



Anticimex is a global leader in pest control, driving the transformation from reactive to preventive pest control services through innovation in environmentally friendly and digital solutions. By means of in-depth biology expertise, extensive service experience, and its digital SMART offering, the company is creating healthier environments for commercial and residential customers, worldwide. Anticimex is contributing to a more sustainable world by protecting biodiversity, reducing the risk of pest-borne diseases, and minimizing food and property loss.

Anticimex operates in 21 countries worldwide and has around 11 000 employees. The company has demonstrated strong growth over the past 89 years.



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## Annual report

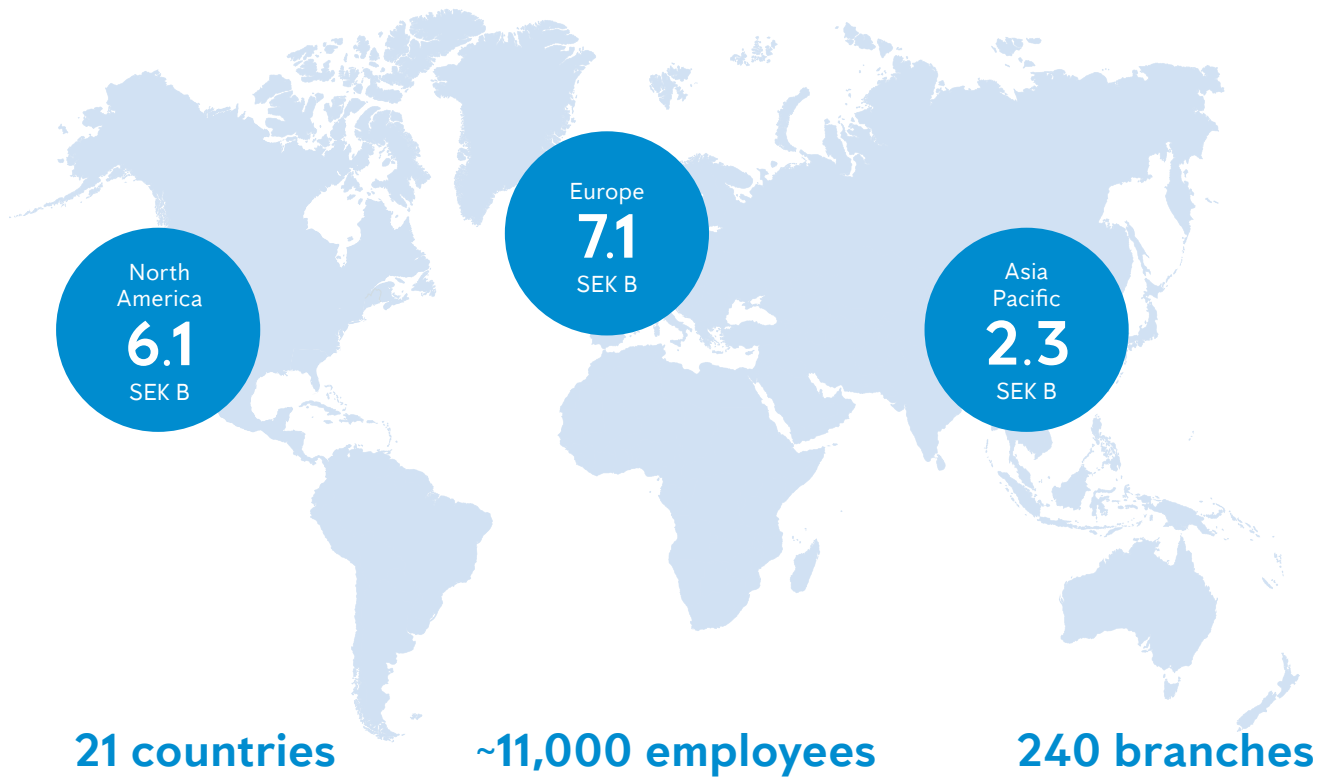
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## Corporate governance

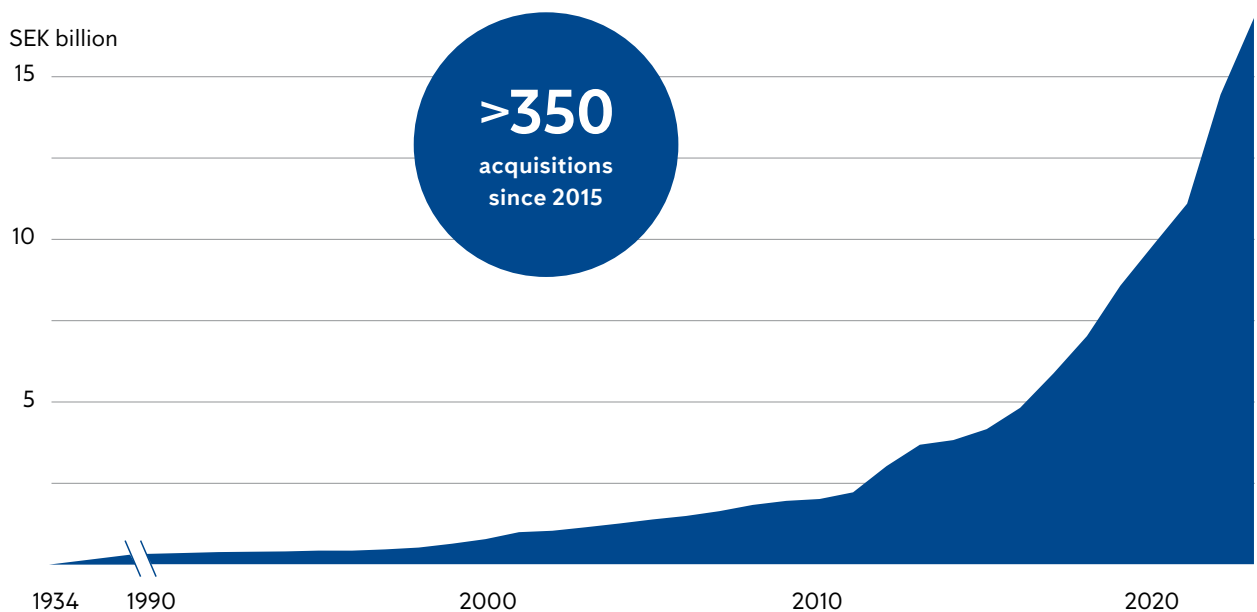
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# Anticimex at a glance

Anticimex is a global leader in pest control, driving the transformation from reactive to preventive pest control services through innovation in environmentally friendly and digital solutions.



## 89 years of strong revenue growth



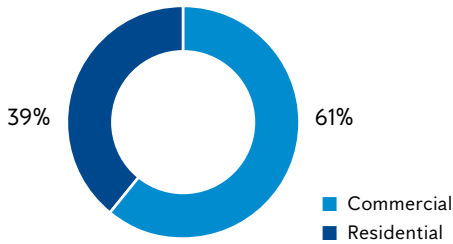
15.5

SEK B Revenue

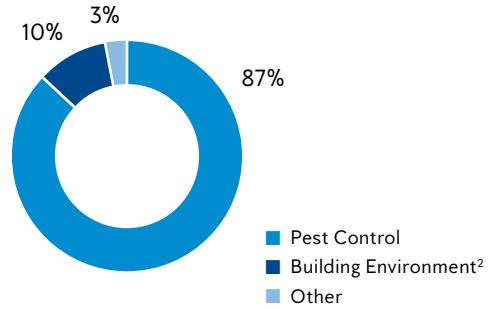
20.7%

Operating margin (EBITA)<sup>1</sup>

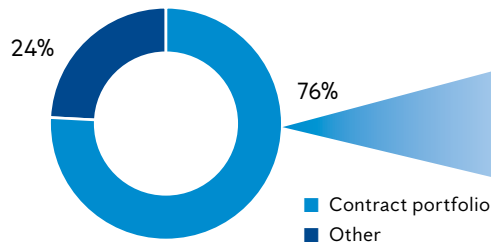
Customers



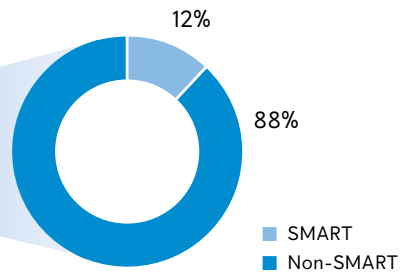
Service offering



Revenue streams



Contract portfolio



The digital leader in transforming the pest control market

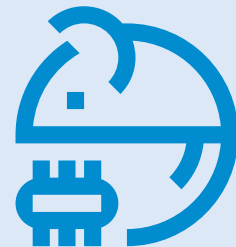
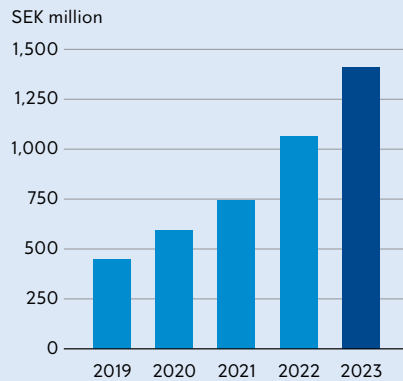
488 K

# of installed SMART devices

12%

of the contract portfolio digitalized

Annualized SMART portfolio



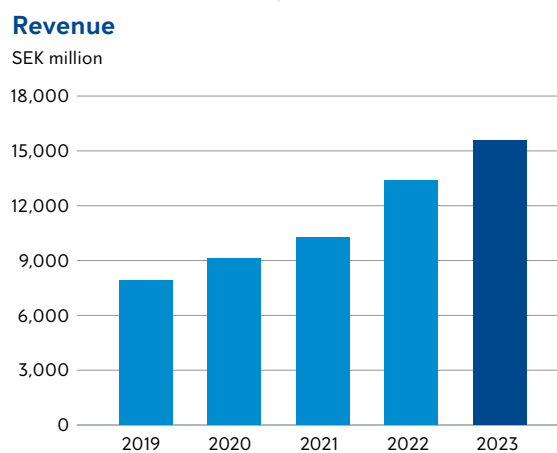
1) Earnings Before Interest, Tax, Amortizations on acquisition-related intangible assets, Acquisition-related costs and Items affecting comparability as a percentage of revenue.

2) In the Nordics we offer an array of services and insurance solutions for the purpose of creating a healthier indoor environment and securing property value. These services include fire prevention, dehumidification, energy inspections, title transfer and insurance against latent defects. The services are delivered through inspections, monitoring and insurance policies, and by assisting homeowners and real estate agents who are in the process of selling or buying property.

# 2023 in brief

## Change in leadership

On November 14, 2023, Jussi Ylinen was appointed new President and CEO of Anticimex. Jussi has been with Anticimex for more than 9 years and comes most recently from the position as President Region Pacific.



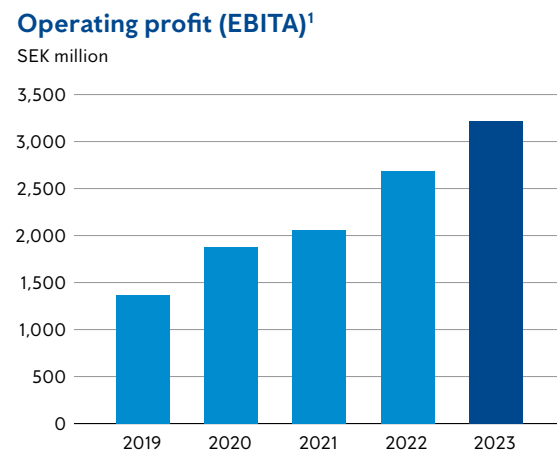
## Local empowerment

During the year, we have put continued emphasis on the Anticimex Model and local responsibility to ensure customer focus and employee engagement. We now count 240 branches, and the employee Net Promotor Score (eNPS) reached a new high of 24.

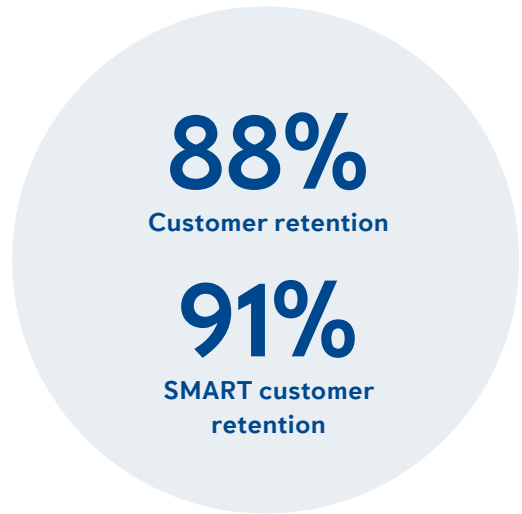


## Inauguration of Innovation Center

On Wednesday November 29, 2023, Anticimex inaugurated a new Anticimex Innovation Center in Copenhagen, Denmark. This new facility will add to Anticimex' innovation power, by serving as a hub where new solutions and commercial models can be developed.



1) Earnings Before Interest, Tax, Amortizations on acquisition-related intangible assets, Acquisition-related costs and Items affecting comparability as a percentage of revenue.

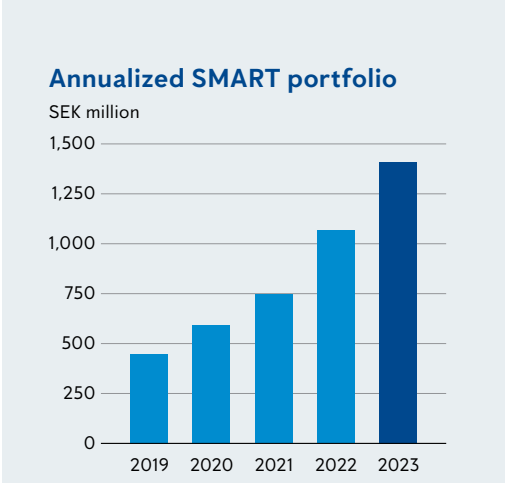


Acquired revenue<sup>1</sup>  
**>700 SEK M**

**53**

**Acquisitions 2023**

During 2023 Anticimex has continued to strengthen its market position by means of acquisitions. In total 53 acquisitions have been completed, all focused on increasing density and market share in already existing markets.



1) Estimated last twelve months revenue of acquired companies at point of acquisition.

# Comments from the CEO

I'm proud to say that we can look back on yet another year of solid growth and improving profit. In 2023 we grew our revenue with 2.1 BSEK to 15.5 BSEK and achieved an EBITA growth of 20 percent, reaching 20.7 percent EBITA margin (+ 0.6 p.p). Our revenue growth has been driven by both organic growth and successful execution of a selective M&A strategy, with 53 acquisitions primarily focused on increasing density and market share in our existing markets. On behalf of my management team and everyone in Anticimex I want to extend a warm welcome to all our new colleagues around the world.

Fundamental to our continued growth, profitability expansion and successful pivot in M&A targets is the decentralized Anticimex Model. I'm a true believer in the power of giving responsibility to the branch managers, who best understand the needs of customers, competition, and the local market dynamics. This model of empowering the local organizations, while also making them accountable for their performance, has proven very successful for Anticimex over the last 10 years.

