand has been identified during the purchase price allocation of an acquisition, and has been capitalised on the basis of this.

c) Software
Software assets have finite useful life and are reported at the acquisition cost less accumulated amortisation and impairments.

d) Customer portfolio
Customer portfolio is an intangible asset assessed to have finite useful life. Customer portfolio has been identified during the purchase price allocation of an acquisition, or as a direct purchase of a customer portfolio. Customer portfolio is subsequently measured at cost less accumulated amortisation.

2.5 Property, plant and equipment

Property, plant and equipment is accounted for at acquisition cost less depreciation. Acquisition cost includes costs directly related to the acquisition of the fixed asset. Depreciation is calculated on a straight-line basis.

2.6 Investments and other financial assets

FINANCIAL INSTRUMENTS

The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the asset, and which business model the Group uses as a basis for the management of its financial assets. Upon initial recognition, the Group recognises a financial asset either at fair value, in which transaction costs are expenses in profit or loss or at amortised cost, in which transactions costs are included in the capitalised amount.

The Group classifies its financial assets into two categories:

- those to be measured at amortised cost.
- those to be measured subsequently at fair value through profit or loss.

FINANCIAL LIABILITIES

Initial recognition
Upon initial recognition, financial liabilities are recognised at fair value in addition to any directly attributable transaction costs.

Subsequent measurement
After initial recognition, interest-bearing liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liability is derecognised. Financial liabilities are measured at their nominal amount if the effect of discounting is insignificant.

Classification of financial instruments
Financial instruments as classified as either equity or debt, based on an assessment of the characteristics of the instruments and the substance of the contractual agreement. If the financial instrument conveys features such as lack of an obligation to repay to the holders of the instrument or options to convert into equity, the Group would generally assess this to represent traits of equity. As such, the financial instrument will then upon initial recognition be classified as equity, either partially, or in its entirety.

Loss provisions on financial assets
The Group uses the simplified method for calculating loss provisions for accounts receivable and contract assets. The Group measures the provision for losses based on lifetime expected credit losses. The Group has created a loss matrix based on historical credit losses, adjusted for forward-looking factors.

2.7 Inventory

Inventory are booked at the lower of cost and net realisable value. Acquisition cost is assigned using the FIFO method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Accounts receivable

Accounts receivable are measured at fair value on initial recognition. In subsequent measurement, accounts receivables are assessed at amortised cost using the effective interest rate, less expected credit losses. The Group's method of calculating expected credit loss is described in note 14 – Accounts receivable. Information on the Group's exposure to credit risk and currency risk is described in note 17 – Financial instruments.

2.9 Cash and cash equivalents

All physical cash held in the Nokas Payment Solutions division as part of the cash cycle, is classified as cash and cash equivalents.

2.10 Tax payable and deferred tax

Income tax expense consists of tax payable and changes in net deferred tax. The current tax expense is calculated on the basis of the tax regulations in force on the balance sheet day in the countries in which the parent company and its subsidiaries are active and generate taxable revenue.

Deferred tax is calculated on temporary differences between taxable and carrying amounts of assets and liabilities. Deferred tax is determined using tax rates and tax laws that have been adopted or are substantially adopted on the balance sheet date, and that are assumed to be used when the deferred tax asset is realised or when the deferred tax is settled. Deferred tax assets are recognised in the balance sheet to the extent that future taxable profit is sufficient to utilise the deductible temporary differences.

Deferred tax assets and deferred taxes are off-set if there is intention and a legally enforceable right to off-set tax assets against tax liabilities, and deferred tax assets and deferred tax apply to income tax imposed on the same entity by the same tax authority.

2.11 Employee benefits

The Group operates various post-employment schemes, both defined contribution plan and defined benefit plans.

2.14 Revenue recognition

Avarn sells security services related to guarding, systems security, monitoring, aviation security, payment solutions and cash handling. See note 4 for further information related to the business streams.

2.15 Leases

Recognition of leases and exceptions
At the time of implementation of a lease agreement, the Group recognises a lease liability and a corresponding right-of-use for all its leases, with exception of the following:

- Short-term leases (a lease term of 12 months or less)
- Low value assets

In these cases, the Group recognises the lease payments as other operating expenses in the income statement when they are incurred.

2.16 Cash flow statement

The cash flow statement is prepared using the indirect method. The reported cash flow solely contains transactions giving rise to payments.

Note 3 Critical Accounting Estimates and Judgments

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will not necessarily equal the actual outcome. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1 Estimated impairment of goodwill and brand

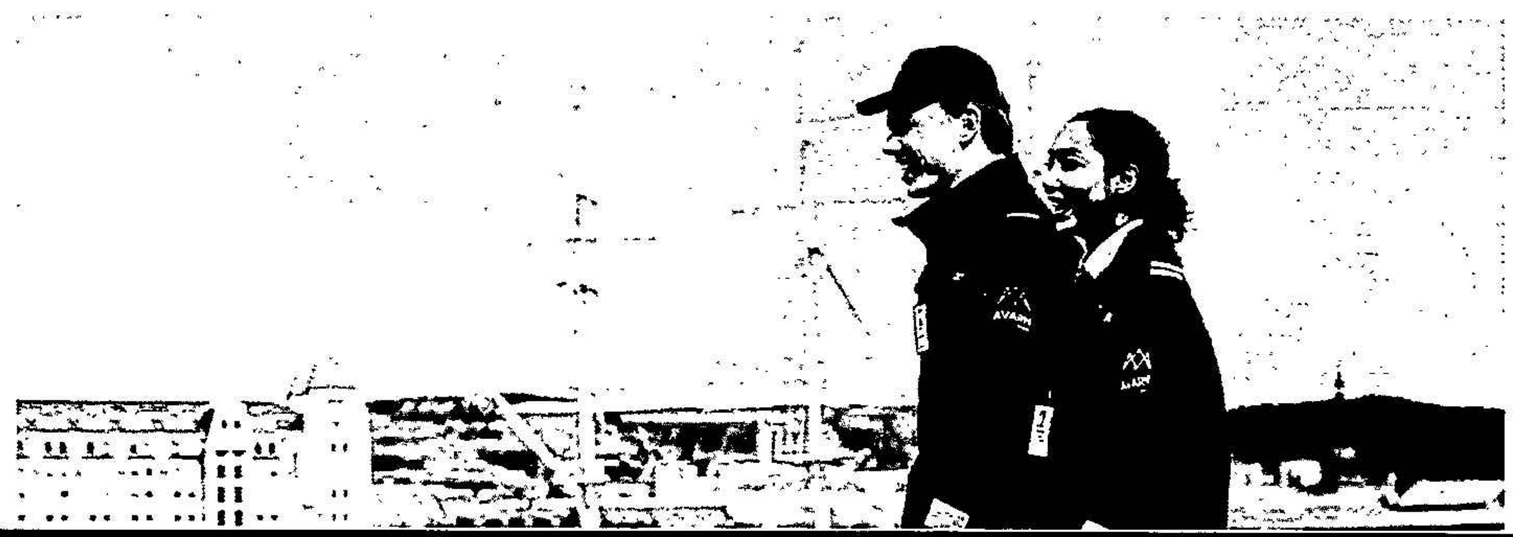
The Group tests annually whether goodwill and brand has suffered any impairment (see note 8 – Goodwill and brand – Impairment test, for details). The recoverable amounts of all cash generating units have been determined based on value-in-use calculations reported in continuing operations. These calculations require the use of estimates. Value in use must in part be based on management's evaluation, including determining the discount rate, estimates of future performance, revenue generating capacity of the assets, margins, required maintenance capex, overall costs and assumptions on future market conditions.

3.2 Deferred tax asset

Deferred tax assets are recognised in the balance sheet to the extent that it is probable that future taxable profit will be available to which the deductible temporary differences can be utilised. Consequently, judgement is required in order to forecast for taxable earnings.

3.3 Revenue recognition

Revenue from fixed-price contracts is recognised over time to the stage of completion of the contract activity at the end of the reporting period. An expected loss on the fixed-price contract is recognised as an expense immediately. The recognition of revenue and expenses by reference to the stage of completion of a contract is referred to as the percentage of completion method. Under this method, contract revenue is matched with the contract costs incurred in reaching the stage of completion, resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed. This method requires the management to make an estimate of the stage of completion for each fixed-price contract. The method is based on the proportion of contract costs incurred for work performed to date, relative to the estimated total contract costs.