During 2023 we have continued to strengthen our position as global leader in driving the industry transformation from reactive to preventive pest control services. A testament to our focus on innovation is the new Anticimex Innovation Center in Copenhagen, Denmark, which was inaugurated in November.

With this new facility we look to further strengthen our industry leadership in digitally assisted pest control solutions. We are looking forward to using this as a hub, around which customers, partners, and colleagues from around the world can collaborate on innovative and sustainable solutions to global pest challenges. When it comes to innovation it is clear to us that we get maximum impact when we leverage company-wide expertise and work at the intersection of biology, technology, and service methodology.

I am also proud to say that we have taken further steps in maximizing our positive sustainability impact, which centers on three key areas:

- 1 protecting biodiversity,
- 2 preventing pest borne diseases, and
- 3 reducing property loss and food waste.

Here I want to highlight that we have strengthened how our methodology, based on inspections, proofing, monitoring and control, supports our sustainability initiatives.

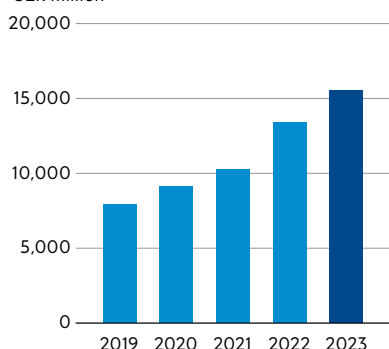
We are grateful to operate in an industry with a positive outlook and favorable market drivers. We see increased pest prevalence and at the same time decreased pest tolerance, as well as stricter regulation relating to hygiene and usage of biocides. Combined, these factors provide further growth opportunities.

To conclude I would like to say that it is a privilege to work with the global Anticimex team and our customers around the world. Our strong results are a product of the continued trust that our customers put in us and our employees' commitment, collaboration, and strong customer focus. Finally, a warm welcome to all the people who have joined Anticimex in 2023!

*Jussi Ylinen*  
President & CEO, Anticimex Group

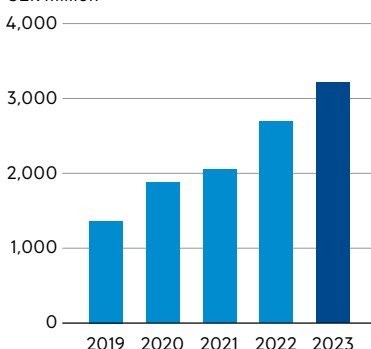
## Revenue

SEK million



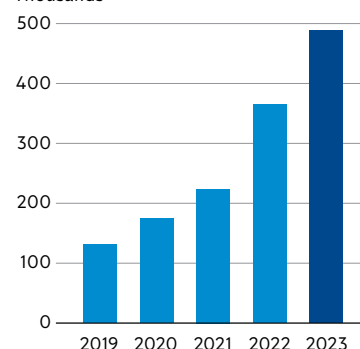
## Operating profit (EBITA)<sup>1</sup>

SEK million



## Installed SMART device base

Thousands



<sup>1</sup>) Earnings Before Interest, Tax, Amortizations on acquisition-related intangible assets, Acquisition-related costs and Items affecting comparability.

“ The model of empowering the local organizations, while also making them accountable for their performance, has proven very successful for Anticimex over the last 10 years.”



# Our model for growth

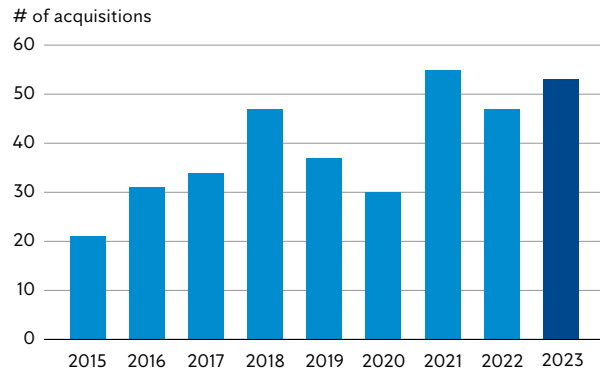
Anticimex’ growth model rests on three key pillars; i) a large and growing pest control market, ii) Anticimex’ industry leadership in transforming the market from reactive to preventive pest control, and iii) a strong entrepreneurial culture in a branch-based structure with empowered people.

The growing pest control market is driven by a set of fundamental trends that contribute to higher pest prevalence and lower pest tolerance. Globalization, urbanization, and rising temperatures due to climate change are factors that all contribute to the increased spreading of pests. Meanwhile, the tolerance for pests is continually decreasing, driven by a growing global middle class with higher disposable incomes who are willing to spend more on pest control services. More stringent regulation and legislation related to hygiene standards also contribute to lower pest tolerance.

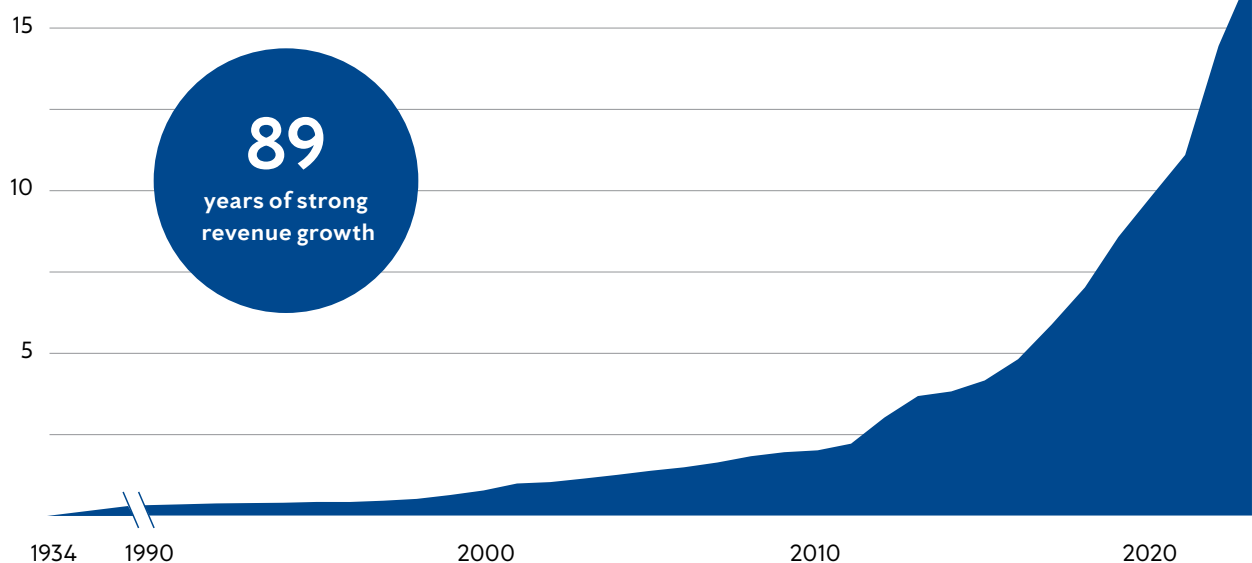
Anticimex is continually growing its market share by leading the industry transformation from reactive to preventive pest control. Digital SMART solutions enabling early detection, and preventive actions that address the root-cause, puts Anticimex in a unique position to make a positive impact on the industry – and the environment. The company is successfully leveraging acquisitions to further accelerate its capability to transform the market to preventive pest control, within our existing footprint as well as in new markets.

Anticimex’ mode of operation is decentralized and branch-based, fostering an entrepreneurial culture with emphasis on performance and local initiative. The growth model relies on a firm belief in local empowerment and accountability, with skilled branch managers who are responsive to customer demands, competition, and other market dynamics in their respective markets.

Acquisitions per year



SEK billion



## Acquisitions – accelerating growth

As Anticimex has continued to expand both market reach and offering, it has also become increasingly attractive for owners of smaller, often founder-owned, businesses that can benefit from the scale and scope that Anticimex' global platform provides. This has been a contributing factor as to how Anticimex has been able to successfully acquire more than 350 companies around the world since 2015.

During 2023 Anticimex completed 53 acquisitions, all of which were focused on increasing density and market share in already existing markets. These acquisitions within our current footprint increase market reach and elevate responsiveness towards customers, while also improving efficiency of the operations.

Spain is a market where Anticimex has been particularly active in terms of acquisitions during 2023. Josep Valls Baro, President Anticimex Spain,

**“ Me and my team at Pineda feel that being part of the Anticimex Group is a perfect match, as we can leverage the SMART platform and pool our capabilities to offer sustainable solutions to present and future customers.”**

Jorge Pineda Oñate

comments: “Our strategic objective for Spain is to be the market leader in every major market, making us able to serve residential and commercial customers across all of Spain with our sustainable offerings for pest control. I'm proud to say that with the acquisitions we have made 2023 we have taken significant steps towards this strategic objective.”

One of the bigger deals completed in Spain 2023 was the acquisition of the company Pineda Servicios Integrados SL, with presence in major



markets such as Madrid, Sevilla, Málaga, Huelva, Córdoba, and Cádiz.

Jorge Pineda Oñate, owner and managing director of Pineda Servicios Integrados SL, comments:

“We have had a great growth journey as an independent company over the last 40 years, however, lately it has become increasingly clear for us that to take the next step we should partner up with a bigger player. For example, customer demands relating to areas such as regulatory compliance, quality systems and documentation just keep increasing. As a smaller company it is hard to keep up with these demands. Additionally, as opportunities arise to digitalize parts of the offering it is becoming evident that, as an independent company, we don't have the financial strength to invest in needed research and development. Me and my team at Pineda feel that Anticimex is the perfect partner, as we can leverage the SMART platform and pool our capabilities to offer sustainable solutions to present and future customers.”

Josep concludes: “We are excited to welcome the Pineda team to Anticimex, where we can offer opportunities for career growth and development within a multinational framework.

Also, we look forward to leveraging the skills and knowledge of Pineda's local teams to enhance the overall expertise of our global organization.”

**>350**

**acquisitions around  
the world since 2015**

# A growing market

The global market for pest control services is large, highly fragmented and has great growth potential, fueled by some strong underlying market drivers.

The growth is driven by increasing pest prevalence, decreased pest tolerance and additional growth opportunities arising from the shift to digitally enabled pest control services. Pest prevalence is expected to increase with urbanization, globalization, and higher temperatures due to climate change. At the same time pest tolerance is anticipated to decrease, as the global middle class

continues to grow, and regulation and legislation become more stringent. Rising sustainability concerns from consumers, businesses, regulators, and society at large is underpinning a transition towards more sustainable market approaches and solutions, in turn enabled by digitalization and technology innovation.

## Key market drivers

### Globalization

Increased travel and trade of goods are factors that drive the spread of pests, in addition to introducing novel pest types into new geographies. The flow of goods has increased by approximately 10 times since 1983 and travel has increased by approximately 1.5 times over the last 10 years.

### Urbanization

By 2030, urban areas are expected to account for approximately 60 percent of the global population. By comparison, in 1950 only one third of the world population lived in urbanized areas. The combination of a growing population and increasing urbanization fuels higher generation and concentration of waste, which in turn often results in rapidly growing rodent populations.

### Regulation and legislation

More stringent government regulations related to hygiene standards, meaning increased licensing, inspection and documentation, is expected to drive growth in the pest control market. Increased complexity from this transition towards a more regulated market is likely to place additional pressure on smaller local and regional pest control players while benefiting larger and well-established players with greater scale.

### Sustainability

In the face of growing sustainability concerns among consumers and businesses globally, the pest control industry plays an increasingly important role in reducing the risk of food and property loss, as well as battling the spreading of pest borne diseases. Furthermore, digitalization is becoming an enabler for early detection of pest infestations and forms the basis for developing non-toxic and biocide-free solutions. Digital solutions also drive more efficient service delivery, through real-time transparency that can be used to optimize route planning and minimize unnecessary inspections at customer premises, leading to lower CO<sub>2</sub>-footprint.

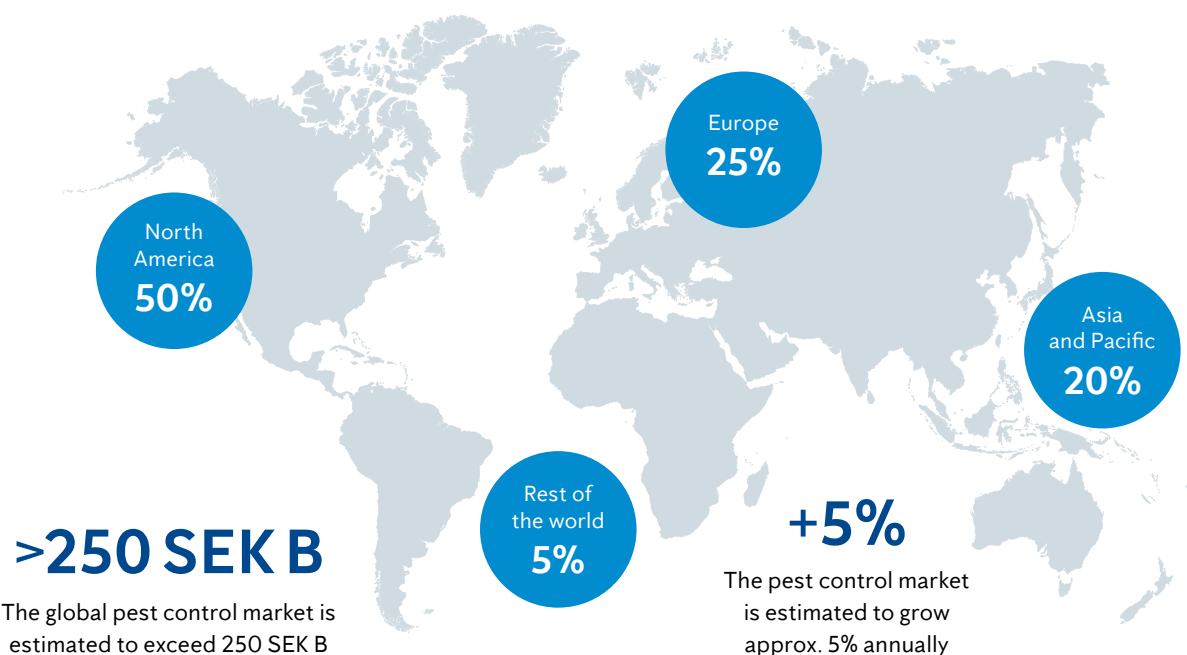
### Higher living standards

Continued economic growth is creating a larger global middle class with larger disposable incomes and an increased demand for pest control services. More than 1.5 billion people are expected to join the middle class over the next ten-year period, which is the demography most likely to use pest control services.

### Digitalization

Increasing digitalization of the pest control industry enables remote monitoring, early detection, and service optimization which drives improved efficiency and enables more sustainable solutions, leading to further market growth through additional value-add for customers.

## The global market for pest control<sup>1</sup>



## Industry characteristics

### Market fragmentation

Even if the global pest control market has undergone some consolidation recently, it remains highly fragmented and is dominated by small- and medium sized companies. The consolidation process is led by the larger players, but it is also driven by customers’ demands for an increasingly broad range of pest control services, which are typically only offered by larger companies. Larger customers can also benefit from choosing service providers that are present in multiple locations and can manage regional or national pest control agreements. Global players are well positioned to take advantage of consolidation as they can extract synergies, expand their service offering and grow quickly in both new and existing markets.

events, such as rodent-caused fires or interruption of industrial production facilities. The residential pest control industry, in particular, is resilient owing to the decreasing societal tolerance of pests and pest-spread diseases. Additionally, users of pest control services tend to prioritize these services independent of the economic environment, due to the large potential downsides if pest control is neglected. Such downsides include the risk of damage to properties, breaching regulatory requirements and the high cost of managing pests reactively.