20250605149 14

NOTE 4 – REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue 2024	Norway	Sweden	Denmark	Finland	Total
Guarding	1 580	2 942		1 087	5 608
Aviation	895	592		–	1 486
Systems	562	666		237	1 464
Monitoring	228	133		68	429
Skan-Kontroll	239	–		–	239
Nokas Payment Solutions	339	83	433	221	1 077
Total revenue from contracts with customers	**3 843**	**4 415**	**433**	**1 613**	**10 304**
Other revenue	49	8	12	2	72
Total revenue	**3 893**	**4 423**	**445**	**1 615**	**10 376**

Revenue 2023	Norway	Sweden	Denmark	Finland	Total
Guarding	1 448	2 692		1 047	5 188
Aviation	793	546		–	1 339
Systems	496	558		181	1 235
Monitoring	209	124		65	398
Skan-Kontroll	261	–		–	261
Nokas Payment Solutions	298	85	441	284	1 108
Total revenue from contracts with customers	**3 504**	**4 006**	**441**	**1 578**	**9 529**
Other revenue	51	18	6	1	76
[1] Gain from sale of shares		82			82
Total revenue	**3 555**	**4 106**	**447**	**1 579**	**9 687**

[1] On May 30th 2023, the Group sold all its shares, representing 60 %, of Semac AS. Profit and loss figures for Semac AS have been included in the Group's consolidated financial statements until the transaction date, on which the Group then recognised a net gain of mNOK 78 from the sale of all its shares. The net gain consists of proceeds from the sale, after deduction of net assets for Semac AS and transaction costs. The remaining gain from sale of shares (4 mNOK) is from sale of shares in Alarm24.

Assets and liabilities related to contract with customers	2024	2023
Current contract assets related to System contracts	138	108
Loss allowance	–	–
Total contract assets	**138**	**108**
Current liabilities relating to System contracts	34	38
Total contract liabilities	**34**	**38**

Disclosure of future performance obligations are not disclosed since remaining contract duration is less than 12 months.

Revenue is recognised from satisfaction of performance obligations in line with the amount one has the right to invoice, and disclosure of future performance obligations are therefore not disclosed.

Guarding

The Group's Guarding business consists of on-site and mobile guarding, comprising of sales of services, emergency calls and mobile inspections.

Revenues are recognised over time of delivery of the service which coincides with the time the Group is entitled to the revenue. Revenue is recognised at the sum to which an entity has a right to invoice, as this corresponds with the value to the customer of the entity's completed performance to date, in line with IFRS 15, B16.

Aviation

The Group's Aviation business consists of security services at airports, in which revenue is both based on hours and passengers passing security checkpoints. Revenue is subsequently recognised based on a combination of hours delivered or number of passengers passing security checkpoints.

Systems

The Group's System business consists of sales of technical facilities, including installation/assembly, equipment and service assignments. When delivering stand-alone goods, the delivery obligation is usually considered fulfilled at the time of delivery of the goods to the customer, and the income is recognized at this time.

Some contracts with customers contain several delivery obligations, such as sales of materials and associated installation services, as well as ongoing monitoring service. However, the customer can not use the item without associated installation and ongoing monitoring. Ongoing monitoring is a distinct delivery obligation, however, this service can not be performed by anyone other than the Group itself. The customer can therefore not use or obtain benefits from the individual delivery obligations separately, and such contracts are recognized and measured as one delivery obligation.

The Groups system division delivers installation contracts that are treated as construction contracts. In construction contracts, the outcome can be estimated in a reliable manner, and the recognized amount is based on the degree of completion. Contract assets are recognized by calculating the degree of completion based on input factors in the contract, measured against the total expected income and costs agreed in the contract. If it is probable that the contract costs will exceed the contract revenues, the expected loss is recognized immediately. In cases where the outcome of the contract cannot be measured reliably, the contract revenue is set equal to the contract cost.

Monitoring

Surveillance services are usually provided as subscriptions and are recognised as income over time as specified in the agreement. Emergency response to alarm signals at the customer are recognised as income at the time the response is made.

Skan-Kontroll

Skan-kontroll is a specialized provider of control services in the Norwegian market.

Revenues are recognised over time of delivery of the service which coincides with the time the Group is entitled to the revenue. Revenue is recognised at the sum to which an entity has a right to invoice, as this corresponds with the value to the customer of the entity's completed performance to date, in line with IFRS 15, B16.

Nokas Payment Solutions

Nokas Payment Solutions consists of services within the handling of physical cash, including cash management solutions, transportation of cash and operation of the Group's or customers' ATMs. Transaction income from ATMs, including currency margin income, is recognised as income at the time the transactions are completed. Fixed subscription revenues from, among others, autoCash machines and the operation of banks' ATMs are recognised over time (approximately linear distribution over the agreement period). Revenues from transport operations are recognised as income at the time of the completion of the operation. Income from cash counting and settlement, central bank deposits and sale of currency is recognised as income when the transactions have been completed.

NOTE 5 – PERSONNEL EXPENSES AND AUDITOR REMUNERATION

Personnel expenses	2024	2023
Salary and fees	**5 883**	5 495
Payroll tax	**1 134**	1 037
Pension expense	**416**	399
Other personnel expenses	**140**	150
Total personnel expenses	**7 573**	7 081
Average number of full-time-equivalents	**11 551**	11 066

Remuneration to the Group CEO and Chairman of the Board	Group CEO	Chairman
Salary	**5.0**	0.5
Bonus	**2.3**	
Pension expense	**0.3**	
Other personnel expenses	**0.4**	
Total	**8.1**	0.5

The Group CEO, Vidar Berg, is entitled to a salary for one year after resigning from his position.
The Group CEO has a result-oriented bonus contract, limited to maximum 50% of his base salary.
In addition, the CEO is entitled to a bonus from a long-term incentive plan (LTE), provided that the valuation of the Group exceeds certain thresholds.

	2024	2023
Loans to employees	0	1

The interest rate for employee loans is calculated on the basis of market interest rate.

Remuneration to external auditor	2024	2023
Statutory audit	9.7	8.8
Attestation services	0.3	0.3
Tax services	2.1	0.7
Other non-audit services	0.4	1.6
Total	12.5	11.4

Pensions

The Group's pension obligation in Norway satisfies the requirements of the Norwegian Act on Mandatory Occupational Pensions. Most employees of the Group are covered by a defined contributions plan. In addition, The Group has a (i) Closed defined benefits scheme and (ii) Contractual early retirement scheme (AFP). The AFP scheme is regarded as a defined benefit multi-company scheme, but is accounted for as a defined contribution plan until reliable and sufficient information is available so that the Group can account for its proportionate share of pension costs, pension obligations and pension assets in the scheme. The Group's liabilities / receivables in this scheme are thus not capitalised. The closed defined benefits scheme originates from an acquisition several years ago in the Nokas Payment Solutions division.

See table below for details on the number of people in the scheme as well as figures in the consolidated financial statements.

Defined benefits plan – Recognised in profit and loss	2024	2023
Pension cost – Defined benefits plan	-2	-1

Defined benefits plan – Recognised in balance sheet	2024	2023
Plan assets at the end of the year	392	379
Defined benefit obligation at the end of the year	-406	-437
Payroll tax	-2	-8
Net obligation (-) / asset (+) at the end of the year	-16	-66

Movements in net obligation during the year	2024	2023
Net obligation at the beginning of the year	-66	-3
Remeasurements recognised over OCI	41	-61
Contributions/benefits paid during year (including PT)	11	–
Pension cost recognised in P&L	-2	-1
Net obligation at the end of the year	-16	-66

Number of people in the scheme	2024	2023
Number of deferred pension rights	106	113
Number of employees	1	1
Number of pensioners	139	134

NOTE 6 – FINANCE INCOME AND EXPENSES

	2024	2023
Interest income	18	15
Net currency gain	11	59
Total finance income	29	74
Interest expenses	-95	-99
Interest expenses on lease liabilities	-29	-29
Other finance expenses	-17	-11
Total finance expenses	-140	-140
Net financial expenses	-111	-65

NOTE 7 – TAXES

	2024	2023
Income tax expense recognised in profit and loss		
Tax payable	-49	-17
Change in deferred tax on profit and loss	-17	6
Correction of previous years' tax expense	-7	3
Income tax expense	-72	-8
Effective tax rate	-28 %	-3 %
Income tax on items recognised in other comprehensive income (OCI)		
Change in deferred tax	-9	13
Total tax on items over (OCI)	-9	13
Reconciliation of tax expense		
Profit before tax	253	278
Tax at 22% (Tax rate of parent company)	-56	-61
Tax expense	-72	-8
Difference	-16	53
Difference explained by		
Utilisation of tax loss carried forward not recognised	10	25
Permanent differences	4	16
Correction of previous years tax expense	-7	3
Non-deductable interest costs	-17	–
Other	-7	10
Total explanation	-16	53
Tax payable at year end in the balance sheet	55	24
Movement in net deferred tax		
Net deferred tax (asset) at the beginning of the year	-16	-47
Movements in net deferred tax expensed in profit and loss	-17	6
Movements in net deferred tax recognised in OCI	-9	13
Correction of tax from previous years	-7	3
Foreign currency translation differences in net deferred tax	10	7
Net deferred tax (asset) at the end of the year	-38	-16
Significant components of deferred tax assets		
Tax loss carried forward	3	12
Non-deductible interest expenses	14	20
Accruals	10	16
Non-current assets	8	5
Intangible assets	-7	–
Leases	4	4
Pension liability	4	13
Other	-0	15
Total deferred tax assets	37	85
Significant components of deferred tax liabilities		
Deferred tax on intangible assets	80	98
Other items	-5	2
Total deferred tax liabilities	75	100
Net deferred tax asset (+) / liability (-)	-38	-16

	2024		2023	
Specification of tax loss carried forward		Of which recognised as deferred tax asset		Of which recognised as deferred tax asset
Norway	–	–	–	–
Sweden	–	–	31	6
Denmark	345	3	372	6
Finland	105	–	109	–
Total	450	3	512	12

Deferred tax asset has not been recognised on the basis of tax loss carried forward in Finland and in the Nokas Payment Solutions division in Denmark.