### Non-cyclical and resilient market

The pest control industry has demonstrated strong resilience both in connection with the global financial crisis 2007–2008 and during the recent COVID-19 pandemic. This can be attributed to two main factors. Firstly, pest control is considered a critical service as it contributes to the maintenance of healthy societies by reducing diseases, reducing the societal cost relating to healthcare, protecting property and agriculture, and mitigating hazardous

Global market fragmentation<sup>1</sup>



1) Source: Technavio and internal analysis

# Our offering

As a global leader in pest control, Anticimex is driving the transformation from reactive to preventive pest control services through innovation in environmentally friendly digital solutions. The group is continuously evolving the offering to address a growing global demand for services that create healthy and safe environments for commercial and residential customers, worldwide.

## Pest control services

Anticimex’ pest control services help identify, prevent, and eliminate pests for residential and commercial customers. For private homeowners, pest control services secure a healthy home environment and prevent property losses. For commercial customers within segments such as food, restaurants, hotels and retail, pest control services are mission critical to protect brand image, keep clear of production stoppages and avoid stock losses.

Pest control services have traditionally been performed in a reactive manner, but Anticimex is leading a transformation towards preventive services with its innovative and digitally enabled SMART offering. The SMART solutions include sensors, cameras, electronic traps, and online reporting capability, supporting a preventive approach which enables early detection – for a more sustainable, resource efficient and economical model. SMART offers many benefits, for example, improved service quality by introducing 24/7 remote monitoring and detection of blind spots where pests may otherwise proliferate unnoticed. Using SMART, potential pest problems can be identified at an early stage and allows for actions to be taken before serious infestation develops. SMART also facilitates digital documentation and certification for commercial customers to aid compliance with standards required by certain industry bodies.

SMART is also a cornerstone of Anticimex’ sustainability strategy, as it reduces the environmental footprint by bringing increased transparency that allows for optimized route planning, thereby avoiding unnecessary travel and site inspections. Furthermore, it underpins the company’s environmental and sustainability goals since SMART is more biocide efficient.

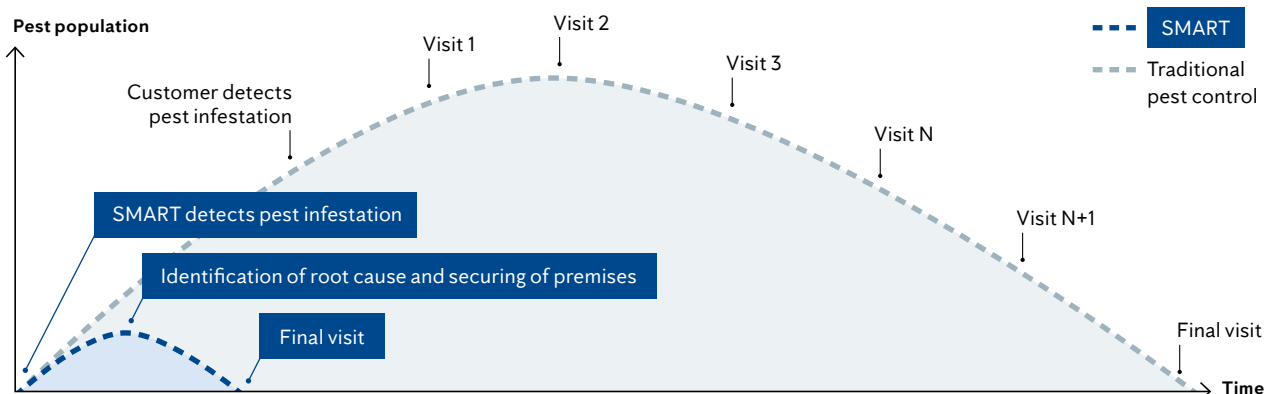
## Evolving the offering – Adding more value

Anticimex is continuously enhancing its offering to advance the value offered to existing and new customers globally. With the group’s sustainability agenda as a backdrop the offering is evolved via three main avenues:

1. Close collaboration with customers, where the starting point is the customer’s needs and how new value can be added via new technology and service solutions.
2. Innovation in digital and biocide-free SMART solutions, including AI technology and big-data analytics, enabling unique insights related to when and where pest issues may be arising, and how these can be mitigated in a preventive manner.
3. Sharing of best-practices and solutions in Anticimex’ global organization, drawing upon the vast expertise and experience that exist across service branches and units across the globe.

## Benefits of SMART methodology - illustrated

The area under the line represents resources utilized to control a pest infestation (e.g. biocides, man hours, equipment, fuel)





## Securing business continuity for a food processing company – SMART-assisted pest control

This following text is an anonymized customer case.



### Background

In June 2022 one of Anticimex' offices in southern Europe received a call from a food processing company concerning a suspected rat infestation. The company is a producer of frozen fries and croquettes and has recently commissioned a new facility to increase frying production following a new contract with a big retailer. Production had been running smoothly for the first 6 months, but recently holes had been found on plastic foil around pallets and gnaw marks had been identified on the food packaging as well. The company's current pest control supplier placed extra control measures in the production hall and inspected the outside of the building for new entrances, but to no avail as the source was not found. Eventually one of the friers lost its power, and at that point the company contacted Anticimex. Management for the company also felt that the timing was right to bring in a more advanced pest control provider since regulation, aligned with Integrated Pest Management principles, was being strengthened to promote more preventive and non-chemical pest control solutions.

### Site inspection

The first important step for the Anticimex team was to do a thorough inspection. The inspection found out that the rodents did not originate from a location inside the production hall or docking area, but smear marks were found on the power lines leading to the technical areas in the attic, which was difficult to access and navigate. Here, no controlling actions had been taken previously. The entry path for the rodents seemed to be via an insufficiently proofed ventilation pipe. The smell of condensed fry fat had attracted rats, and they gnawed their way through rubber and insulation around the pipes to get access to the technical areas. Once inside, they were given free play in the technical rooms and eventually got into the production site.

### Monitoring and proofing

To confirm the rodents' movement patterns, the Anticimex team placed SMART monitoring devices, sensors, and cameras in the technical area and on the electrical cables. Extra monitoring devices were also placed on the loading



docks, near the wastewater basins and other risk areas. By means of data collected from the monitoring devices, the team could quickly identify what areas required extra prevention measures. Consequently, the team proofed the piping with steel grids to prevent rodents from entering. Furthermore, ventilation gaps were correctly sealed, and the cable gutters were secured so rodents couldn't travel through them. Last but not least, the contaminated areas were intensively cleaned.

#### **Control and further prevention**

To control the rodent population, the team placed small SMART traps in the technical rooms on the routes with clear grease tracks. Other traps were placed near the ventilation gaps and in the vicinity of the water basin. In addition to placing SMART traps in key risk areas, a rigorous hygiene and cleaning plan was implemented for the technical space and the roof. The same areas were also integrated into the inspection routines of the pest technicians. After routes via the roof had been closed off, rodents tried entering via gaps under the loading dock gates,

so this area needed extra prevention and control measures. Further prevention actions included more frequent emptying of waste containers and awareness training for employees, posters in the eating lounge, and an informative presentation on the screens in the factory hall to encourage more proactivity from all employees.

Throughout the customer engagement, Anticimex' team could keep the customer updated on progress and extra measures needed, based on insights from collected and analyzed data.

#### **Results**

Two months after the initial incident, a survey conducted by management at the food processing company confirmed that communication between employees and the Quality Assurance department had improved, and that employees felt safer in the workplace. The company also successfully passed a BRC-audit (Pest Control part) based on the positive and documented evolution towards Integrated Pest Management working principles.

# Innovation

By always staying close to customer needs and continuously developing new methods and technologies for pest control, Anticimex has stayed at the forefront of the pest control market, ever since the company was founded in 1934. Innovation sits firmly at the core of Anticimex' business strategy, and the innovation efforts are guided by sustainability ambitions geared towards protecting biodiversity, preventing the spread of pest-borne diseases and minimizing food and property loss.

## Anticimex technology innovation

Anticimex' innovation activities are centered around the digitally enabled SMART solutions. The SMART ecosystem consists of digitally connected traps, monitoring sensors, numerous digital applications, system integration and an Advanced Analytics platform, enabling real time round-the-clock monitoring and analysis of pest infestations. The SMART products can also take care of the actual extermination, in an environmentally friendly way, without the use of pesticides.

Throughout the global organization, teams of skilled R&D-engineers, biologists and entomologist are refining methods and technologies to ensure that Anticimex always can offer state-of-the-art services and solutions for pest control. The technical teams

are evaluating and developing new digital solutions and the Advanced Analytics-platform, which is playing an important role in gathering and analyzing data, which can be used to find root causes behind pest infestations. The analytics-based SMART solutions are enabling a predictive and preventive approach to pest control, which is more resource efficient and environmentally sustainable.

The innovation teams stay in close contact with customer needs and demands through tight collaboration with Anticimex units worldwide, and by continuously being involved in customer engagements throughout all phases of SMART solution development.



## Inauguration of a new innovation center

On Wednesday November 29, 2023, Anticimex inaugurated a new Anticimex Innovation Center in Copenhagen, Denmark. This new facility will add to Anticimex’ innovation power, by serving as a hub where new solutions and commercial models can be developed.

Rasmus Bokvist, President SMART Solutions comments: “At this innovation center we combine capabilities ranging from ideation, software engineering, prototyping, assembly, testing and an insect lab for behavioral studies of different types of pests. The addition of this new facility is a springboard to further strengthen our industry leadership in digitally assisted pest control solutions. We are looking forward to bringing customers, partners, and colleagues from around the world to Copenhagen to collaborate around innovative and sustainable solutions to global pest challenges.”

The formal inauguration, including a ribbon-cutting ceremony, was conducted by Jussi Ylinen, President & CEO Anticimex Group. Attendees included representatives from Anticimex’ worldwide innovation team, as well as the global management team which includes all heads of countries and global functions.

Jussi Ylinen concludes: “In 2024 Anticimex will celebrate 90 years, and innovation has been one of our most important growth engines over the years. Our ambition going forward is to accelerate innovation efforts, to further strengthen our position as the leader in transforming the pest control industry by means of preventive pest control solutions.”

**“Innovation has been and will continue to be one of our most important growth engines”**

Jussi Ylinen, President & CEO



# People and culture

The success of Anticimex rests on great people and a strong company culture. The decentralized and branch-based operating model requires competent specialists across all functions of the organization, and Anticimex’ growth journey is dependent on the ability to attract and retain skilled employees. As an employer Anticimex provides a safe and engaging workplace that offers career opportunities for everyone, regardless of background. Fostering a diverse and inclusive workplace is essential for providing world-class service to the large and multifaceted customer base.

## Employee satisfaction

On an annual basis employee satisfaction and engagement is tracked through employee surveys, carried out globally. Status is measured using many metrics, including the well-established Employee Net Promoter Score (eNPS), which measures the likelihood of employees recommending Anticimex as a place to work. The positive trend continues, and in 2023 the eNPS score increased by 1 point to 24, compared with 2022. The survey results are analyzed locally on unit level, to identify best practices that can be shared with others or initiate needed improvement actions.

## Code of Conduct

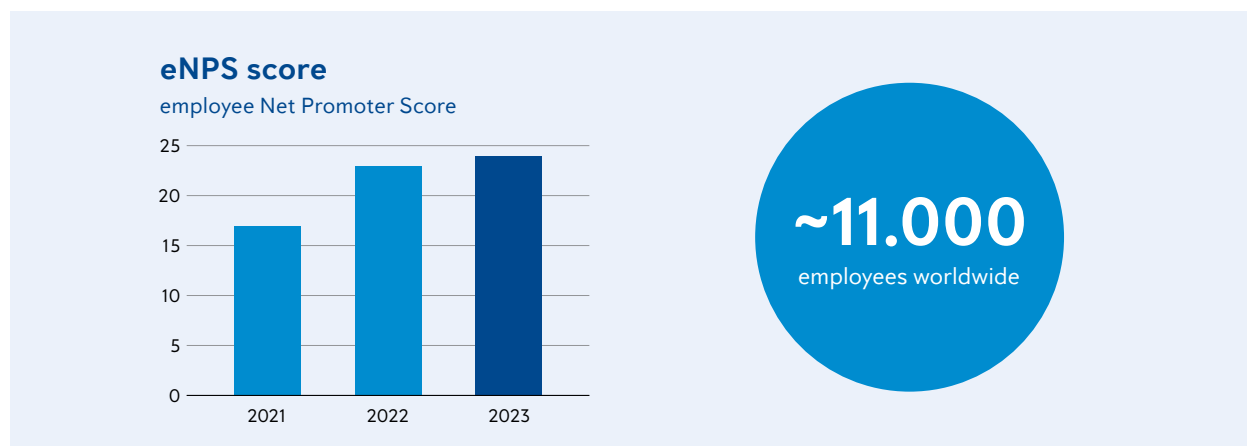
Anticimex’ Code of Conduct outlines the requirements placed on employees, suppliers, and partners. It is an important tool in ensuring that everyone is aware of how business shall be conducted. The Code of Conduct is strictly linked to the core values – “Trust, Innovation and Passion” – which are cornerstones of the company culture. All employees are required to sign the Code of Conduct annually, and everyone who joins Anticimex is required to sign the Code of Conduct alongside their employment contract. To further secure compliance with the Code of Conduct a direct link to the CEO has been established – the SpeakUp Line – which can be used by all employees to report potential breaches anonymously.

## Competence development

As Anticimex is leading the transition to preventive pest control with the digitalized SMART platform it requires employees to adopt new skills and improve their understanding of digitally enabled solutions. To this end the company supports employees to develop skills through the online SMART training portal. The portal offers training and tutorials for sales, technicians, and operational staff. To meet local needs and challenges, organizations develop locally tailored training programs. For example, the Swedish organization offers a 10-module program for all leaders.

“By leveraging global best practices and identifying improvement areas locally, we enhance employee engagement and operational performance throughout our global organization.”

Jussi Ylinen, President & CEO



# Meet our people



**Monica Botnen**  
Branch Manager  
Bergen, Norway

**“Being part of a global company allows me and my team to cooperate and learn from peers all around the world.”**

“Prior to becoming branch manager 10 years ago, I worked as a pest control technician and later I also took on a team leader role. Having this background has been very good for me, since it has helped me understand the core of our business – which is to help solve pest problems for people and businesses. What I enjoy most about my job is really the breadth of tasks that I face every day, everything from meeting customers to financial follow-up, and above all, leading a great team! Also, being part of a global

company allows us to cooperate and learn from our peers around the world. For example, we have adopted great ways of working with SMART alarm handling by learning from our friends in Finland. SMART-assisted solutions have also been a contributing factor to further increase job satisfaction for us here in Norway, since it makes us all proud to be offering pest control services that are more sustainable and efficient.”



**Craig Sansig**  
Associate Certified  
Entomologist and  
Service Director  
Region North & East, USA

**“In my role, I’m excited to be empowered to help guide our business towards more sustainable pest management solutions, which help protect health and the environment.”**

“My career in pest management started when I joined Viking Pest Control (later acquired by Anticimex) in 2000. Back then my plan was simply to do pest management as a part time job while I completed my studies, but instead I fell in love with the challenge of pest control! The science of pest management intrigued me, because it became clear that the better you understood the pest, the easier pest control became. So, I basically became a sponge for information, learning all that I could learn, and still, more than 20 years later I see myself as a perpetual student of this industry. Lately I have

also joined Anticimex’ Biodiversity Taskforce, to develop a framework that ensures adherence to the highest standards across our global operations, opting for safer, more sustainable alternatives to effectively control pests without compromising safety and environmental protection. In my role as entomologist, I’m excited to be empowered to help guide our business toward more sustainable pest management solutions, that help protect health and the environment.”



**Nikki Barr**  
Pest Technician  
Geelong branch, Australia

**“I’m passionate about mentoring and helping onboard new employees. I know from my own experience how important it is to get off to a great start.”**

“I started with Anticimex three years ago, and since then I have worked in a number of different roles. I began working as an operations manager and then moved into a customer care agent role, but already then, I knew that I wanted to be out on the road working as a pest technician. After having completed my General Pest Training and Timber Pest Training through our Registered Training Office, I was ready to start as a pest technician and this was a really proud moment for me! The most fulfilling part of my

job is helping customers to feel comfortable in their homes again. It is so rewarding to go back and complete a 2-week check-up after a job with a terrible infestation and see a significant improvement. Another thing I’m passionate about is to mentor and help onboard new employees. I know from my own experience how important it is to get off to a great start, where you get the proper support and guidance from managers and peers.”

# Transforming the industry to sustainable pest control

At the core of the sustainability strategy sit three key environmental impact areas that are fundamental to Anticimex' contribution towards a more sustainable world. These impact areas are geared at protecting biodiversity, preventing pest borne diseases, and reducing property loss and food waste. Anticimex is uniquely positioned to have a positive impact in these areas through its SMART enabled, proactive pest control methodology.

1

## Impact area 1

### Protect biodiversity through supporting a natural balance of pests in the ecosystem and by using biocides more effectively.

Invasive pests pose a major challenge to biodiversity, and the economic damage that they cause exceeds 5 percent of the global gross product. When pests enter a new area, they often arrive without natural enemies and the population can explode without anything standing in the way, which can push out native species and upset the balance of unique ecosystems. Here pest control contributes to protecting biodiversity and the local ecosystem, particularly consider-

ing trends like increased travel, globalization and climate change.

Usage of biocides to battle pests poses another challenge to biodiversity. If overused or misused it risks spreading into freshwater, or causing unintentional poisoning by consumption, either directly or through the food chain. Hence, using biocides more effectively, with early detection and non-tox alternatives, becomes essential to minimize potential harm on the environment.



2

## Impact area 2

### Prevent the spreading of pest borne diseases.

Human health is threatened by pests and animals carrying harmful germs that can spread to people and cause illness. In fact, scientists estimate that more than six out of every ten known infectious diseases in people are spread from pest and animals, and three out of every four new or emerging infectious diseases in people come from

animals. Perhaps the most well-known example is the bubonic plague, which spread through rodents carrying infected fleas. Controlling pests – in particular detecting issues earlier and treating the root cause in a preventive manner – reduces the risk of severe and harmful pest infestations.



3

## Impact area 3

### Reduce property loss and food waste.

Pests that eat grains contaminate food processing chains – causing significant food loss worldwide, every year. Rodents also cause damages to production lines and goods, forcing production stoppages, replacement of parts and discarding of

products. This increases production and consumption – and consequently emissions – that could have been avoided. Detecting and combating pests early leads to less contamination and damage in the value chain.



## The power of Early Detection – explained

Underpinning Anticimex’ ability to have a positive impact on the environment is early detection and a unique methodology to identify – and treat – the root cause. Through innovation combining digital capabilities and biological and entomological expertise, Anticimex is driving the transformation from reactive to preventive pest control services. Anticimex’ SMART solutions support 24/7 real-time monitoring which enables early detection and the detective work necessary to identify pest movement. Together with sophisticated risk assessments and thorough securing of premises, this is a fundamental aspect in achieving resource efficient and effective pest control.

### Why does early detection matter?

Rodents reproduce fast. They reach sexual maturity within 40 days and can yearly carry 5–7 litters of up to 10 rats. This means that – undetected – a single pair of rats can reproduce to more than 1 000 rats in a year. Another pest with a high potential of becoming a problem is cockroaches. Most of them are nocturnal and might go unnoticed for a long time and they also hide away their offspring in a hard

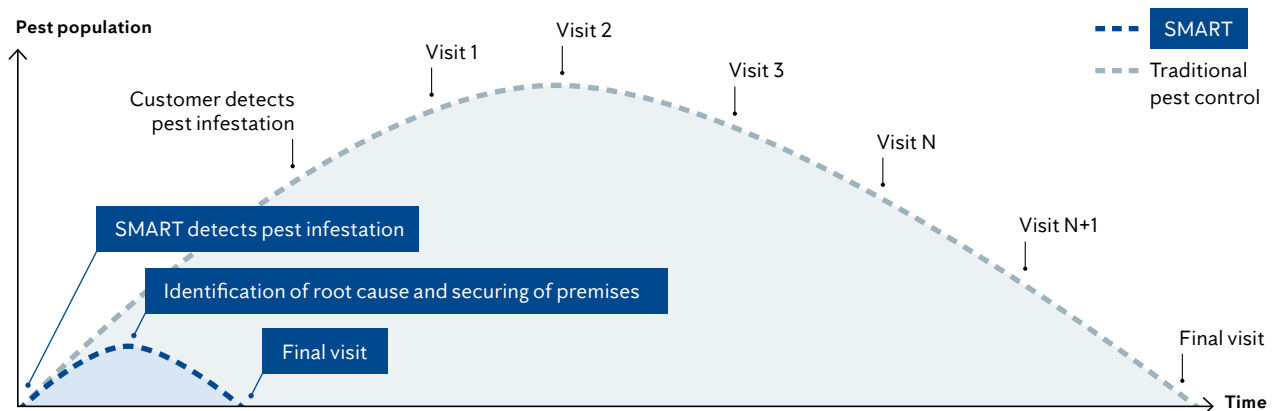
cased egg sac – ootheca - containing up to 35–40 small cockroaches, called nymphs. Early detection is critically important, since it circumvents excessive usage of pesticides, equipment and other resources – and minimizes damage and contamination caused by the various pests.

As depicted in the figure below, Anticimex’ SMART solution supports early detection of pest infestations, with quick identification of root cause, and often immediate and non-toxic remediation. Conversely, using a traditional approach means that a pest infestation is detected at a later stage, and consequently the pest population can grow a lot before traps and pesticides are applied. The traditional method requires physical visits to check status and perform re-baiting and emptying traps, meaning that several visits to the customer premises are required before the pest issue can finally be resolved.

Through SMART-enabled early detection, Anticimex is a key contributor in protecting biodiversity and reducing food and property waste – as well as the risk of pest borne disease – by means of a sustainable, economical and resource efficient approach.

### Benefits of SMART methodology– illustrated

The area under the line represents resources utilized to control a pest infestation (e.g. biocides, man hours, equipment, fuel)



SMART: Continuous 24/7 digital monitoring

### Conducting business sustainably

In addition to the above-mentioned environmental impact areas, Anticimex’ sustainability strategy also encompasses approaches to minimize CO<sub>2</sub> emissions from the vehicle fleet, by continuously performing route optimizations and transitioning towards electrical vehicles.

Furthermore, as Anticimex relies heavily on having competent and engaged personnel in all parts of the organization, the sustainability strategy also includes focus areas to ensure that Anticimex

remains a preferred employer, while also providing a safe and healthy workplace worldwide.

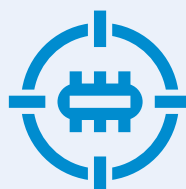
Anticimex’ sustainability work is linked to the UN Sustainable Development Goals, and governance of Anticimex’ sustainability efforts is mainly regulated by the company’s Code of Conduct, which has been established by the Board of Directors. To further strengthen compliance with the Code of Conduct, a direct link to corporate management has been established, the SpeakUp Line, which can be used by everybody in the company to report potential breaches.

# Transforming the industry – preserving biodiversity

Anticimex strives to positively contribute to a more sustainable world and a key environmental impact area is Protecting Biodiversity. One way of achieving this is to combat invasive species that, due to climate change or travel patterns, enter a local ecosystem and threaten the existing flora and fauna. Secondly, when working to protect biodiversity, we always ensure that the biocides applied in our operations are used as efficiently as possible – i.e. only the right biocide, at the right time, in the right place, and using the right application method.

To ensure sustainable and efficient use of biocides, Anticimex has developed a framework called the Anticimex Biodiversity Impact Matrix. The purpose of this Biodiversity Impact Matrix, and associated methodology, is to strike the delicate balance of using biocides to protect humans, the natural ecosystem and biodiversity from invasive or harmful pests, while minimizing any negative impact on the surrounding environment. The Biodiversity Impact Matrix is continuously updated and developed, and Anticimex sees this methodology as a meaningful step forward for the company and the pest control industry to deliver the highest quality services, with maximum protection and minimal negative externalities.

## What does a biocide consist of?



Typically, a biocidal product consists of a mix of chemicals and will include an “active substance” that has the controlling effect on the pest.

## Anticimex’ Biodiversity Impact Matrix

In 2023 Anticimex formed a Biodiversity Taskforce led by Chief Biology Officer Håkan Kjellberg. The Biodiversity Taskforce consists of experts from across the global organization, with expertise in biology, entomology, and health protection. The team of experts has developed a framework to assess biodiversity risk.

The risk assessment framework consists of two main dimensions: (1) the risk level of unintended impact to the nearby environment, ranked in a traffic light system, and (2) the application method of the biocide.

### Traffic light system

The first dimension considers the active substance, or substances, in a biocide and its potential negative impact on e.g. plants, water, humans and animals, that are not the intended recipients of the substance. In addition to classifying approximately 3,000 different biocides into a traffic light system, the expert team has also developed a list of banned substances that cannot be used in Anticimex’ operations, regardless of whether the substance is allowed according to local regulation. Simplified, this ensures adherence to the highest standards across our global operations, opting for safer, more sustainable alternatives to effectively control pests without compromising safety and environmental protection.

### Application Method

The second dimension looks at how the substance is applied, and to which extent it can be contained and retrieved. For example, a biocide that is applied indoors, and that can be collected and disposed of safely, poses a lower risk compared to the same biocide being used in an open area outdoors and left behind once treatment is concluded.

The dimension "Application Method" considers the potential risk of residuals of harmful active substances in indoor and outdoor areas, as well as the overall sensitivity of the environment.

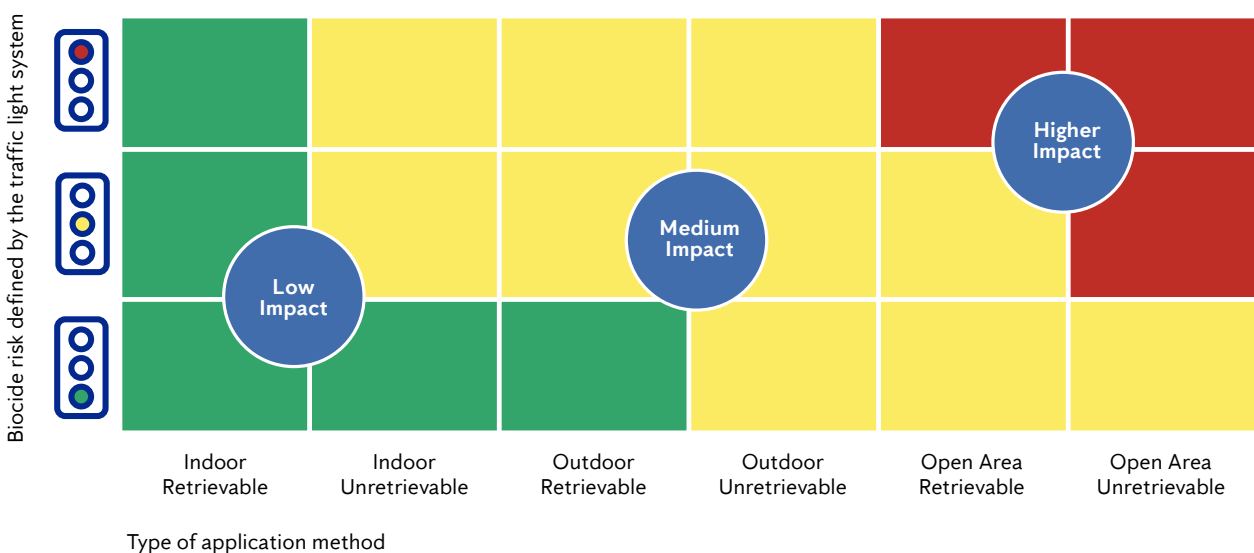


### Biodiversity Risk Matrix

The Biodiversity Risk Matrix combines the two dimensions into a risk matrix covering all types of biocides and a range of different types of application.

Strategically, Anticimex aims to shift biocide usage away from the top right corner. This is done through several mechanisms, including knowledge sharing across the global footprint, so technicians within the Anticimex Group always benefit from the latest and greatest methods and best practices. By also using the SMART enabled

methodology based on monitoring and prevention, we can ensure that biocides are only used when necessary, and that we can act before pest infestations blossom. By combining the Biodiversity Impact Matrix, our technology assisted methodology, and ongoing development of our sustainability approach we are continually developing more efficient and sustainable solutions to global pest challenges.



# Sustainability in numbers

Anticimex transforms the industry – from reactive to proactive and preventative pest control. Through SMART enabled early detection, we strive to protect biodiversity and reduce food and property waste, as well as the risk of pest borne disease, more than traditional pest control does. This is how Anticimex actively and positively impacts the world we operate in. Additionally, Anticimex prides itself in conducting its business sustainably – across the board.



<100 kg rodenticide active substance

## More efficient biocide usage

Anticimex has developed a Biodiversity Impact Metrix to support more efficient use of biocides. Only approximately 5kg of “red” rodenticide active substance was used in the entire Anticimex Group in 2023.

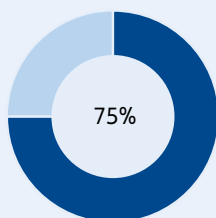
## From reactive to proactive

SMART is a key enabler for early detection and offers fast – often immediate and non-toxic – remediation. Together with risk assessment and securing of premises, SMART transforms the industry from being reactive to proactive and preventive.

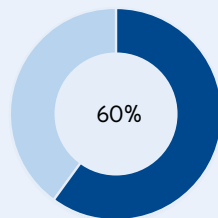


## Infectious diseases

Pests and animals are a significant source of infectious diseases. Detecting a pest issue earlier and treating the root cause helps reduce the risk of pest borne disease.