20250605149 15

The Group's assessment is that it is uncertain whether future taxable profit will not be sufficient to fully utilise the tax loss carried forward for entities in these two countries. Tax loss carried forward in Sweden has been recognised as deferred tax asset.

Tax rates	2024	2023
Norway	**22.0 %**	22.0 %
Sweden	**20.6 %**	20.6 %
Denmark	**22.0% / 26.0 %**	22.0 %
Finland	**20.0 %**	20.0 %

Tax loss can be carried forward for an indefinite period in Norway, Sweden and Denmark, but maximum ten years in Finland.

See table below for maturity schedule of tax loss carried forward.

Year of expiry	Amount
2025	0
2026	0
2027	7
2028	9
More than five years	90
No expiration date	345
Total	**450**

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules which will come into effect starting from January 1 2025. Under the legislation, the Group is liable to pay a top-up tax for the difference between their effective tax rate per jurisdiction and the 15 % minimum rate. Since all countries of the Group have a statutory tax rate above 15 %, the Group does not expect Pillar Two to have effect on the Group. However, the rules are complex, and the Group does therefore not have a complete picture of the quantitative effects of the Group's taxable income.

NOTE 8 – GOODWILL AND BRAND IMPAIRMENT TEST

Goodwill and brand in the Group amounted to mNOK 1 881 as of December 31, 2024. The most significant share of goodwill is related to the acquisition of Avarn Security Holding AS in 2019, the acquisition of G4S Holding (Norway) AS in 2014 and the acquisition of Svensk Bevakningstjänst AB in 2014. Brand is related to the acquisition of Avarn Security Holding AS in 2019.

Goodwill and brand both have indefinite useful life, and are therefore tested for impairment annually, in which the value in use of each *cash-generating unit* (CGUs) is estimated. The Groups Operating Segments, as defined in IFRS 8, consist of *Norway, Sweden, Finland, Nokas Payment Solutions* and *Skan-Kontroll*, and this is furthermore the lowest level at which goodwill and brand is monitored for internal management purposes.

Book value end of 2024	Goodwill	Brand	Total
Norway	422	–	422
Sweden	592	83	675
Finland	491	79	570
Nokas Payment Solutions	193	–	193
Skan-Kontroll	21	–	21
Total	**1 718**	**163**	**1 881**

The Group tests goodwill and brand for impairment at least annually, or when there are indications of impairment. The assessment was last performed as of 30.09.2024. However, there are no material changes to assumptions or booked values in the period until 31.12.2024. Management's conclusion is that there is no need for impairment as of 31.12.24 since the recoverable amount exceeds the book value of goodwill and brand. The recoverable amount is determined based on an assessment of the company's value in use. The value in use is calculated by discounting expected future cash flows after tax, using a relevant risk-adjusted discount rate after tax.

The following assumptions have been used when calculating the value in use as of 30.09.2024

2024	Norway	Sweden	Finland	Skan-Kontroll	Nokas Payment Solutions
Discount rate (after tax)	8.5 %	8.5 %	8.5 %	8.5 %	8.2 %
Long-term growth rate	2.5 %	2.5 %	2.5 %	2.5 %	0.0 %

The calculation of the value in use for the cash-generating units is calculated based on projections of budgets approved by management and the board for the next four years. Management and the board of directors expect increase in both revenue and EBITDA margin over the coming four years. The remaining period of the calculation is based on moderate growth corresponding to the long-term growth rate.

Sensitivity analysis for the key assumptions

As of the date of the impairment assessment, a sensitivity analysis has been performed in which the assumptions on EBITDA-margin in the impairment test have been changed The table below displays the percentage point reduction in EBITDA-margin possible before indicating an impairment need. The calculation of value in use was too a minor extent sensitive to increases in the discount rate (WACC) used.

2024	Norway	Sweden	Finland	Skan-Kontroll	Cash
Assumed EBITDA margin in impairment assessment	8.9 %	6.7 %	5.2 % – 6.0 %	7.9 %	18.6 %
EBITDA margin triggering impairment	4.3 %	4.5 %	4.8 %	5.8 %	12.3 %
Headroom – expressed in percentage points	4.6 %	2.2 %	0.4 % – 1.2 %	2.1 %	6.3 %

Headroom with regards to EBITDA is lowest for Skan-Kontroll and Finland, and details for assumptions are provided for these GCUs below.

EBITDA margin for 2025 is estimated based on a thorough estimate of revenue and costs, in which detailed forecasts are made for all business divisions. For Skan-Kontroll, the EBITDA margin for 2025 is assumed to be the same for the entire forecast period, including the terminal year. For Finland, the EBITDA margin is assumed to increase from 5.2 % in 2025 to 5.5% in 2026, and thereby increase to 6% for the remaining years. This is assumed to be reasonable because improvement projects have been implemented, which are expected to result in (i) reduced overhead costs, caused by both less FTEs and reduced IT-expenses, (ii) increased sale of digital services with increased margins, and (iii) sales price increases exceeding the cost base. Overall, we expect the margin in Finland to move towards Norway and Sweden, given that the products and services offered is similar as in Norway and Sweden.

2023

Book value 2023	Goodwill	Brand	Total
Norway	422	–	422
Sweden	583	82	665
Finland	468	76	544
Nokas Payment Solutions	187	–	187
Skan-Kontroll	21	–	21
Total	**1 680**	**158**	**1 838**

The Group tests goodwill and brand for impairment at least annually, or when there are indications of impairment. The assessment was last performed as of 30.09.2023. However, there are no material changes to assumptions or booked values in the period until 31.12.2023. Management's conclusion is that there is no need for impairment as of 31.12.23 since the recoverable amount exceeds the book value of goodwill and brand. The recoverable amount is determined based on an assessment of the company's value in use. The value in use is calculated by discounting expected future cash flows after tax, using a relevant risk-adjusted discount rate after tax.

The following assumptions have been used when calculating the value in use as of 30.09.2023

2023	Norway	Sweden	Finland	Skan-Kontroll	Nokas Payment Solutions
Discount rate (after tax)	9.3 %	9.3 %	9.3 %	9.3 %	11.4 %
Long-term growth rate	2.5 %	2.5 %	2.5 %	2.5 %	0.0 %

The calculation of the value in use for the cash-generating units is calculated based on projections of budgets approved by management and the board for the next four years. Management and the board of directors expect increase in both revenue and EBITDA margin over the coming four years. The remaining period of the calculation is based on moderate growth corresponding to the long-term growth rate.

Sensitivity analysis for the key assumptions

As of the date of the impairment assessment, a sensitivity analysis has been performed in which the assumptions on EBITDA-margin in the impairment test have been changed. The table below displays the percentage point reduction in EBITDA-margin possible before indicating an impairment need. The calculation of value in use was too a minor extent sensitive to increases in the discount rate (WACC) used.

2023	Norway	Sweden	Finland	Skan-Kontroll	Nokas Payment Solutions
Assumed EBITDA margin in impairment assessment	8.6 %	6.5 %	5.2 % – 6.5 %	6.6 %	17.1 % – 22 %
EBITDA margin triggering impairment	4.8 %	5.1 %	4.6 %	5.6 %	12.0 %
Headroom - expressed in percentage points	3.8 %	1.4 %	0.6 % – 1.9 %	1.0 %	5.1 %

Headroom with regards to EBITDA is lowest for Skan-Kontroll and Finland, and details for assumptions are provided for these GCUs below. EBITDA margin for 2024 is estimated based on a thorough estimate of revenue and costs, in which detailed forecasts are made for all business divisions. For Skan-Kontroll, the EBITDA margin for 2024 is assumed to be the same for the entire forecast period, including the terminal year. For Finland, the EBITDA margin is assumed to increase from 5.2 % in 2024, to 6.5 % for the remaining years. This is assumed to be reasonable because improvement projects have been implemented, which are expected to result in (i) reduced overhead costs, caused by both less FTEs and reduced IT-expenses, (ii) increased sale of digital services with increased margins, and (iii) sales price increases exceeding the cost base. Overall, we expect the margin in Finland to move towards Norway and Sweden, given that the products and services offered as similar as in Norway and Sweden.

NOTE 9 – INTANGIBLE ASSETS

	Software & other intangible assets[1]	Customer portfolio	Brand	Goodwill	Total 31.12
Acquisition cost 31.12.2022	318	776	147	1 604	2 846
Reclassifications[2]	38				38
Additions (intangible assets)	59	–	–	–	59
Additions (acquired companies)	–		–	–	–
Disposals	-12				-12
Foreign currency translation adjustment	3	45	10	76	135
Acquisition cost 31.12.2023	407	821	158	1 680	3 066
Reclassifications	–				–
Additions (intangible assets)	53	–	–	–	53
Disposals	-23	–	–	–	-23
Foreign currency translation adjustment	6	18	5	38	67
Acquisition cost 31.12.2024	443	839	163	1 718	3 163
Accumulated depreciation 31.12.2022	-192	-404	–	–	-596
Foreign currency translation adjustment	–	-23	–	–	-23
Depreciation for the year	-46	-68	–	–	-114
Amortisations on disposed assets during the year	11				11
Accumulated amortisation 31.12.2023	-228	-495	–	–	-722
Foreign currency translation adjustment	-7	-10	–		-17
Amortisation for the year	-40	-68	–		-107
Amortisations on disposed assets during the year	23				23
Accumulated depreciation 31.12.2024	-251	-573	–	–	-823
Net book amount 31.12.2024	192	265	163	1 718	2 338
Net book amount 31.12.2023	179	327	158	1 680	2 344

[1] Software and other intangible assets consists mainly of capitalised expenses for IT-software

Economic life	Up to 5 years	Up to 13 years
Depreciation schedule	Linear	Linear

Customer portfolio originates primarily from acquired companies, and has been identified through purchase price allocations. A minor portion of the customer portfolio has been acquired directly as an asset purchase. Customer portfolio is depreciated over 6-13 years.

Intangible assets assumed to have an indefinite useful life, comprise of goodwill and brand. These have been tested for impairment without any indication of impairment. See note 8 – Goodwill and brand impairment test for details.

NOTE 10 – LEASES

Right-of-use assets	Buildings	Equipment	Vehicles	Total
Book value of right-to-use assets 31.12.2023	**259**	**62**	**152**	**473**
Foreign currency translation adjustment	3	–	1	4
Additions of right-of-use assets	–	48	148	196
Adjustments	68	–	-0	68
Depreciation	-87	-42	-103	-232
Disposals	-0	–	-1	-1
Book value of right-to-use assets 31.12.2024	**244**	**68**	**197**	**509**
Lowest of remaining rental period or economic life	1-25 years	1-10 years	1-5 years	
Depreciation method	Linear	Linear	Linear	

Lease liabilities	Total
Total lease liabilities 31.12.2023	**503**
Foreign currency translation adjustment	4
New lease liabilities recognised in the period	183
Adjustments	68
Payments on lease liabilities	-223
Interest paid on lease liabilities	-29
Interest expense on lease liabilities	29
Derecognition of lease liabilities	-0
Total lease liabilities 31.12.2024	**535**
Short-term lease liabilities	206
Long-term lease liabilities	329

Undiscounted lease liabilities	
Less than 1 year	211
1-2 year	137
2-3 year	90
3-4 year	56
4-5 year	47
More than 5 years	56
Total undiscounted lease liabilities 31.12.2024	**597**

Right-of-use assets	Buildings	Equipment	Vehicles	Total
Book value of right-to-use assets 31.12.2022	**291**	**64**	**141**	**496**
Foreign currency translation adjustment	8	4	5	17
Additions of right-of-use assets	–	40	111	151
Adjustments	52	-6	-7	39
Depreciation	-92	-41	-96	-228
Disposals	–	–	-2	-2
Book value of right-to-use assets 31.12.2023	**259**	**62**	**152**	**473**
Lowest of remaining rental period or economic life	1-25 years	1-10 years	1-5 years	
Depreciation method	Linear	Linear	Linear	

202506051491 6

Lease liabilities	Total
Total lease liabilities 31.12.2022	**521**
Foreign currency translation adjustment	19
New lease liabilities recognised in the period	151
Adjustments	39
Payments on lease liabilities	-227
Interest paid on lease liabilities	-29
Interest expense on lease liabilities	29
Derecognition of lease liabilities	-0
Total lease liabilities 31.12.2023	**503**
Short-term lease liabilities	212
Long-term lease liabilities	292
Undiscounted lease liabilities	
Less than 1 year	217
1-2 year	142
2-3 year	83
3-4 year	50
4-5 year	34
More than 5 years	29
Total undiscounted lease liabilities 31.12.2023	**554**

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT

	Land & buildings	Machinery & equipment	Fixtures & fittings	Total 31.12
Acquisition cost 01.01.2023	379	670	819	1 867
Foreign currency translation adjustment	28	-6	-6	16
Reclassifications	-36	50	-14	–
Reclassifications intangible assets[1]	–	-38	–	-38
Additions	–	37	27	65
Disposals	–	-8	-2	-10
Acquisition cost 31.12.2023	371	705	824	1 901
Foreign currency translation adjustment	21	8	5	34
Additions	8	96	38	142
Disposals	–	-77	-46	-124
Acquisition cost 31.12.2024	400	732	821	1 953
Accumulated depreciation 01.01.2023	-57	-569	-723	-1 349
Reclassifications	24	-15	-9	–
Foreign currency translation adjustment	-7	2	3	-2
Depreciation for the year	-14	-34	-29	-77
Accumulated depreciation of sold assets	–	5	1	6
Accumulated depreciation 31.12.2023	-54	-611	-757	-1 421
Foreign currency translation adjustment	-6	-8	-5	-20
Reclassifications	–	-11	11	–
Depreciation for the year	-14	-37	-31	-83
Accumulated depreciation of sold assets		75	46	121
Accumulated depreciation 31.12.2024	-74	-593	-736	-1 403
Net book amount 31.12.2024	326	139	85	550
Net book amount 31.12.2023	317	94	68	479
Economic life	Up to 25 years	Up to 5 years	Up to 5 years	
Depreciation schedule	Linear	Linear	Linear	

[1] Reclassifications have been made between development costs/software and Property, plant and equipment.

NOTE 12 – FINANCIAL ASSETS

Financial assets consist of the following items.

Other non-current receivables	31.12.2024	31.12.2023
Investments in associated companies[1]	**4**	4
Other receivables and long-term investments	**5**	3
Total	**9**	7

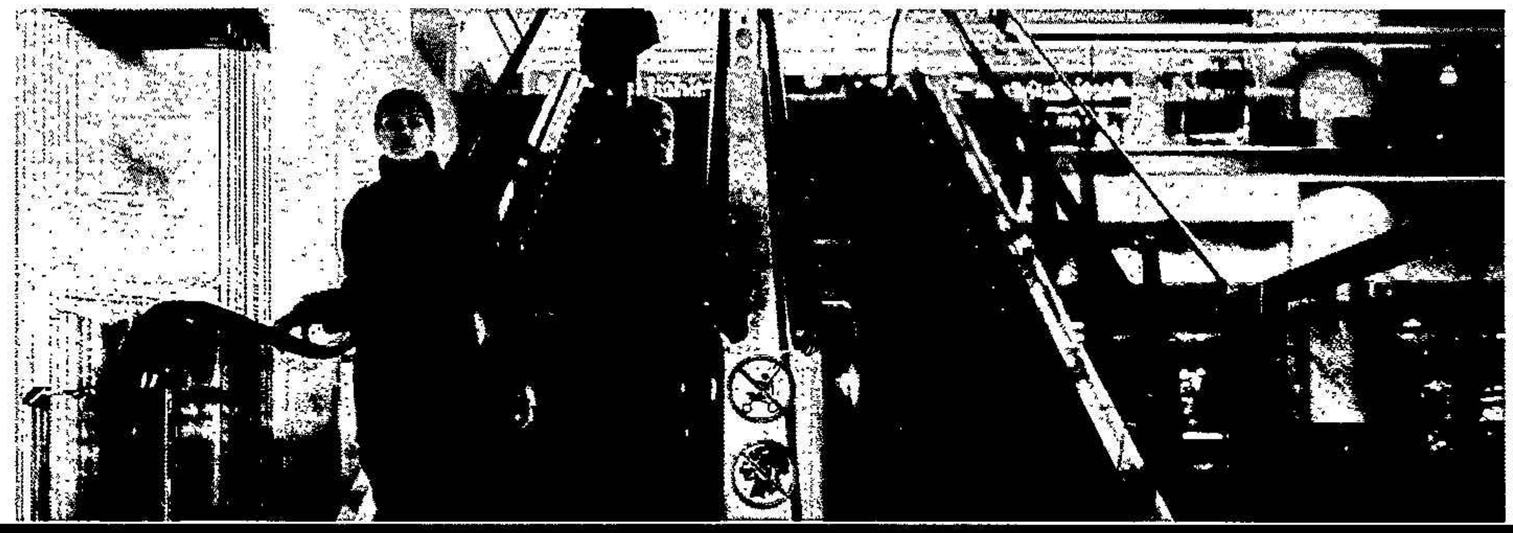
[1]The Group has made investments into the following associated companies

Investments in associated companies – 2024	Nokas Teknikk Sør AS	Vadla Trygghets-byrå AS	Total
Ownership	**34%**	**34%**	
Carrying value at year end	4	0	**4**

Investments in associated companies – 2023	Nokas Teknikk Sør AS	Vadla Trygghets-byrå AS	Total
Ownership	**34%**	**34%**	
Carrying value at year end	4	0	**4**