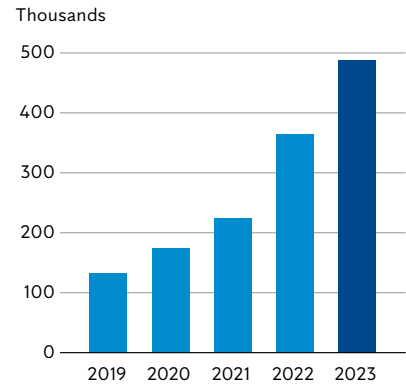
New or emerging infectious diseases in people that comes from animals.



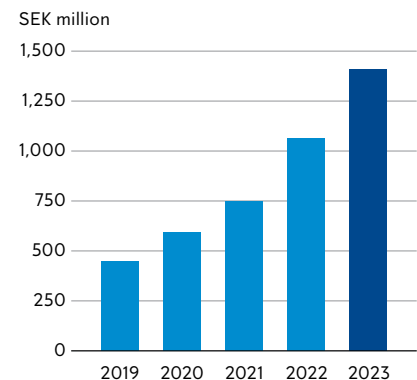
Known infectious diseases in people that can be spread from pest and animals.

Source: US Centers for Disease Control and Prevention

## Installed SMART device base



## Annualized SMART portfolio



## Conducting business sustainably

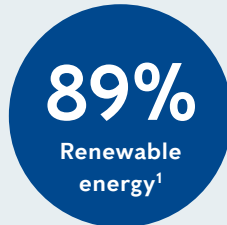


### ENVIRONMENTAL

As a route-based service business, we constantly strive to improve our CO<sub>2</sub>e emissions. We continuously strive to optimize routes. Zero and low emission vehicles are becoming a greater part of our vehicle fleet: 10 percent of our vehicle fleet in 2023, compared to 6 percent in 2022.

During 2022 Anticimex committed to the Science Based Target initiative and submitted targets, which were validated in 2023.

1) Based on market-based emissions for the GHG Scope 2



**GHG Scope 1:**  
**54,739 tonnes CO<sub>2</sub>e**

**GHG Scope 2:**  
**435 tonnes CO<sub>2</sub>e**  
(market based)



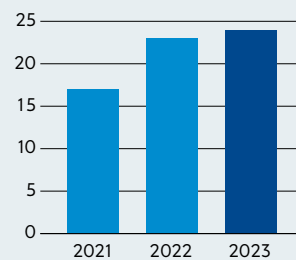
### SOCIAL

With a majority of our around 11,000 employees out visiting customers every day, it is imperative that we keep our staff as safe as possible. As a global business, we aim to promote a diverse and inclusive work environment. We measure key social metrics down to the branch level and act on deviations immediately.

As a field-based business, incidents occur and are monitored closely on a branch level. The vast majority are less severe, e.g. slips and falls or overexertion.

### eNPS score

employee Net Promoter Score



### GOVERNANCE

Anticimex operates in 21 countries worldwide. We ensure that we adhere to good governance standards with clear policies regarding e.g. anti-corruption and human rights. Please refer to the Corporate Governance report for further details.







To ensure transparency, Anticimex has implemented an anonymous SpeakUp Line with direct communication to the CEO.








# Sustainability

## – risks and management



		 <b>Environment – chemicals</b>	
<b>Description of area of sustainability</b>		Working with pest control, biocides are needed. Some biocides can be harmful to animals and can have a negative impact on the environment.	
<b>Main risks</b>		<ul style="list-style-type: none"> <li>• Environmental biocide contamination at a customer site or in Anticimex’ warehouse.</li> <li>• Inefficient use of biocides.</li> <li>• Inadequate handling of batteries and SMART hardware.</li> </ul>	
<b>Mitigation</b>	<b>Steering</b>	<ul style="list-style-type: none"> <li>• Compliance with national and multinational training regulation.</li> <li>• Additional continuous training for technicians, particularly for handling SMART hardware.</li> <li>• Continuous follow-up of SMART KPIs.</li> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> <li>• Mitigation is part of business plan process.</li> </ul>	
	<b>Anticimex’ sustainability goals and outcome</b>	<p><b>Protecting biodiversity</b></p> <ul style="list-style-type: none"> <li>• SMART revenue growth 2023 was 38 percent.</li> <li>• SMART installed base on 31 Dec 2023 was 488 thousand installed units.</li> </ul>	
	<b>Designated UN goal relevant for Anticimex</b>	  	
	<b>Link to strategy</b>	Development and spreading of the SMART concept is a key pillar in Anticimex’ strategy.	

1) The Anticimex Code of Conduct contains policies on environment and anti-corruption among others.  
 2) Calculation for baseline year 2021 as part of SBTi baselining and target setting.

 <b>Environment – climate</b>	 <b>Employee and social conditions</b>
<p>A vehicle fleet is necessary for delivering service on location at customers’ premises. Vehicles and their carbon dioxide emissions are the single largest direct emission (GHG scope 1).</p>	<p>Anticimex is a knowledge intensive company and it is important that the workplace is engaging and offers career opportunities. Discrimination and lack of safety routines can have negative impact on the company.</p>
<ul style="list-style-type: none"> <li>• Inadequate route planning increases carbon dioxide emissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Discrimination in the workplace.</li> <li>• Unfair treatment at workplace.</li> </ul>
<ul style="list-style-type: none"> <li>• Continuous follow-up of KPIs measuring efficiency of route planning.</li> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> <li>• Mitigation is part of the business plan process.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee satisfaction survey mandatory on yearly basis for all countries.</li> <li>• Continuous follow-up of relevant KPIs.</li> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> <li>• Mitigation is part of the business plan process.</li> </ul>
<p><b>Improving carbon dioxide emissions efficiency</b></p> <ul style="list-style-type: none"> <li>• GHG scope 1 emissions were 54,739 tonnes CO<sub>2</sub>e in 2023.</li> <li>• GHG scope 2 emissions were 2,726 tonnes CO<sub>2</sub>e (location based) in 2023.</li> <li>• GHG scope 3 emissions for 2021 were 109,434 tonnes CO<sub>2</sub>e.<sup>2</sup></li> </ul>	<p><b>Promoting a diverse and inclusive workplace</b></p> <ul style="list-style-type: none"> <li>• Employee Net Promotor Score, eNPS 2023 was 24, compared to 23 last year.</li> </ul>
	 
<p>Optimizing route planning is key to achieving the quality and efficiency needed to reach growth and profitability goals.</p>	<p>Decentralized model securing employees’ direct contact with decision makers impacting their everyday.</p>

# Sustainability

## – risks and management

		 Health and safety	
<b>Description of area of sustainability</b>		Anticimex employees face occupational hazards in situations. Health and safety management is an integral part of our business model and followed up on regularly during business reviews of the branches.	
<b>Main risks</b>		<ul style="list-style-type: none"> <li>• Work injuries from biocide handling or fumigation.</li> <li>• Accidents in specific services (e.g. height related), traffic or other work situations.</li> </ul>	
<b>Mitigation</b>	<b>Steering</b>	<ul style="list-style-type: none"> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> <li>• Anticimex offers mandatory systematically preventive training for all relevant employees in safe working practice at branch level.</li> </ul>	
	<b>Anticimex' sustainability goals and outcome</b>	<b>Promoting a safe &amp; healthy workplace</b> <ul style="list-style-type: none"> <li>• Aggregated Group incidents<sup>2</sup> per 100 employees was 4.</li> </ul>	
	<b>Designated UN goal relevant for Anticimex</b>		
	<b>Link to strategy</b>	Decentralized model securing employees get the most suitable safety training in their local market.	

1) The Anticimex Code of Conduct contains policies on environment and anti-corruption among others.  
 2) Incidents that result in an employee not being able to perform his or her job in the next 24 hours.

	 <b>Anti-corruption</b>	 <b>Human rights</b>
	<p>Anticimex decentralized business model depends on good business ethics. Anticimex emphasizes following the company's ethical guidelines regarding anti-corruption and other regulations and laws.</p>	<p>Anticimex has an obligation to respect human rights.</p>
	<ul style="list-style-type: none"> <li>• Employees engaging in bribery, criminal acts or other forms of corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Risks for Violations of human rights deemed generally low due to high degree of control over value chain and service-based offering. Additionally, this subject has not come up in the materiality analysis nor the stakeholder dialogue. Anticimex' requirement of employees to sign company's Code of Conduct is deemed sufficient.</li> </ul>
	<ul style="list-style-type: none"> <li>• Risk assessment for instances of corruption is part of the acquisition due diligence process.</li> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> <li>• For all acquisitions, analysis is conducted to assess the financial performance, risk management practices, and the quality of its assets.</li> </ul>	<ul style="list-style-type: none"> <li>• All employees are asked to sign the Code of Conduct<sup>1</sup> annually.</li> <li>• Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).</li> </ul>
	<ul style="list-style-type: none"> <li>• No reported cases of breaches against anti-corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• No reported cases of breaches against human rights.</li> </ul>
	<p>A thorough risk assessment is crucial in order to identify issues prior to closing an acquisition and to ensure good business practices in a decentralized operating model.</p>	<p>Anticimex has always had high demands on human rights issues and sees them as a core element in company values.</p>

# Directors' report

The Board and CEO of Anticimex Group AB, company registration number 559316-9039 (the Company), with registered office in Stockholm, Sweden, hereby submit their annual report and consolidated financial statements for the 2023 financial year.

## Operations

Anticimex was founded in Sweden in 1934 and has since then grown successfully both organically and through acquisitions. Today, Anticimex conducts operations in 21 countries in Europe, Asia Pacific, North and South America. The Group offers services to private customers, organisations, and businesses primarily within pest control but also building environment in the Nordics and hygiene services.

## Important events

The decentralised business model and the branch focus remains an important part of the Anticimex strategy. The branch competition, comparing operating (EBITA)<sup>1</sup> margin and margin improvements between branches, continued, and resulted in 20 winners for 2023.

During 2023 Jussi Ylinen, previously President for the Pacific region, was appointed new CEO and President for the Anticimex Group.

## Revenue

Consolidated revenue amounted to SEK 15,548 million (13,323) representing a total growth of 16.3 percent (29.8), of which 5.2 percent (4.8) was organic.

## Earnings

Operating profit (EBITA)<sup>1</sup> amounted to SEK 3,218 million (2,689), representing an operating (EBITA)<sup>1</sup> margin of 20.7 percent (20.1). Reported operating profit (EBIT) amounted to SEK 2,144 million (1,746).

## Financial income and expense

Financial net expenses amounted to SEK -2,388 million (-1,848). See note 13 for further information.

## Profit/loss before tax

Profit/loss before tax amounted to SEK -243 million (-102), representing a margin of -2 percent (-1). If excluding exchange rate effects, the corresponding amount would have been SEK -260 million (125).

1) Earnings before interest, tax, amortisations on acquisition-related intangible assets, acquisition related costs and items affecting comparability.

## Tax, profit/loss for the year and other comprehensive income

Total tax cost for the year amounted to SEK -324 million (-403). Please see note 14 for further information. Consolidated profit/loss for the year amounted to SEK -567 million (-505). Total comprehensive income amounted to SEK -1,802 million (3,551).

## Financial position, liquidity and financing

Consolidated equity amounted to SEK 45,766 million (47,564) at year-end. Consolidated cash and cash equivalents amounted to SEK 1,565 million (2,171).

Current approved bank facilities amounted to SEK 30,617 million (31,451). Out of these, SEK 1,772 million (2,992) were unutilised by the end of the year which includes available bank overdraft facilities of SEK 470 million (449).

## Acquisitions

Anticimex made a total of 53 acquisitions (47) during the period, all of them being bolt-on acquisitions to already existing business and none of these is individually deemed to have a significant effect on the Group's financial statements. Total purchase price amounted to SEK 1,395 million (3,362), total goodwill to SEK 1,177 million (3,068) and the impact on consolidated revenues from these acquisitions amounted to approximately SEK 282 million. Total cash flow for acquisitions amounted to SEK 1,879 million (3,161). Further information regarding acquisitions in 2023 is provided in Note 32.

## Expected future development

Management's assessment is that the market for pest control will continue to be strong. As one of the market leaders in the industry, Anticimex expects to benefit from these conditions for continuous profitable growth.

## Description of significant risks and uncertainties

Anticimex Group is exposed to operational risks linked to conducting business in the markets where the Company is present, along with operational risks inherent to the specific industry in which Anticimex operates as well as risks related to the conducting of insurance services. Financial risks are linked to trade receivables, currencies and financing. A full description of these

risks is presented in the Risk management section of this Annual Report, see pages 111–115. A description of the Group's financial risk management and risks related to the insurance business is provided in Notes 3 to 5.

### Personnel

In 2023, the average number of employees was 10,871 (10,210). As of December 2023, 25 percent (26) of all employees are women.

### Parent Company

The Parent company Anticimex Group AB is not conducting any external operations but is solely a holding company conducting management services to the Group.

### Owner

All-Star HoldCo S.à.r.l, registered in Luxembourg, owns 47.7 percent of Anticimex Group AB's shares as per 31 December 2023 and has control over the Group. All-Star HoldCo S.à.r.l is controlled by EQT as part of the EQT Future Fund. The remaining 52.3 percent of the shares are owned by senior executives and other employees in the Anticimex Group (5.3 percent) and institutional investors (47.1 percent), including several long-term investors, such as Melker Schörling AB (MSAB) and GIC.

EQT is a purpose-driven global investment organization based in Sweden with approximately EUR 130 billion in assets under management. EQT's strategy is to support and develop Anticimex' growth-oriented strategy.

### Events after the end of the financial year

After the end of the financial year another 8 acquisitions have been made (5 in the US, 1 in the UK, 1 in Germany and 1 in Italy). The total purchase price amounts to approximately SEK 390 million with an estimated annual revenue of approximately SEK 142 million and corresponding operating profit (EBIT) at

SEK 27 million. None of these acquisitions are deemed to have a significant effect on the Group's financial statements.

In February 2024 the Anticimex Group has granted one of its shareholders, All-Star HoldCo S.à.r.l, a loan to the amount of USD 7 million via an Anticimex holding company in the US. The terms of the loan are in line with arms length principles.

### Sustainability Report

In accordance with the Swedish Annual Accounts Act chapter 6, paragraph 11, Anticimex has chosen to establish the statutory Sustainability Report as a report separate from the Annual Report. The 2023 Sustainability Report will be published in connection with the Annual Report and can be found at [www.anticimex.com](http://www.anticimex.com).

### Proposed disposition of unrestricted equity (Parent Company)

The Board of Directors proposes no dividend but that all available funds are to be carried forward.