NOTE 13 – INVENTORY

	2024	2023
Purchased goods for resale	**109**	120
Supplies inventory	**12**	10
Provision for obsolescence	**-7**	-5
Book value of inventory	**114**	125



NOTE 14 – ACCOUNTS RECEIVABLE

	2024	2023
Accounts receivables – Notional amount	1 090	1 230
Loss allowance	-5	-9
Accounts receivable – Carrying value at year end	1 086	1 221

	2024	2023
Loss allowance at 01.01	9	3
Change in loss allowance during the year	-4	6
Loss allowance at 31.12	5	9

Ageing profile of accounts receivable as of 31.12	2024	2023
Not due	928	949
Less than 30 days	157	263
30-60 days	7	14
60-90 days	3	3
More than 90 days	-5	1
Total	1 090	1 230
Credit loss recognised in profit and loss during the year	-5	-6

Factoring agreement

The Group has an agreement with DNB Bank ASA in which a certain portion of the Groups accounts receivables in Norway and Sweden is purchased by DNB Bank ASA. The agreement with DNB Bank ASA covers customers with a certain level of expected invoiced amount and adequate credit assessment. The day subsequent to invoicing the Group receives payment from DNB Bank ASA for the invoiced amount of all eligible accounts receivable. As such, the Group has transferred the contractual right to receive the cash flows from the accounts receivable, and consequently, the ownership of the asset, and corresponding risk of ownership. As such, accounts receivable are therefore derecognised from the balance sheet at the point in time DNB Bank ASA obtains the right of payment from the customer, in line with IFRS 9.

For the remaining portion of accounts receivable, the purpose of the Group is to collect the contractual cash flow as these accounts receivable do not meet the requirement for sale to DNB Bank ASA, and hereby they fall into the category "Hold and collect" according to IFRS 9.

Credit losses

On basis of the above, The Group has made a limited provision for losses on receivables. The Group uses a simplified method for calculating loss allowance for receivables, in which the expected credit loss is based on forward-looking factors for the individual customer, combined with general macroeconomic prospects. Expected credit losses on accounts receivables are based on an assessment of age profile, historical losses and on an individual level. The Group measures expected losses for each reporting period. The Group's maximum credit risk related to accounts receivable is represented by the notional value. The Group's accounts receivables are assessed on the balance sheet date and expected loss is recognized as *Other operating expenses* during the period.

NOTE 15 – CASH AND CASH EQUIVALENTS

	2024	2023
Bank deposits	88	106
Restricted cash[1]	77	72
Cash in cash cycle[2]	234	301
Total	399	479

[1] Restricted cash consists primarily of employee withholding tax.

[2] Cash in cycle consists of physical cash in the Nokas Payment Solutions division.

NOTE 16 – SHARE CAPITAL AND SHAREHOLDERS INFORMATION

Share capital

Share capital – Avarn Security Group Holding AS of 31.12.2024	No. of shares	Par value (NOK)	Total
Share capital	415 961	15,45	6
Own shares	-70 890	15,45	-1
Total	**345 071**	**15,45**	**5**

All shares give the same right in the company.

Ownership structure

The largest shareholders of Avarn Security Group Holding AS as of 31.12.2024 were as follows:

Name of entity	Shares	Subscription rights	Ownership	Voting share
SANOK INVEST AS	73 531	387 857	52.2%	21.3%
AVARN SECURITY GROUP HOLDING AS*	70 890	79 679	17.0%	
STIFTELSEN FRITT ORD	63 851		7.2%	18.5%
WFW INVEST AS	35 220		4.0%	10.2%
NOMAD HOLDING AS	30 456		3.4%	8.8%
TTC INVEST AS	23 724		2.7%	6.9%
RG HOLDING AS	19 998		2.3%	5.8%
INAK 3 AS	18 827		2.1%	5.5%
ALDEN AS	6 546		0.7%	1.9%
SYNCRON AS	5 959		0.7%	1.7%
TROVATOR AS	5 729		0.6%	1.7%
AREPO AS	4 366		0.5%	1.3%
MURI INVEST AS	4 164		0.5%	1.2%
SINGCOMP AS	2 784		0.3%	0.8%
GJERMUNDSEN CORPORATE AS	2 523		0.3%	0.7%
TSI AS	2 367		0.3%	0.7%
OLSEN	2 355		0.3%	0.7%
JANINE AS	2 329		0.3%	0.7%
BO-BO INVEST AS	2 103		0.2%	0.6%
JORAD AS	1 861		0.2%	0.5%
Total – Top 20 shareholders	379 583	467 536	95.9 %	89.5 %
Total others	36 378		4.1 %	10.5%
Total number of shares outstanding	**415 961**	**467 536**	**100.0 %**	**100.0 %**

*A dividend has been distributed to shareholders and holders of subscription rights in 2024.

As the Companies Act does not permit the distribution of ordinary dividends on subscription rights, the dividend distribution was implemented by a proportional buyback of shares and subscription rights. NOK 400,001,580.94 was distributed by buying back 70,890 shares at a price per share of NOK 2,664.78, and 79,679 subscription rights at a price per subscription right of NOK 2,649.33 from the Company's shareholders. The shares and subscription rights will be deleted in 2025.

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Shares owned by members of the board and CEO

Name	Position	No. of shares	Ownership
Vidar Berg	CEO	138	0,0%
Amund Skarholt	Chairman	569	0,1%
Bjørnar Olsen[1]	Board member	2 355	0,6%
BO-BO INVEST AS[1]	–	2 103	0,5%
Inak 3 AS[1]	–	18 827	2,1%

[1] Bjørnar Olsen, Board Member of Avarn Security Group Holding AS, holds shares in Bo-Bo Invest, which in turn is a shareholder of Inak 3 AS.

See table below for maturity schedule of subscription rights issued.

Expiration date:	No. of independent subscription rights
22.06.2028	467 536

All subscription rights not exercised within the subscription period will lapse with no value, and the holder will not be entitled to any compensation.

NOTE 17 – FINANCIAL INSTRUMENTS

Financial risk

The Group makes use of bank loans and overdraft facilities as financing instruments. The purpose of these financial instruments is to ensure capital for investments and liquidity necessary for the Group's operations. In addition, the Group has financial instruments such as trade receivable, trade payable, etc. that are directly related to the Group's daily operations.

Routines for risk management have been adopted at the board level and are implemented by the Chief Financial Officer.

The most important financial risk the Group is exposed to is liquidity risk. In addition, the Group also faces interest rate risk, currency risk and credit risk. The Group's management has an ongoing assessment of these risks and establishes guidelines on how these are to be managed.

(i) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they are due. The Group's strategy for managing liquidity risk is to have sufficient cash at all times to be able to meet its financial obligations at maturity, either under normal or extraordinary circumstances, without risking unacceptable losses and harming the Group's reputation.

The following table provides an overview of the maturity schedule for the Group's financial liabilities.

The table below provides an overview of the maturity profile of all financial liabilities (undiscounted).

2024	Maturity schedule – Financial liabilities				
	Less than 1 year	1–2 years	2–4 years	More than 4 years	Total
Bank financing DNB					
Facility A – NOK	15	15	250	–	**280**
Facility B – EUR	7	7	160	–	**175**
Facility B – SEK	9	9	223	–	**242**
RCF (DNB & Danske Bank)	13	13	213	–	**239**
Property financing (Nykredit)	19	18	29	127	**193**
Lease payments	211	137	146	102	**597**
Overdraft facility – Danske Bank	20	–	–	–	**20**
Trade payable	286	–	–	–	**286**
Cash cycle financing	129	–	–	–	**129**
Total	**710**	**200**	**1 021**	**229**	**2 160**

2023	Maturity schedule – Financial liabilities				
	Less than 1 year	1–2 years	2–4 years	More than 4 years	Total
Bank financing DNB					
Facility A – NOK	75	71	73	–	**218**
Facility B – EUR	14	14	181	–	**208**
Facility B – SEK	11	11	217	–	**239**
Lease payments	217	142	133	62	**554**
Overdraft facility – DNB	88	–	–	–	**88**
Overdraft facility – Danske Bank	34	–	–	–	**34**
Trade payable	386	–	–	–	**386**
Cash cycle financing	284	–	–	–	**284**
Total	**823**	**237**	**604**	**62**	**2 011**

The Group is measured by the following covenant requirements for the loans in DNB and Danske Bank;

(i) Gearing ratio
(ii) Interest cover

The carrying amount of the loan are 801 mNOK (2023 559 mNOK). The Group are required to comply with the financial covenants each financial quarter, and has complied with these covenants throughout the reporting period.

The Group is subject to the following margin above the reference rate for the loans in DNB, Nykredit and Danske Bank;

Financing	Margin
Tranche A – NOK	1.75 %
Tranche B – EUR	1.75 %
Tranche C – SEK	1.75 %
Overdraft facility DNB	1.20 %
Overdraft facility Danske Bank	2.15 %
Nykredit	0.80 %

(ii) Credit risk

The Group is mainly exposed to credit risk related to accounts receivables and other current receivables.

The Group reduces its exposure to credit risk by requiring all counterparties that receive credit from the Group, typically customers, to be subject to an assessment of creditworthiness.

The Group has guidelines to ensure that sales are only made to customers who have not had significant issues with payments previously, and that outstanding amounts do not exceed the determined credit limits.

The Group's assessment of expected credit losses on trade receivable is described in note 14 – Accounts receivable.

(iii) Market risk – Interest rate risk

The Group's exposure to interest rate risk arises from its financing activities.

The Group's interest bearing debt carries a floating interest rate, exposing the Group to the risk of increased interest cost.

The following table shows the Group's sensitivity to potential changes in interest rates. The calculation includes all financial instruments carrying a floating interest, and shows the effect on profit and loss from changes in interest rates, based on the book value as of year end 2024.

Financial year	Changes in interest rates (%-points)	Effect on P&L
2024	+0.25 %	-3
	+0.50 %	-6
	+0.75 %	-9
2023	+0.25 %	-2
	+0.50 %	-3
	+0.75 %	-5

(iv) Market risk – currency risk

The Group is exposed to currency fluctuations against the Norwegian Kroner (NOK) due to sales in several different countries with different functional currencies, in addition to external financing in foreign currency, as well as intra-group loans. Profit after tax for the Group is affected by changes in exchange rates as the result from foreign companies is converted to NOK by use of the average exchange rate for the period. Within the Nokas Payment Solutions division, the Group enters into forward contracts on a continuous basis to reduce currency risk for the cash which is part of the cash cycle.

Since a potion of the Group's turnover is in SEK and EUR, the Group has drawn a share of the financing in both SEK and EUR to reduce currency risk. The following table shows the Group's sensitivity to potential changes in exchange rates on its financial instruments denominated in foreign currency.

Effect on profit and loss and equity (before tax) from changes in foreign currency exchange on financial instruments

Change in fx-rates – NOK/SEK	Effect on P&L	Change in fx-rates – NOK/DKK	Effect on P&L	Change in fx-rates – NOK/EUR	Effect on P&L
10 %	-71	10 %	-9	10 %	1
5 %	-35	5 %	-5	5 %	1
-5 %	35	-5 %	5	-5 %	-1
-10 %	71	-10 %	9	-10 %	-1

The Group has cash pool arrangements with overdraft facilities in both DNB and Danske Bank. The cash pool arrangement in DNB covers most companies in Norway, in addition to Sweden, Finland and Denmark. The cash pool arrangement in Danske Bank covers Nokas Verdihåndtering AS and its subsidiaries. See the following table for amounts drawn in each cash pool arrangement as of year end. As of 31.12.2024 there are no restrictions on the use of the Group's unutilised credit facilities.

Provider of financing

Provider of financing	Total credit	Drawn at year end	Unutilised at year end
DNB – Multicurrency cash pool arrangement	275	–	275
DNB and Danske Bank – RCF	500	200	300
Danske Bank – Intra-day credit for Nokas Verdihåndtering AS	60	–	60
Danske Bank – Cash pool arrangement	75	20	55
Total	**910**	**220**	**690**

See table below for movements in interest-bearing debt during the year.

See note 10 – Leasing for movements in lease liabilities during the year.

Interest-bearing debt at 01.01.2024	Interest-bearing debt DNB & Danske Bank	Interest-bearing debt Nykredit	Overdraft facility – DNB	Overdraft facility – Danske Bank	Total
Opening balance	**552**	**–**	**88**	**34**	**674**
Movements with effect on cash flow					
Proceeds from interest-bearing debt	1 120	119		–	1 120
Repayment of interest-bearing debt	-772	-3	-88	-14	-877
Total cash flow from financing activities	348	116	-88	-14	243
Movements without effect on cash flow					
Amortisation of financing costs during the year	10				10
Amortised financing expenses upon refinancing	-5				-5
Exchange rate differences	12				12
Total changes not affecting cash flow	17	–	–	–	17
Total change	**246**	**116**	**-88**	**-14**	**260**
Interest-bearing debt at 31.12.2024	**798**	**116**	**–**	**20**	**933**
Of which					
Non-current interest bearing debt	798	116	–	–	914
Current interest bearing debt	–	–	–	20	20

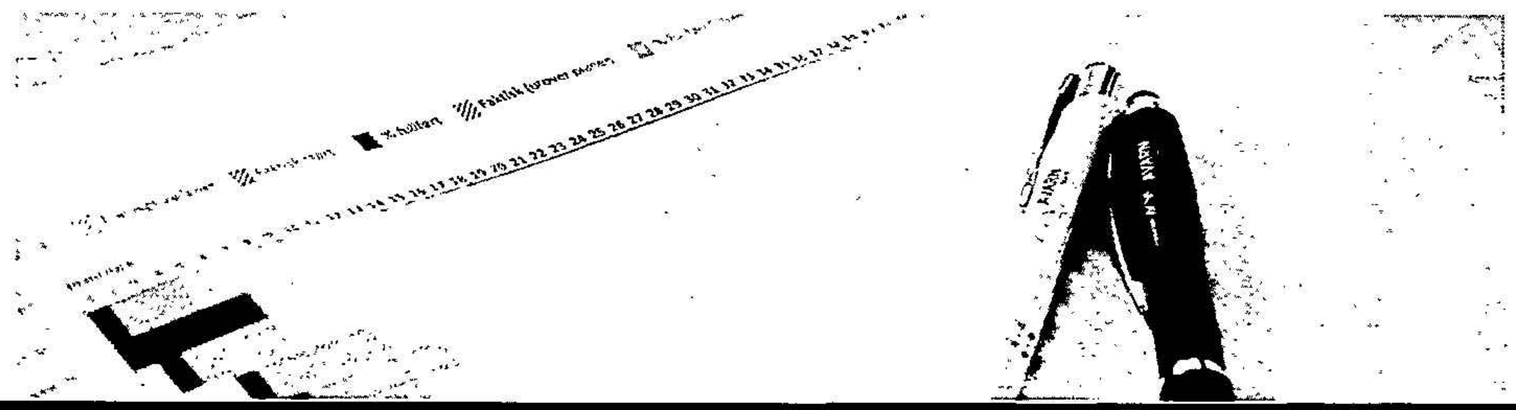
Interest-bearing debt at 01.01.2023	Interest-bearing debt	Overdraft facility – DNB	Shareholder loans	Overdraft facility – Danske Bank	Total
Opening balance	**740**	**144**	**37**	**4**	**925**
Movements with effect on cash flow					
Proceeds from interest-bearing debt	600			30	630
Repayment of interest-bearing debt	-769	-56	-51		-876
Total cash flow from financing activities	-169	-56	-51	30	-246
Movements without effect on cash flow					
Equity effect of settlement of shareholder loan			14		14
Amortisation of financing costs during the year	-4				-4
Amortised financing expenses upon refinancing	-12				-12
Exchange rate differences	-3				-3
Total changes not affecting cash flow	-19	–	14	–	-5
Total change	**-188**	**-56**	**-37**	**30**	**-251**
Interest-bearing debt at 31.12.2023	**552**	**88**	**–**	**34**	**674**
Of which					
Non-current interest bearing debt	491	–	–	–	491
Current interest bearing debt	60	88	–	34	182

NOTE 18 – OTHER CURRENT LIABILITIES

See table below for a specification of current liabilities.

	2024	2023
Accrued holiday pay	693	649
Accrued salaries	379	337
Cash cycle financing[1]	129	284
Prepayments from customers	138	125
Accrued pension	128	116
Deferred income	41	77
Other current liabilities	282	351
Total	**1 791**	**1 940**

[1] Cash cycle financing is debt financing of physical cash that is part of the Nokas Payment Solutions segment/division.



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NOTE 19 – OVERVIEW OF SUBSIDIARIES

Equity in foreign subsidiaries and associated companies is translated at the exchange rate on the balance sheet date, while profit for the year is translated at the average exchange rate for the year.