#### The following amounts are available to the Annual General Meeting (SEK):

Unrestricted equity	42,963,012,628
Loss for the year	-14,694,812
<b>Total</b>	<b>42,948,317,456</b>

#### The Board's proposed disposition of earnings:

To be carried forward	42,948,317,456
<b>Total</b>	<b>42,948,317,456</b>

# Financial statements

## Consolidated statement of comprehensive income

SEK million	Note	1 Jan–31 Dec 2023	Restated <sup>2</sup> 1 Jan–31 Dec 2022
Net sales	6	13,887	11,727
Insurance revenue	6	1,621	1,573
Other operating income	6	40	22
<b>Total revenue</b>		<b>15,548</b>	<b>13,323</b>
Raw materials and consumables		-1,065	-862
Employee benefit expenses	8	-7,050	-6,083
Other external costs	9, 10, 11	-2,985	-2,620
Depreciation and impairment of non-acquisition related non-current assets	15, 16, 17	-819	-647
Insurance service expenses		-446	-392
Net expenses from reinsurance contracts held		35	-29
<b>Operating profit (EBITA)<sup>1</sup></b>		<b>3,218</b>	<b>2,689</b>
Amortisation of acquisition-related intangible assets	12	-913	-839
Acquisition-related costs	12	-134	-63
Items affecting comparability	12	-27	-42
<b>Operating profit (EBIT)</b>		<b>2,144</b>	<b>1,746</b>
Financial income	13	521	788
Financial expenses	13	-2,909	-2,636
<b>Profit/loss before tax</b>		<b>-243</b>	<b>-102</b>
Tax	14	-324	-403
<b>Profit/loss for the year</b>		<b>-567</b>	<b>-505</b>
<i>Profit/loss for the year attributable to:</i>			
Shareholders of the Parent company		-567	-505
Non-controlling interests		-	-
		<b>-567</b>	<b>-505</b>

1) Earnings before interest, tax, amortisations on acquisition-related intangible assets, acquisition related costs and items affecting comparability.

2) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Consolidated statement of comprehensive income, cont.

SEK million	1 Jan–31 Dec 2023	Restated <sup>1</sup> 1 Jan–31 Dec 2022
<b>Other comprehensive income</b>		
<i>Components not to be reclassified to profit or loss</i>		
Actuarial gains/losses	0	50
Tax related to components not to be reclassified	0	-10
<i>Components that can be reclassified to profit or loss</i>		
Translation differences from translation of foreign operations	-990	3,920
Cash flow hedges, change in fair value during the year	-323	638
Hedge of net investments in subsidiaries	19	-519
Tax related to components that can be reclassified	60	-23
<b>Total other comprehensive income for the year, net after tax</b>	<b>-1,234</b>	<b>4,056</b>
<b>Total comprehensive income for the year</b>	<b>-1,802</b>	<b>3,551</b>
<i>Total comprehensive income for the year attributable to:</i>		
Parent company	-1,802	3,551
Non-controlling interests	-	-
	<b>-1,802</b>	<b>3,551</b>

1) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Consolidated statement of financial position

SEK million	Note	31 December 2023	Restated <sup>1</sup> 31 December 2022	Restated <sup>1</sup> 1 January 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	15, 32	61,875	62,188	54,061
Trademarks	15	6,794	6,799	6,786
Customer relationships	16, 32	6,777	7,478	7,160
Other intangible assets	16	566	569	606
Property, plant and equipment	17	767	722	575
Right-of-use assets	25	1,201	939	723
Deferred tax assets	14	202	173	261
Other financial assets	18	1,394	1,669	1,038
<b>Total non-current assets</b>		<b>79,576</b>	<b>80,537</b>	<b>71,211</b>
<b>Current assets</b>				
Inventory	19	554	617	298
Accounts receivable	20	1,538	1,293	1,057
Reinsurance contract assets	28	49	23	31
Prepaid expenses and accrued income	20, 21	290	244	196
Other receivables		427	359	320
Cash and cash equivalents	22	1,565	2,171	1,592
<b>Total current assets</b>		<b>4,423</b>	<b>4,707</b>	<b>3,493</b>
<b>TOTAL ASSETS</b>		<b>83,999</b>	<b>85,243</b>	<b>74,705</b>

1) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Consolidated statement of financial position, cont.

SEK million	Note	31 December 2023	Restated <sup>1</sup> 31 December 2022	Restated <sup>1</sup> 1 January 2022
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	23	780	434	434
Other paid-in capital		43,161	42,757	42,702
Reserves		-827	4,924	907
Profit or loss brought forward		2,652	-551	-103
<b>Total equity</b>		<b>45,766</b>	<b>47,564</b>	<b>43,940</b>
<b>Non-current liabilities</b>				
Financial liabilities	24, 25, 33	29,157	28,451	22,756
Provision for pensions	26	139	127	161
Insurance contract liabilities	28	280	247	236
Other provisions	27	51	57	77
Deferred tax liabilities	14	3,353	3,336	2,897
<b>Total non-current liabilities</b>		<b>32,981</b>	<b>32,218</b>	<b>26,126</b>
<b>Current liabilities</b>				
Trade payables		405	448	391
Financial liabilities	24, 25	897	1,252	960
Current tax liabilities		175	135	150
Insurance contract liabilities	28	568	542	498
Other provisions	27	21	19	17
Accrued expenses and deferred income	20, 29	2,867	2,817	2,409
Other liabilities		320	249	212
<b>Total current liabilities</b>		<b>5,252</b>	<b>5,462</b>	<b>4,638</b>
<b>Total liabilities</b>		<b>38,233</b>	<b>37,680</b>	<b>30,764</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>83,999</b>	<b>85,243</b>	<b>74,705</b>

1) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Statement of changes in consolidated equity

SEK million	Attributable to owners of the Parent					Total
	Share capital	Other paid-in capital	Hedging reserve	Translation reserve	Profit/loss brought forward	
<b>Opening balance, 1 January 2022</b>	434	42,702	-76	983	-72	43,971
Adjustment to opening balance <sup>1</sup>					-30	-30
<b>Adjusted opening balance, 1 January 2022</b>	<b>434</b>	<b>42,702</b>	<b>-76</b>	<b>983</b>	<b>-103</b>	<b>43,940</b>
<b>Change in equity 1 January 2022 - 31 December 2022</b>						
Profit/loss for the year	-	-	-	-	-505	-505
<b>Other comprehensive income</b>						
Cash flow hedges, changes in fair value during the year	-	-	638	-	-	638
Translation differences relating to foreign operations	-	-	-	3,920	-	3,920
Actuarial gains/losses	-	-	-	-	50	50
Hedge of net investment in subsidiaries	-	-	-519	-	-	-519
Tax attributable to components relating to other comprehensive income	-	-	-23	-	-10	-33
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>97</b>	<b>3,920</b>	<b>-465</b>	<b>3,551</b>
<b>Transactions with owners</b>						
Share based incentive program	-	-	-	-	16	16
Costs for raising capital	-	56	-	-	-	56
<b>Closing balance, 31 December 2022</b>	<b>434</b>	<b>42,757</b>	<b>21</b>	<b>4,903</b>	<b>-551</b>	<b>47,564</b>

1) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Statement of changes in consolidated equity, cont.

SEK million	Attributable to owners of the Parent Company					Total
	Share capital	Other paid-in capital	Hedging reserve	Translation reserve	Profit/loss brought forward	
<b>Opening balance, 1 January 2023</b>	434	42,757	21	4,903	-551	<b>47,564</b>
<b>Change in equity 1 January 2023 - 31 December 2023</b>						
Profit/loss for the year	-	-	-	-	-567	-567
<b>Other comprehensive income</b>						
Cash flow hedges, changes in fair value during the year	-	-	-323	-	-	-323
Translation differences relating to foreign operations	-	-	-	-990	-	-990
Actuarial gains/losses	-	-	-	-	0	0
Hedge of net investment in subsidiaries	-	-	19	-	-	19
Tax attributable to components relating to other comprehensive income	-	-	59	-	0	59
<b>Total comprehensive income for the year</b>	-	-	<b>-245</b>	<b>-990</b>	<b>-568</b>	<b>-1,802</b>
<b>Transactions with owners</b>						
Share based incentive program	-	-	-	-	4	4
<b>Closing balance, 31 December 2023</b>	<b>434</b>	<b>42,757</b>	<b>-224</b>	<b>3,913</b>	<b>-1,115</b>	<b>45,766</b>

### Other paid-in capital

Other paid-in capital consists of new issue where the quota value goes to share capital and the remaining amount to other paid-in capital as well as a shareholder contribution.

### Hedging reserve

The hedging reserve relates to changes in fair value recognised relating to the effective component of cash flow hedges through interest rate caps and collars and the effective component of hedges of net investment in foreign operations. Hedge accounting of the interest rate caps and collars accumulated gains or losses is recognised in profit or loss when the hedged transaction affects profit or loss. Changes in fair value transferred from equity to profit or loss during the period are recognised as financial expenses. During the year all hedging relationships have been effective, and therefore no inefficiency has been recognized in profit or loss.

### Translation reserve

The translation reserve relates to differences from translation of foreign subsidiaries' functional currency to Swedish kronor.

### Capital management

The financial goal for the Company is to have a good financial position which contributes to retaining the confidence of customers, policyholders and partners and provides a basis for continued development of business operations at the same time as the long-term return generated to owners is satisfactory.

## Consolidated statement of cash flows

SEK million	Note	1 Jan – 31 Dec 2023	Restated <sup>1</sup> 1 Jan – 31 Dec 2022
<b>Operating activities</b>			
Operating profit (EBIT)		2,144	1,746
<i>Adjustment for non-cash items:</i>			
Reverse depreciation, amortisation and write-downs	15, 16, 17	1,721	1,487
Gain/loss from sale of non-current assets		-1	-19
Other		-6	0
Interest paid		-2,236	-1,464
Interest received		75	38
Other financial items		-18	-216
Taxes paid		-293	-258
<b>Total cash flow from operating activities before changes in working capital</b>		<b>1,386</b>	<b>1,314</b>
<b>Changes in working capital</b>			
Increase/decrease in trade receivables and other receivables		-156	-284
Increase/decrease in inventory		73	-305
Increase/decrease in trade payables and other liabilities		-140	309
Increase/decrease in other provisions		2	47
<b>Total change in working capital</b>		<b>-221</b>	<b>-233</b>
<b>Total net cash flow from operating activities</b>		<b>1,165</b>	<b>1,081</b>
<b>Investing activities</b>			
Acquisition of intangible assets	16	-123	-76
Purchase of property, plant and equipment	17	-417	-287
Acquisition of subsidiaries and operations	32	-1,879	-3,164
Sale of property, plant and equipment	17	62	39
Acquisition/divestment of financial assets		12	-2
<b>Total cash flow from investing activities</b>		<b>-2,345</b>	<b>-3,490</b>
<b>Financing activities</b>			
Borrowings	24	1,196	6,680
Repayment of loans	24	-603	-3,765
Capital raising costs paid		-	-104
<b>Total cash flow from financing activities</b>		<b>593</b>	<b>2,812</b>
<b>Change in cash and cash equivalents</b>		<b>-587</b>	<b>402</b>
Cash and cash equivalents at the beginning of the year		2,171	1,592
Exchange differences in cash and cash equivalents		-19	177
<b>Cash and cash equivalents at the end of the year</b>	22	<b>1,565</b>	<b>2,171</b>

1) Restated due to the implementation of IFRS 17 Insurance Contracts. For further information on restated amounts see Note 2.

## Parent Company income statement

SEK million	Note	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
<b>Operating income</b>			
Other operating income	6	21	27
<b>Total operating income</b>		<b>21</b>	<b>27</b>
<b>Operating expenses</b>			
Employee benefit expenses	8	-24	-57
Other external costs	10, 11	-13	-5
<b>Total operating expenses</b>		<b>-36</b>	<b>-61</b>
<b>Operating profit/loss</b>			
Items affecting comparability	12	-16	-6
<b>Operating profit (EBIT)</b>		<b>-32</b>	<b>-41</b>
<b>Profit/loss from financial items</b>			
Financial income	13	0	-
Other financial charges	13	0	0
<b>Profit/loss after financial items</b>		<b>-32</b>	<b>-41</b>
Group contribution received		14	15
Tax	14	3	0
<b>Profit/loss of the year</b>		<b>-15</b>	<b>-26</b>

## Parent Company statement of comprehensive income

SEK million	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
<b>Profit/loss for the year</b>	<b>-15</b>	<b>-26</b>
Other comprehensive income	-	-
Total other comprehensive income for the year, net after tax	-	-
<b>Total comprehensive income for the year</b>	<b>-15</b>	<b>-26</b>

## Parent Company balance sheet

SEK million	Note	31 December 2023	31 December 2022
<b>ASSETS</b>			
<b>Financial assets</b>			
Participations in Group companies	33	43,424	43,424
Deferred tax asset	14	3	-
Other financial assets	18	35	15
<b>Total financial assets</b>		<b>43,462</b>	<b>43,439</b>
<b>Current assets</b>			
Receivables from Group companies		75	23
Prepaid expenses and accrued income	21	2	1
Other receivables		1	0
Cash and bank balances	22	5	1
<b>Total current assets</b>		<b>83</b>	<b>25</b>
<b>TOTAL ASSETS</b>		<b>43,545</b>	<b>43,464</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	23	434	434
<b>Total restricted equity</b>		<b>434</b>	<b>434</b>
<b>Unrestricted equity</b>			
Premium reserve	23	42,989	42,989
Profit/loss brought forward		-26	0
Profit/loss for the year		-15	-26
<b>Total unrestricted equity</b>		<b>42,948</b>	<b>42,963</b>
<b>Total equity</b>		<b>43,382</b>	<b>43,397</b>
<b>Non-current liabilities</b>			
Provision for pensions	26	21	15
<b>Total non-current liabilities</b>		<b>21</b>	<b>15</b>
<b>Current liabilities</b>			
Liabilities to Group companies		101	27
Trade payables		1	0
Accrued expenses and deferred income	29	33	18
Other liabilities		7	7
<b>Total current liabilities</b>		<b>142</b>	<b>52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,545</b>	<b>43,464</b>

## Changes in Parent Company equity

SEK million	Restricted equity	Unrestricted equity		Total equity
	Share capital	Share premium reserve	Profit/Loss brought forward	
<b>Opening balance, 1 January 2022</b>	<b>434</b>	<b>42,989</b>	<b>0</b>	<b>43,423</b>
Profit/loss of the year	-	-	-26	-26
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-26</b>	<b>-26</b>
<b>Closing balance, 31 December 2022</b>	<b>434</b>	<b>42,989</b>	<b>-26</b>	<b>43,397</b>
<b>Opening balance, 1 January 2023</b>	<b>434</b>	<b>42,989</b>	<b>-26</b>	<b>43,397</b>
Profit/loss of the year	-	-	-15	-15
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-15</b>	<b>-15</b>
<b>Closing balance, 31 December 2023</b>	<b>434</b>	<b>42,989</b>	<b>-41</b>	<b>43,382</b>

## Parent Company statement of cash flow

SEK million	Note	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
<b>Operating activities</b>			
Operating profit/loss		-16	-35
<i>Adjustment for non-cash items:</i>			
Exchange differences		0	-
Interest received		0	0
Other financial charges		0	0
<b>Total cash flow from operating activities before change in working capital</b>		<b>-16</b>	<b>-35</b>
<b>Changes in working capital</b>			
Increase/decrease in trade and other receivables		-69	-30
Increase/decrease in trade payables and other liabilities		89	66
<b>Total changes in working capital</b>		<b>19</b>	<b>36</b>
<b>Total net cash flow from operating activities</b>		<b>4</b>	<b>1</b>
<b>Change in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year		1	-
<b>Cash and cash equivalents at year end</b>	22	<b>5</b>	<b>1</b>

# Notes, Group and Parent Company

## NOTE 1

### General information

Anticimex Group AB ("the Company" or "Anticimex") with company registration number 559316-9039 is a limited company registered in Sweden with its registered office in Stockholm. The address of the head office is Hälsingegatan 40, SE-113 43 Stockholm.