See table below for all subsidiaries of Avarn Security Group Holding AS

Company	Office	Ownership/ voting share	Equity	Net profit
AS Skan-Kontroll	Norway	100 %	141	10
Avarn Alviks Lås AB	Sweden	100 %	1	–
Avarn Group OY	Finland	100 %	37	4
Avarn Holding OY	Finland	100 %	192	-226
Avarn Lås-Aktuellt AB	Sweden	100 %	1	–
Avarn Låsteknik i Gbg AB	Sweden	100 %	1	–
Avarn Security AB	Sweden	100 %	112	43
Avarn Security AS	Norway	100 %	667	66
Avarn Security Aviation AS	Norway	100 %	5	27
Avarn Security Beredskap AS	Norway	100 %	9	3
Avarn Security Eiendom Danmark ApS	Denmark	100 %	27	-10
Avarn Security Group AS	Norway	100 %	1 809	4
Avarn Security Group Invest AS	Norway	100 %	2 121	25
Avarn Security Holding AB	Sweden	100 %	-1	-82
Avarn Security Holding AS	Norway	100 %	19	-11
Avarn Security Innlandet AS	Norway	51 %	10	6
Avarn Security OY	Finland	100 %	176	31
Avarn Security Service AS	Norway	100 %	9	6
Avarn Security Services AB	Sweden	100 %	273	14
Avarn Security Solutions AB	Sweden	100 %	2	-10
Avarn Security Systems AB	Sweden	100 %	70	12
Avarn Teknik Öst AB	Sweden	100 %	1	–
Avarn Teknik Sverige AB	Sweden	100 %	34	-8
Ejendomsselskapet Rosbjergvei ApS	Denmark	100 %	118	5
Ejendomsselskapet Solmarksvei ApS	Denmark	100 %	95	4
Nokas AS	Norway	100 %	354	–
Nokas ATM A/S	Denmark	100 %	1	-0
Nokas ATM OY	Finland	100 %	-3	-3
Nokas CMS A/S	Denmark	100 %	102	23
Nokas CMS AB	Sweden	100 %	32	–
Nokas CMS OY	Finland	100 %	28	-0
Nokas Finland OY	Finland	100 %	48	5
Nokas Komplementarselskab ApS	Denmark	100 %	–	–
Nokas Kontantservice P/S	Denmark	100 %	157	39
Nokas Valuta AS	Norway	100 %	23	7
Nokas Værdihåndtering A/S	Denmark	100 %	26	47
Nokas Verdihåndtering AS	Norway	100 %	349	32
N/S Bevakning AB	Sweden	100 %	4	-1
Skandia Sök AB	Sweden	100 %	–	–
Synenergy AB	Sweden	100 %	1	–

NOTE 20 – GUARANTEES AND PLEDGES

Pledges	2024	2023
Debt for which collateral has been provided		
Non-current debts to credit institutions	**914**	491
Current debts to credit institutions	**20**	182
Total	**934**	673
Book value of assets pledged as collateral for debt		
Inventory	**114**	125
Accounts receivables	**1 086**	1 221
Cash and cash equivalents	**89**	106
Property, plant and equipment	**550**	480
Total	**1 839**	1 932
Guarantees issued on behalf of the Group	**103**	105

See table below for an overview of collateral provided as part of the Group's financing.

Avarn Security Group AS, and all its subsidiaries, are liable for repayment of the Group's interest-bearing liabilities, and hence all shares in Avarn Security Group AS and its subsidiaries, have been pledged as security.

Furthermore, Nokas Verdihåndtering AS and all its subsidiaries, are liable for repayment of the Group's interest-bearing liabilities to Danske Bank.

Collateral provided	2024	2023
Inventory	**2 000**	2 000
Fixed assets	**2 000**	2 000
Factoring agreement	**2 000**	2 000

NOTE 21 – SUBSEQUENT EVENTS

The Board of Directors has proposed a share buyback programme in which shares for a total of 500 mNOK will be purchased from the shareholders of Avarn Security Group Holding AS.

The programme is approved by the General Annual Meeting.

Financial statements of the parent company

99 Statement of profit and loss

100 Statement of financial position

101 Statement of cash flow

103 Notes to the financial statements of the parent company

103 General information
Note 1 – General information
Note 2 – Summary of significant accounting policies

104 Statement of profit and loss
Note 3 – Employee and auditor expenses
Note 4 – Finance income and expenses
Note 5 – Income tax

105 Statement of financial position
Note 6 – Investment in subsidiaries and shares
Note 7 – Related party transactions
Note 8 – Equity, share capital and shareholder information
Note 9 – Subsequent events

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Statement of profit and loss

Amounts in mNOK	Note	2024	2023
Personnel expenses	3	–	-2
Other operating expenses	3	-4	-2
Earnings before interests and taxes		-4	-3
Net finance	4,7	5	476
Earnings before taxes		–	473
Income tax expense	5	–	-12
Net income (loss)		–	461

Statement of financial position

Amounts in mNOK	Note	2024	2023
Assets			
Non-current assets			
Investments in subsidiaries	6	2 195	2 195
Investments in shares	6	6	3
Total non-current assets		2 201	2 197
Current assets			
Receivables	7	12	418
Cash and cash equivalents		1	12
Total current assets		13	429
Total assets		2 214	2 627
Equity and liabilities			
Equity			
Share capital	8	6	6
Own shares	8	-1	–
Share premium	8	1 048	1 048
Other equity	8	1 104	1 104
Retained earnings	8	53	452
Total equity		2 211	2 610
Current liabilities			
Trade payable	7	3	3
Other current liabilities		–	2
Tax payable		–	12
Total current liabilities		3	16
Total equity and liabilities		2 214	2 627

Vidar Berg
CEO

Amund Skarholt
Chairman

Camilla Amundsen
Board member

Bjørnar Olsen
Board member

Wenche Kjølås
Board member

Pål Asbjørn Vindøgg
Board member

Knut Johannes Berg
Employee representative

Christian Søvik Svensen
Employee representative

Oslo, 25 April 2025

Statement of cash flows

Amounts in mNOK	2024	2023
Cash flows from operating activities		
Earnings before taxes	-	473
Tax paid	-12	
Interest income	-	-24
Net currency gain	-	-36
Dividend received	415	-
Dividend income from subsidiary	-4	-415
Gain from sale of share	-0	-1
Change in other accruals	-4	-
Net cash from operating activities	396	-3
Cash flow from investing activities		
Proceeds from sale of shares	1	6
Purchase of shares	-4	-1
Payments to group companies	-23	
Proceeds from group companies	19	-
Net cash from investing activities	-7	5
Cash flows from financing activities		
Repayment of principal portion of shareholder loan	-	-23
Interest paid on shareholder loan	-	-
Share buyback	-400	
Group contribution paid	-	-3
Net cash from financing activities	-400	-27
Net increase / decrease in cash and cash-equivalents	-11	-25
Cash and cash equivalents at the beginning of the year	12	37
Cash and cash equivalents at the end of the year	1	12

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Notes to financial statements of the parent company

NOTE 1 – GENERAL INFORMATION

Avarn Security Group Holding AS is the parent company of Avarn Security Group. The company is a limited liability company domiciled in Norway, at the headquarters in Alf Bjerckes Vei 1.

All figures presented in the notes are in NOK millions, unless otherwise stated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Framework for financial reporting

The financial statements have been prepared in accordance with the Norwegian Accounting Act.

2.2 Investments in subsidiaries and other shares

Investments in subsidiaries are upon initial recognition measured at fair value, including any direct transaction costs. Subsequently, the carrying amount of the investment is reduced by any impairment charges, so that the carrying value will be the lower of either, historical cost or fair value.

2.3 Receivables

Receivables are at initial recognition measured at fair value, including any direct transaction costs. Subsequently, the carrying amount of the receivable is reduced by any impairment charges, based on assessments of the creditworthiness of the counterparty. Receivables due more than a year after the balance sheet date, are presented as non-current.

2.4 Liabilities

Receivables are upon initial recognition measured at fair value, excluding any direct transaction costs. Subsequently, the carrying amount of the liability is measured at amortised cost. Liabilities due more than a year after the balance sheet date, are presented as non-current.

2.5 Shareholder loans

Shareholder loans are classified as either debt or equity, based on the contractual terms of the financial instrument. Provided that the parties have a right to convert the debt instrument to equity, the instrument is classified as equity.

2.6 Income tax

Income tax in the profit and loss statement consists of both the tax payable for the period and the movement in net deferred taxes.

Deferred tax asset based on tax loss carried forward is recognised provided that it is assumed probable that the tax loss can be utilised in the future.

2.7 Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents consist of cash at hand and bank deposits.

NOTE 3 – EMPLOYEE AND AUDITOR EXPENSES

Amounts in NOK millions

There are no employees in the company.

Remunerations to executives

No remuneration, loans or collateral has been provided to the CEO during 2024. The Board of Directors have been allocated a remuneration of mNOK 1.7.

Auditor

The following expenses have occurred to the auditor.

Remuneration to external auditor	2024	2023
Statutory audit (including VAT)	2	1
Tax services	–	–
Total audit fees	**2**	**2**

NOTE 4 – FINANCIAL INCOME AND EXPENSES

	2024	2023
Dividend income	4	415
Interest income	1	25
Net currency income	-0	36
Gain from sale of shares	–	1
Total finance income	**5**	**476**
Interest costs	-0	–
Other finance costs	-0	–
Total finance costs	**-0**	**–**
Net financial expenses	**5**	**476**

NOTE 5 – INCOME TAX

Income tax expense is calculated as following	2024	2023
Tax payable	–	12
Changes in net deferred tax	–	–
Income tax expense	**–**	**12**

Tax payable is calculated as following	2024	2023
Profit before tax	–	473
Tax at 22 %	–	104
Tax expense	–	12
Difference	**-0**	**-92**

Difference explained by	2024	2023
22 % of permanent differences	–	-92
Change in deferred tax asset not recognised	–	–
Explained difference	**–**	**-92**

Net deferred tax is calculated as following	2024	2023
Limitation of deduction for interest	–	–
Deferred tax asset – Not recognised	–	–
Net deferred tax	**–**	**–**

NOTE 6 – INVESTMENTS IN SUBSIDIARIES AND SHARES

The company has investments in the following subsidiaries and shares as of 31.12.2024.

Company	Company address	Ownership	Equity at year end	Net income for the year	Book value
Avarn Security Group Invest AS	Oslo, Norway	98,2 %	2 121	25	2 195
Avarn Manco AS[1]	Oslo, Norway	10,73 %[1]	30	5	6

[1] Avarn Security Group Holding holds all voting rights in Avarn Manco AS.

NOTE 7 – RELATED PARTY TRANSACTIONS

See details below on transactions with related parties.

Items in P&L	2024	2023
Avarn Security Group Invest AS (Dividend)	4	415
Avarn Security Eiendom AS (interest income)	–	24
Total	**4**	**439**

Receivables on related parties	2024	2023
Avarn Security Group Invest AS (Dividend)	4	415
Avarn Security Eiendom AS (Non-current receivable)	8	–
Avarn Security AS (Current receivable)	–	1
Total	**12**	**416**

Liabilities to related parties	2024	2023
Avarn Security AS (Other-current liabilities)	2	–
Total	**2**	**–**

NOTE 8 – EQUITY, SHARE CAPITAL AND SHAREHOLDER INFORMATION

Share capital as of 31.12.2023 consists of the following.

Share capital as of 31.12.2023	Number of shares	Par value per share	Share capital
Share capital	415 961	15,45	6
Own shares	-70 890	15,45	-1
Total	**345 071**		**5**

Overview of equity movements	Share capital	Own shares	Share premium	Other equity	Retained earnings	Total
Equity as of 1.1.2024	6	–	1 048	1 104	452	2 610
Share buyback[1]		-1			-399	-400
Net income for the year					–	–
Equity as of 31.12.2024	**6**	**-1**	**1 048**	**1 104**	**54**	**2 211**

[1] A dividend has been distributed to shareholders and holders of subscription rights in 2024. As the Companies Act does not permit the distribution of ordinary dividends on subscription rights, the dividend distribution was implemented by a proportional buyback of shares and subscription rights. NOK 400,001,580.94 was distributed by buying back 70,890 shares at a price per share of NOK 2,664.78, and 79,679 subscription rights at a price per subscription right of NOK 2,649.33 from the Company's shareholders. The shares and subscription rights will be deleted in 2025.

The largest shareholders of Avarn Security Group Holding AS as of 31.12.2024 were as follows:

Name of entity	Shares	Subscription rights	Ownership	Voting share
SANOK INVEST AS	73 531	387 857	52.2 %	21.3 %
AVARN SECURITY GROUP HOLDING AS	70 890	79 679	17.0 %	–
STIFTELSEN FRITT ORD	63 851		7.2 %	18.5 %
WFW INVEST AS	35 220		4.0 %	10.2 %
NOMAD HOLDING AS	30 456		3.4 %	8.8 %
TTC INVEST AS	23 724		2.7 %	6.9 %
RG HOLDING AS	19 998		2.3 %	5.8 %
INAK 3 AS	18 827		2.1 %	5.5 %
ALDEN AS	6 546		0.7 %	1.9 %
SYNCRON AS	5 959		0.7 %	1.7 %
TROVATOR AS	5 729		0.6 %	1.7 %
AREPO AS	4 366		0.5 %	1.3 %
MURI INVEST AS	4 164		0.5 %	1.2 %
SINGCOMP AS	2 784		0.3 %	0.8 %
GJERMUNDSEN CORPORATE AS	2 523		0.3 %	0.7 %
TSI AS	2 367		0.3 %	0.7 %
OLSEN	2 355		0.3 %	0.7 %
JANINE AS	2 329		0.3 %	0.7 %
BO-BO INVEST AS	2 103		0.2 %	0.6 %
JORAD AS	1 861		0.2 %	0.5 %
Total – Top 20 shareholders	379 583	467 536	96 %	89 %
Total others	36 378	–	4.1 %	10.5 %
Total number of shares outstanding	**415 961**	**467 536**	**100 %**	**100.0 %**

NOTE 9 – SUBSEQUENT EVENTS

The Board of Directors has proposed a share buyback programme in which shares for a total of 500 mNOK will be purchased from the shareholders of Avarn Security Group Holding AS.

The programme is approved by the General Meeting.

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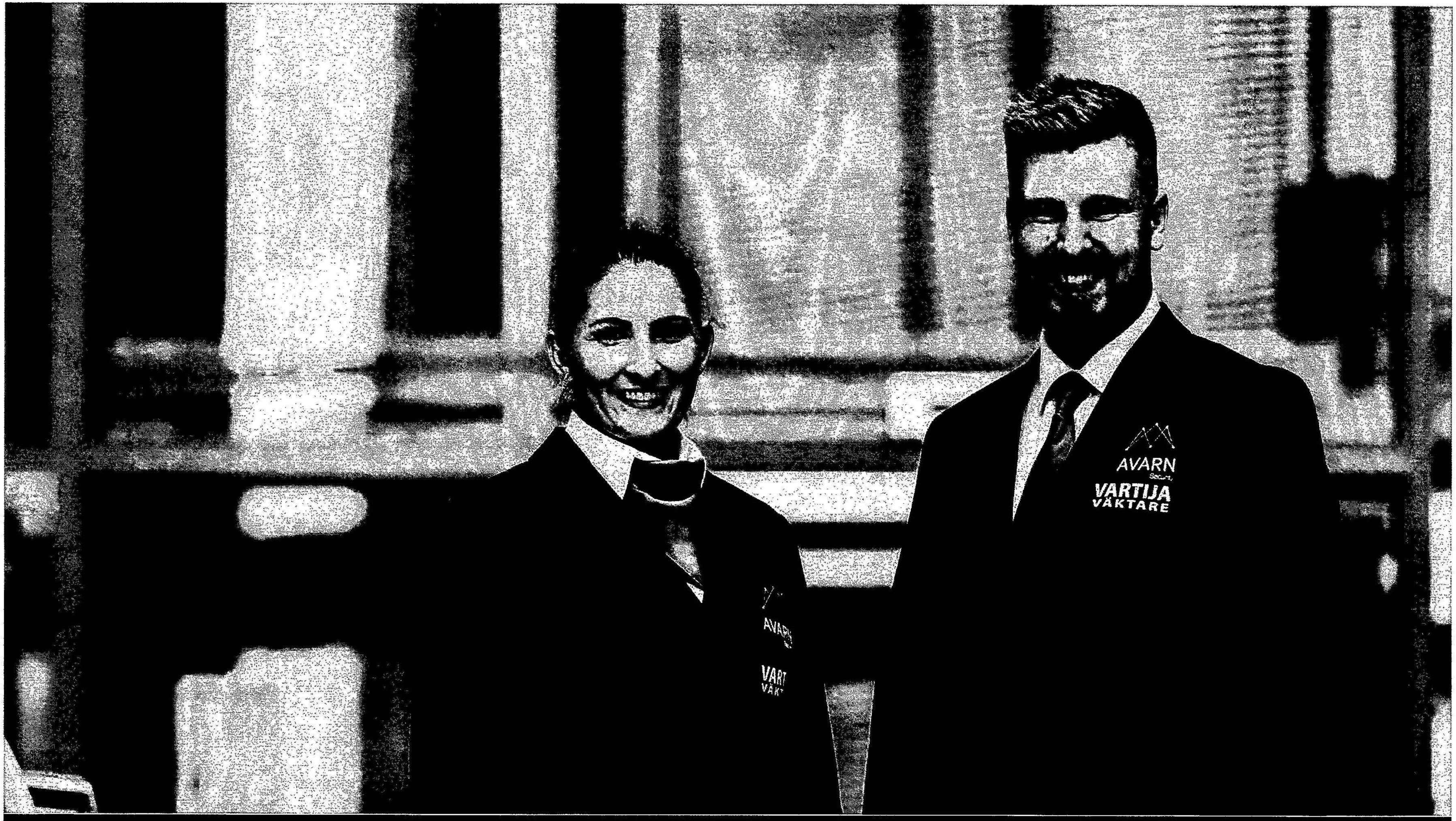
AVARN
VARTIJA
VÄKTARE

To the General Meeting of Avarn Security Group Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Avarn Security Group Holding AS, which comprise:

- the financial statements of the parent company Avarn Security Group Holding AS (the Company), which comprise the statement of financial position as at 31 December 2024, the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Avarn Security Group Holding AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

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

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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

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T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Vestfold, 29 April 2025
PricewaterhouseCoopers AS

Tom Nilsen
State Authorised Public Accountant
(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Nilsen, Tom	BANKID	2025-04-29 20:40

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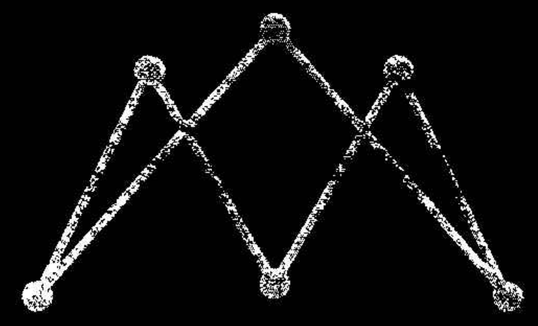

AVARN
Security