The Company and its subsidiaries' ("the Group") principal activities comprise the supply of services within pest control as well as other services designed to create safe and healthy indoor environments. Within this area Anticimex provides service and insurance solutions and has a close cooperation with the major Nordic insurance companies.

## NOTE 2

### Accounting principles

#### Basis of preparation of financial statements

The consolidated financial statements are prepared in accordance with Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) as well as interpretations by the IFRS Interpretations Committee as endorsed by the EU. In addition, the Group also applies RFR 1 Complementary Accounting Rules for Groups and applicable statements issued by the Swedish Financial Reporting Board. They include some additional disclosure requirements for Swedish consolidated financial statements that are prepared according to IFRS.

The consolidated financial statements are prepared according to the cost method except for items where IFRS requires measurement at fair value. Examples of measurements at fair value includes financial assets and liabilities (including derivative instruments and liabilities for deferred considerations) which are measured at fair value through profit and loss and defined benefit pension plans managed assets. The Group's presentation currency is SEK and all amounts are stated in SEK million unless otherwise specified. Totals of amounts in whole figures do not always match reported totals due to rounding differences. The reported total amounts are correct.

The Parent Company applies the same accounting principles as the Group except in the cases specified below under the heading "Significant accounting principles for the Parent Company". Differences between the accounting principles of the Parent Company and the Group are due to restrictions on application of IFRS in the Parent Company according to the Swedish Annual Accounts Act, the Income Security Act and in some cases tax legislation.

#### New and amended standards and interpretations 2023 Implementation

Anticimex Group AB owns the subsidiary Anticimex Försäkringar AB, which conducts insurance operations. Through this, IFRS 17 Insurance contracts ("IFRS 17") became applicable to the Group from 1 January 2023. When IFRS 17 came into force, the temporary standard for insurance contract, IFRS 4, ceased to apply at the same time. During the transition, the company has recalculated the opening balances as of January 2022 through a complete retrospective application of the new rules.

IFRS 17 also entails new rules regarding presentation and disclosure requirements. Some additional notes and disclosures as been introduced. Some changes have also taken place in the presentation of the income statement and balance sheet where new terms and summaries have been introduced. Mainly, this means that Insurance revenue and Insurance service expenses have been broken out and are now presented on separate lines in the income statement. It also means that reinsurance contract assets and insurance contract liabilities are broken out and presented on their own lines in the balance sheet.

#### Measurement and application

IFRS 17 provides a valuation model where a simplified model (PAA) can be applied to contracts that are not longer than one year or where the company can demonstrate that there is no material difference to the main model (General Model Method "GMM") prescribed in the standard. Under IFRS 17, an entity may use a simplified valuation model, the Premium Allocation Approach ("PAA") under certain conditions. According to IFRS 17 par 53, PAA can be applied if the maturity of the insurance contracts is a maximum of 1 year or if the result of applying PAA is not expected to differ materially from the result of GMM. The majority of Anticimex Försäkringar's insurance portfolio consists of 1-year insurance contracts where the PAA simplification method is permitted to be used according to IFRS 17. In addition to the 1-year insurance contracts, the Hidden Fault business constitutes a large part of the insurance portfolio, which consists of multi-year insurance contracts over 5 and 10 years. To investigate whether there is a material difference between PAA and GMM, the company performs an annual "Eligibility test". The completed eligibility test shows that the company can apply PAA to the entire insurance business as the use of a simplified model is not deemed to deviate materially from a main model.

#### Insurance contract liabilities

The liability for remaining coverage (LRC) represents the remaining liability for the contract's insurance coverage. The liability is accounted by applying PAA.

The insurance contract liability for incurred claims (LIC)

## Note 2 cont.

is calculated as the sum of the expected future cash flow and a risk adjustment. The liability for claims is based on estimates of reported claims and estimates of incurred but not yet reported claims, based on historical data. The LIC also includes reserves for claim handling costs as well as risk adjustment for non-financial risk. The LIC for multi-year contracts is discounted.

**Acquisition costs**

The company's acquisition costs in the multi-year contracts consist of brokerage commissions as well as initial administration costs and commissions to partners in Norway. According to the IFRS 17 regulation, these will be written off and earned linearly over time. Acquisition costs for other contracts are expensed as they arise.

The financial effects as at the transition on January 1 2022 are SEK 30 million due to:

- Insurance liabilities increase by SEK 38 million due to slower earning of the profit in multi-year contracts net after discounting.
- Deferred tax of SEK 8 million attributable to the above adjustment of technical liabilities.

When the 2022 accounts are calculated according to this standard, the following accounts have changed as follows:

	Presented accounts 2022	2022 accounts restated according to IFRS17
Revenue	13,367	13,323
Operating Profit (EBITA) <sup>1</sup>	2,689	2,689
Financial net	-1,876	-1,876
This year's result	-527	-505
Assets	85,481	85,243
Equity	47,572	47,564
Liabilities	37,909	37,679
<i>of which technical liabilities</i>	<i>843</i>	<i>789</i>

1) Earnings before interest tax, amortizations on acquisition-related intangible assets, acquisition related costs and items affecting comparability.

**New and amended standards and interpretations that are not yet effective**

The new or amended standards and new interpretations that have been issued but are not effective for financial years beginning on or after 1 January 2023 have not yet been applied by the Group.

There are no other standards that are not yet effective that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**Significant accounting principles – consolidated financial statements****Subsidiaries**

Consolidated financial statements include financial statements relating to the Company and its entities controlled by the Company and its subsidiaries. Control is achieved when

the Company i) has power over the investee, ii) is exposed or has rights to variable returns from its involvement with the investee and iii) has the ability to use its power to affect its returns. Subsidiaries are included in the consolidated financial statements from the date when control is transferred to the Group and excluded from the consolidated financial statements from the date when control ceases.

Business combinations are reported according to the acquisition method. The purchase price for a business combination is measured at fair value on the acquisition date which is calculated as the sum of fair values as per the acquisition date for assets acquired, liabilities arisen or assumed as well as issued equity interests in exchange for control over the acquired entity. Acquisition-related costs are recognised in profit or loss when they arise.

Deferred considerations, as well as any acquisition-related option liabilities, are valued based on a best estimate of reaching the terms of the sales purchase agreement clauses at each closing. The revaluation (including discounting) of such deferred considerations and acquisition-related option liabilities is recognised on the line item acquisition-related costs. Acquired identifiable assets, liabilities and contingent liabilities are measured at fair value on the acquisition date. At a business combination where the sum of the purchase price, any non-controlling interests and fair value on the acquisition date of an earlier shareholding exceeds the fair value at the acquisition date of identifiable acquired net assets, the difference is recognised as goodwill in the statement of financial position. If the difference is negative this is recognised as a gain on a bargain purchase directly in profit or loss after testing of the difference.

For each business combination non-controlling interests are measured in the acquired company either at fair value or at the value of the proportional share of a non-controlling interest of the acquired company's identifiable net assets.

All intra-group transactions between group companies as well as intra-group balances are eliminated in the consolidated financial statements. The accounting principles for subsidiaries have where applicable been changed to conform with the principles applied by the Group.

Changes in the Parent Company's interests in a subsidiary which do not result in loss of control are reported as equity transactions (i.e. transactions with the Group's owners). Any difference between the amount with which a non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and allocated among owners of the Parent Company.

**Revenue recognition**

Anticimex generates revenue from four types of revenue streams: Contracts, jobs, insurance premiums and product sales. Revenue is recognised when the performance obligation is fulfilled and control has been transferred. This can occur over time or at a point in time.

**Performance of services**

Anticimex contract-based recurring revenues can either include a guarantee component, i.e. free call-backs are included in the contract, or they can exclude a guarantee component.

For contract-based revenues including the guarantee component, revenues are recognised linearly over the contract

## Note 2 cont.

period corresponding to the obligation, as the customer is considered to receive and consume the benefit of the services simultaneously. Hence, control is considered transferred over time.

For contracts without the guarantee component, revenues are recognised at point of service, as are revenues from one-time jobs, since control is considered transferred at the time of the service.

Revenues related to one-year insurance contracts are recognised linear over the term of the contract, starting in the first month of the contract. The premium reserve provision is normally calculated so that the premium income is strictly accrued based on the duration of the underlying insurance contract.

For certain insurance products, especially those with a longer maturity than one year, the accrual is risk-adjusted, i.e. in relation to the expected claims outcome. Service contracts and insurance contracts are often paid in advance by customers. The portion of the payment that is not earned is recognised in the statement of financial position as other provisions and deferred income. Expected losses on service and insurance contracts are recognised immediately as an expense.

#### Sale of goods

Revenue from sale of goods is recognised when the performance obligation is fulfilled through customer gaining control of the asset. Factors that may indicate that control has been passed on to the customer include:

- Anticimex has a present right to payment for the asset.
- The customer has legal title to the asset.
- The revenue can be calculated in a reliable manner.
- Anticimex has transferred physical possession of the asset.
- The customer holds the significant risks and rewards related to the ownership of the asset.
- The customer has accepted the asset.

#### Interest income

Interest income is recognised based on duration according to the effective interest method.

#### Acquisition-related costs

Anticimex recognises acquisition-related costs attributable to transaction costs, revaluation of deferred considerations, final effects of deferred considerations/repayments, restructuring and/or integration of acquired operations in the Group as a separate line item in the statement of income. Transaction costs can be for completed and not completed acquisitions. Deferred considerations, as well as any acquisition-related option liabilities, are valued based on a best estimate of reaching the terms of the sales purchase agreement clauses at each closing.

The line item includes acquisition-related costs attributable to ongoing, completed and discontinued acquisitions. Restructuring costs are expenses reported in accordance with the specific criteria for provisions for restructuring. Provisions for restructuring are made when a detailed formal plan of action is in place and a well-founded expectation has been created by the parties concerned. Restructuring costs may be expenses for various activities necessary in the preparation for the integration, for example severance pay. Integration costs normally consist of activities that cannot be reported as provisions. Such activities may include a change of brand name (new logo on buildings, vehicles etc.) but may also be personnel costs related to, for example, training, recruitment, relocation and

travel, certain customer related costs and other costs related to the adaptation of the operations.

The following criteria must be fulfilled for costs to be classified as restructuring/ integration costs; i) the cost would not have been incurred if the acquisition had not taken place, and ii) the cost is attributable to a project that management has identified and monitored, either as a stage in the integration program implemented in conjunction with the acquisition, or as a direct result of an immediate review after the acquisition.

#### Items affecting comparability

This line item includes events or transactions with significant effects, which are relevant for understanding the financial performance when comparing income for the current period with previous periods, including restructuring programs, significant impairment losses, expenses relating to major legal disputes and insurance claims, and gains and losses from disposals of subsidiaries. Tax on items affecting comparability are reported on the line taxes in the consolidated statement of income. Items that are classified as items affecting comparability in a period are accounted for consistently in future periods by treating any reversal of those items as items affecting comparability.

#### Leases

The Group is leasing premises and vehicles. Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The leasing contracts are reported as right-of-use assets with a corresponding liability, from the date that the leased asset is available for use by the Group.

The right-of-use asset and the liability arising from the leasing contracts are initially recognised as the present value of the future lease payments, by discounting these with the assessed interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. Lease payments included in the liability are fixed payments and variable lease fees that depend on an index or price. The incremental borrowing rate is the interest rate that the individual lessee would have to pay to borrow the necessary funds to buy an asset of similar value to the right-of-use asset. The Group uses recent third-party financing to determine the interest rate for each currency and period of time.

The right-of-use asset is valued at cost, which is initially the same amount as the lease debt, adjusted for lease payments paid on or before the commencement date, any initial direct costs and/or restoration costs. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The Group applies the exception which gives the right not to recognise a lease liability and a right-of-use asset for payments related to shortterm or low value contracts, but instead expensing them on a straight-line basis. The interest expense for leasing liabilities is reported as a financial cost, separately from amortisation of right-of-use assets.

#### Foreign currency

Items included in the financial statements for the various units in the Group are originally reported in the currency used in the primary economic environment in which they operate (functional currency). In the Group, all amounts are translated

## Note 2 cont.

into SEK which is the Parent Company's functional currency and presentation currency.

**Transactions and balance sheet items**

Transactions in foreign currency are recorded in each unit based on the unit's functional currency according to the rate of exchange at the date of the transaction. Monetary assets and liabilities in foreign currency are reported at the closing rate and the exchange differences that arise are recognized in profit or loss. Exceptions are when these transactions are hedges which meet the conditions for hedge accounting of cash flow or of net investments, when profit/losses are recognized in other comprehensive income. Exchange differences attributable to operating receivables and operating liabilities are recognized in operating profit or loss, while exchange differences relating to financial receivables and liabilities are recognized in net financial items.

**Translation of foreign subsidiaries**

When preparing consolidated financial statements, foreign subsidiaries' statements of financial position are translated into SEK as per the closing rate while comprehensive income is translated at the average exchange rate for the period. The translation difference that arises is recognized in other comprehensive income. In the event of disposal of a foreign subsidiary, the accumulated translation difference attributable to this subsidiary is transferred and recognized as part of capital gain or loss. Goodwill and fair value adjustments which arise at acquisition of foreign operations are treated as assets and liabilities in the currency of the acquired operation and translated at the closing exchange rate.

	2023		2022	
	Closing rate	Average rate	Closing rate	Average rate
AUD	6.82	7.047	7.09	7.014
CHF	11.98	11.82	11.29	10.59
DKK	1.49	1.54	1.50	1.43
EUR	11.10	11.48	11.13	10.63
MYR	2.17	2.33	2.37	2.30
NOK	0.99	1.01	1.057	1.05
NZD	6.34	6.51	6.61	6.41
SGD	7.60	7.90	7.78	7.34
USD	10.04	10.61	10.44	10.12
GBP	12.77	13.20	12.58	12.47
COP	0.002	0.002	0.002	0.002

**Employee benefits**

Employee benefits in the form of salaries, paid holiday, sick pay, etc., as well as pensions are recognized as earned. Pension and other post-employment benefits are classified as defined contribution or defined benefit pension plans.

**Preferential shares**

Owners of preference shares have preferential rights to dividends in an amount corresponding to a preferred interest

of 8 percent, per annum on an amount equal to SEK 100 plus any compounded yield less any distributions. To the extent not distributed, such preferred interest accrues daily and compounds annually, on 16 November each year. The accumulated interest is only accounted for after the General Meeting take the decision to pay it, why this is not accounted for until such decision is made.

**Defined contribution pension plans**

A defined contribution pension plan is a pension plan according to which the Company pays fixed contributions to a separate legal entity. The Company has no legal or constructive obligation to make further payments. The costs of defined contribution pension plans are recognized in profit or loss as the benefits are earned, which normally coincides with when the premiums are paid.

**Defined benefit pension plans**

A defined benefit pension plan is a pension plan which guarantees an amount the employee will receive as a pension benefit at retirement, normally based on a number of different factors, such as salary and period of service. Pension costs for defined benefit plans are calculated using the Projected Unit Credit Method in a manner which allocates the cost of the employee's period of service. The calculation is performed annually by independent actuaries. These obligations, i.e. the liabilities which are recognized, are measured at the present value of expected future payments, where the estimated future salary increases are taken into account, using a discount rate which corresponds to the mortgage bond or first-class corporate bonds issued in the same currency as the pension will be paid in with a remaining term that is comparable with the obligations. In addition, the fair value of any plan assets is calculated at the balance sheet date.

In the determination of the present value of the commitment, actuarial gains or losses may arise. They arise either because the fair value deviates from earlier assumptions or because the assumptions change. Actuarial gains and losses are recognized in Other Comprehensive Income in the period in which they arise. Interest on pension liabilities is recognized in financial items. Past service costs are recognized in operating profit.

**Other pension plans**

Anticimex has some Swedish employees with pension payments to a capital insurance. The premiums are expensed on an ongoing basis as they are paid and recognized in operating profit, while a financial asset and a long-term provision are reported in the balance sheet. The plan is measured at fair value and the provision and financial assets are both recognized with the same amount.

**Incentive program**

The Group introduced a share-based incentive program in 2022. The program contains requirements on reaching targets on profitability and SMART sales, and if achieved the participants can receive shares in Anticimex in 2025. The cost for Anticimex, including social security contributions, is reported in the income statement during the period in which they are earned. As the program is equity-related, it is reported in equity. At the end of the program, the original assessments are re-examined and the final outcome of social security contributions is determined.

Note 2 cont.

Any deviations that the review gives rise to, for example due to an employee leaving the Group and not receiving their allocated shares, are reported in the income statement.

### Tax

Tax expense (income) for the period consists of current tax and deferred tax. Taxes are recognised in profit or loss except where the underlying transaction is recognised in other comprehensive income or directly in equity whereby the accompanying tax effect is also recognised in other comprehensive income or in equity respectively.

#### Current tax

Current tax is the tax calculated on taxable income for a period. The taxable profit for the year differs from profit for the year since it has been adjusted for non-taxable and non-deductible items. The Group's current tax liability is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is reported using the comprehensive balance sheet method. This means that deferred tax liabilities are recognised in the statement of financial position for all taxable temporary differences between the carrying amount and tax bases for assets and liabilities. Deferred tax assets are recognised in the statement of financial position relating to loss carry forwards and all deductible temporary differences to the extent it is probable that the amounts can be recovered against future taxable profits. The carrying amount of deferred tax assets is tested on each closing date and reduced to the extent it is no longer probable that a sufficient taxable profit will be available to be utilised. Deferred tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

#### Offsetting of tax assets and tax liabilities

Tax assets and tax liabilities can only be offset in the statement of financial position if the entity has the legal right and intention to settle on a net basis or where there is an intention to either retain or pay a net amount after payment is received for an asset and to pay the liability at the same time.

### Property, plant and equipment

Property, plant and equipment is recognised at cost with deduction for accumulated depreciation and any impairment. Depreciation is based on original cost reduced by estimated residual value and effects on a straight-line basis over the estimated useful life of the assets. Each component of property, plant and equipment with a cost which is significant in relation to the asset's total costs is depreciated separately. When calculating depreciation according to plan the following useful lives are applied:

- buildings – foundations and frame 50 years
- buildings – frame structures and interior walls 40 years
- buildings – roofs 20 years
- building equipment 5 years
- land improvements 10 years
- machines 3–5 years
- equipment 4–5 years
- computer hardware 3 years
- vehicles 3–5 years.

The profit or loss arising from the disposal or sale of property, plant and equipment is recognised in profit or loss.

### Intangible assets

#### Goodwill and trademarks

Goodwill and trademarks are recognised in the balance sheet as an intangible asset at cost with deduction for accumulated impairment. Goodwill represents the amount by which the sum of costs, any non-controlling interests and fair value at the acquisition date of the previous shareholding exceeds the fair value of the acquired subsidiary's identifiable net assets on the acquisition date. Gain or loss on disposal of a unit includes the remaining carrying amount of the goodwill that relates to the sold operation.

Goodwill and trademarks are generally considered to have an indefinite useful life. Goodwill and trademarks are allocated to the smallest possible cash-generating unit and the carrying amount is tested at least once a year for possible impairment. Testing for impairment is performed more often, however, if there are indications that a decline in value occurred during the year.

#### Other intangible assets

Intangible assets acquired separately are recognised at cost with deduction for accumulated amortisation and any impairment. Amortisation is straight-line over the estimated useful life. The Group does not have any intangible assets with indefinite useful lives in addition to goodwill and trademarks. Internally generated intangible assets arising from development or in the development phase of an internal project are recognised as an intangible asset in the statement of financial position only when the following conditions are met:

- It is technically possible for the Company to complete the intangible asset so that it can be used or sold.
- It is the Company's intention to complete the intangible asset and use or sell it.
- The Company shows how the intangible asset will generate probable future economic benefits.
- Adequate technical, financial and other resources are available to complete the development and to use or sell the intangible assets.
- The Company can calculate the expenditure attributable to development of the intangible asset in a reliable manner.

Internally generated intangible assets are initially recognised as the sum of the expenditure from the date when the intangible asset first meets the criteria listed above. If an internally generated intangible asset cannot be recognised in the statement of financial position, development costs are recognised in profit or loss as they arise. After the first recognition of internally generated intangible assets, these assets are recognised at cost with deduction for accumulated amortisation and any impairment in the same manner as separately acquired intangible assets.

Intangible assets resulting from acquisitions are recognised separately from goodwill when they meet the definition of an intangible asset. The cost of such intangible assets consists of their fair value on the acquisition date. After the acquisition date intangible assets acquired through a business combination are recognised at cost with deduction for accumulated amortisation and any impairment in the same

Note 2 cont.

way as separately acquired intangible assets. When calculating amortisation, the following useful lives are applied:

- computer software 3–10 years
- customer relationships 10–11 years
- technology 8 years.

#### Impairment

Impairment is recognised when an asset's carrying amount exceeds the recoverable amount. The carrying amounts for the Company's assets are assessed on each closing date in order to ascertain if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is assessed. The recoverable amount is the higher of value in use and net realisable value.

When calculating value in use, future cash flow is discounted at an interest rate before tax, which is intended to take into account the market's assessment of risk-free interest and risk associated with the specific asset. For an asset which does not generate any cash flow independent of other assets, the recoverable amount is calculated for the cash-generating unit to which the asset belongs.

Reversal of earlier impairment of intangible assets (other than goodwill) takes place when the recoverable amount for a previously impaired asset exceeds the carrying amount and the need for the impairment recognised earlier is no longer considered necessary and is recognised in profit or loss. Testing of previous impairment is performed individually.

#### Inventory

Inventories are recognised at the lower of cost and net realisable value. Cost, including a reasonable share of fixed and variable indirect costs, is calculated according to the first-in first-out principle (FIFO) or weighted average prices. Net realisable value is the estimated selling price after deduction for estimated costs for completion of the goods and selling costs.

#### Financial instruments

The Group classifies its financial instruments according to IFRS 9 in the following measurement categories:

Financial assets:

- amortised cost
- fair value through Other Comprehensive Income
- fair value through profit or loss

Financial liabilities:

- fair value through profit or loss
- other financial liabilities measured at amortised cost.

The classification depends on the purpose for which the instruments were acquired and the type of financial instrument. A financial asset or financial liability is recorded in the statement of financial position when the Company becomes party to the contractual terms of the instrument.

A financial asset is derecognised from the statement of financial position when the rights in the contract are realised, expire or the Company loses control over them. A financial liability is derecognised from the statement of financial position when the obligation in the contract is met or otherwise extinguished. Settlement date accounting is applied to spot purchase or sale of financial instruments.

At initial recognition, the Group measures a financial asset

or liability at its fair value through profit or loss, and transaction costs that are directly attributable to the acquisition of the financial asset or liability, are recognized in profit or loss. In the case of a financial asset or liability initially not valued at fair value through profit or loss, transaction costs that are directly attributable to the acquisition, are added or subtracted to the asset or liability. Any upfront fees that may arise during a refinancing of loans are capitalised and amortized via profit and loss over the term of the loan agreement. There are three measurement categories for financial assets that the Group applies:

#### Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in the financial income/expenses together with foreign exchange gains and losses.

#### Fair value through Other Comprehensive Income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cashflows represent solely payments of principal and interest, are measured at Fair Value through Other Comprehensive Income. Movements in the carrying amount are taken through Other Comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to profit or loss and recognised in financial income/expenses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in financial income/expenses. As per 31 December 2023, the Group did not hold any financial assets classified in this category.

#### Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income are measured at Fair Value through profit or loss. A gain or loss on a debt investment that is subsequently measured at Fair Value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises

#### Impairment and expected loss

The Group recognises a loss reserve for expected credit losses on financial assets measured at Amortised cost or Fair Value through Other Comprehensive Income where there has been a significant increase in the credit risk after initial recognition. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 20 for further details.

#### Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when there is a legally enforceable right to offset and when there is an

Note 2 cont.

intention to settle on a net basis or to realise the asset and settle the liability.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances with financial institutions and short-term highly liquid investments with original maturities of three months or less, which are subject to an insignificant risk of changes in value. Cash and bank balances are classified as “amortised cost”. Since bank deposits are payable on demand, amortised costs correspond to the nominal amount.

#### Trade receivables

Trade receivables are classified as “amortised cost”. Trade receivables are recognised at the amount to be received after deduction for bad debts following individual assessment. The expected maturity of the customer is short and is therefore initially reported at the transaction price. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and accrued income. To measure the expected credit losses, trade receivables and accrued income have been grouped based on the days past due. The accrued income relates to unbilled services performed and has substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables is a reasonable approximations of the loss rates for the accrued income.

#### Trade payables

Trade payables are classified as “Other liabilities” which means recognition at amortised cost. Trade payables are of short duration, so the liability is recognised at a nominal amount without discounting.

#### Other financial liabilities

Liabilities to credit institutions, bank overdraft facilities and other liabilities are classified as “Other liabilities” and measured at amortised cost using the effective interest method. Any differences between the loan amount, net after transaction costs, and repayments or amortisations are reported over the term of the loan. Non-current liabilities have an expected maturity of longer than 1 year while current liabilities have a maturity of less than 1 year.

#### Derivative instruments

The Group enters into derivative transactions in order to manage interest rate risk. Derivative instruments which comprise of interest rate caps and collars, are recognised in the balance sheet on the transaction date and measured at fair value both initially and on each subsequent balance sheet date.

Derivative instruments with a positive market value on the balance sheet date are recognised as assets. Derivative instruments with a remaining maturity that exceeds 12 months are classified as non-current assets and instruments with a remaining maturity of less than 12 months are classified as current assets.

Derivative instruments with a negative market value on the balance sheet date are recognised as liabilities. Derivative instruments with a remaining maturity that exceeds 12 months are classified as non-current liabilities and instruments which

have a remaining maturity of less than 12 months are classified as current liabilities.

#### Hedging of net investment

Net investment hedges arise when external loans are taken up in the same currency as the net investment (i.e. hedged item) in order to hedge any currency fluctuations. Hedging of net investment in foreign operations is recognised in a similar-manner as cash flow hedges. Gains or losses attributable to a hedging instrument are recognised in Other Comprehensive Income to the extent the hedge is assessed as effective. Gains and losses are accumulated in the hedging reserve in equity. Gains or losses which are attributable to any ineffective component of the hedging instrument are recognised in profit or loss. Accumulated gains and losses in the hedging reserve are reclassified at the disposal of a foreign entity.

#### New share issue

A new share issues an amount corresponding to the quota value is recognised in share capital and the remainder in other paid-in capital, with deduction for any emission costs.

#### Provisions

Provisions are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimation of the amount can be made.

#### Accounting for government grants and disclosure of government assistance

Anticimex, like other employers, is eligible for a variety of grants relating to employees. These grants relate to short-term reduction of work force, training, incentives for hiring new staff, reduction of working hours, etc. Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised as a cost reduction in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

#### Accounting of insurance contracts

##### Revenue

Revenue in the form of premiums is recognised when the premium has fallen due or the insurance cover has become effective. Revenue is recognised in accordance with the PAA described above by recognising an amount corresponding to the insurance cover for the period. For the 1-year insurance contracts, this implies an income recognition based strictly on the duration of the underlying contract. For the multi-year contracts, the income recognition is made taking into account the development of risk.

##### Expenses

Expenses in the insurance business include claims costs, acquisition costs and other operating costs. Insurance service expenses includes claims costs and acquisition costs while Other external costs includes other operating costs. Claims costs include claims paid and the change in the Insurance contract liability for claims incurred (LIC, see above). The company's acquisition costs in the multi-year contracts con-

Note 2 cont.

sist of brokerage commission and initial administration costs and commission to the co-operation partner in Norway. In accordance with the IFRS 17 regulations, these are amortised and earned on a straight-line basis over time. Acquisition costs for other contracts are expensed as they arise.

#### Insurance assets

No contract is recognised until the first premium has fallen due or the insurance cover has become effective, even if invoicing has taken place. This means that invoiced unpaid premiums where the contract period has not started are eliminated from the balance sheet and insurance assets are therefore zero. Reinsurance assets consist of the portion of insurance liabilities covered by reinsurance contracts.

#### Insurance liabilities

See description above. Insurance contract liability for remaining cover (LRC) corresponds to the remaining liability for the insurance cover of the contract. The liability is calculated according to the PAA. Insurance contract liability for incurred claims (LIC) is calculated as the sum of the expected future cash flow and a risk adjustment. The liability for claims is based on estimates of reported claims and estimates of incurred but not yet reported claims, based on historical data. The LIC also includes reserves for claims handling costs as well as a risk adjustment for non-financial risk under IFRS 17. Under IFRS 17, discounting is not required for 1-year products. Discounting is done for LIC for multi-year insurance products.

#### Significant accounting principles for the Parent Company

The Parent Company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for legal operations issued by the Swedish Financial Reporting Board. RFR 2 means that the Parent Company in the annual accounts for the legal entity must apply all EU endorsed IFRS and interpretations as far as possible within the framework of the Annual Accounts Act and the Income Security Act and taking into account the correlation between accounting and taxation. The recommendation specifies which exceptions and additions are to be made from IFRS. The Parent Company applies the same accounting policies as the Group, except in the following specified cases:

#### Financial statements presentation

The Parent Company presents the Income Statement and the Balance Sheet in compliance with the Swedish Annual Accounts Act. This means differences in used terms compared to the consolidated accounts, primarily related to presentation of equity.

#### Subsidiaries

Participations in Group Companies are recognised at cost less any impairment losses. The acquisition cost includes acquisition-related cost and any deferred considerations. When there is an indication that participations in Group Companies are impaired, a calculation is made of the recoverable amount. If this is lower than the carrying amount, an impairment is made. Impairment losses are reported in the item profit/loss from participations in Group Companies.

#### Financial instruments

IFRS 9 is not applied in the Parent Company. Instead, the Parent Company applies the rules specified in RFR 2. Financial instruments are measured at cost. When calculating the net realisable value of receivables reported as current assets, the principles for impairment testing and credit loss allowance in IFRS 9 are applied.

#### Pensions

IAS 19 is not applied in the Parent Company. Instead, the Parent Company applies the practical expedient in RFR 2.

#### Group contributions

The Parent Company recognises group contributions as appropriations.

#### Amendments in RFR 2

Amendments in RFR 2 has not had a material impact on the Parent Company's financial statements 2023.

#### Amendments in RFR 2 that are not yet effective

Management's assessment is that amendments to RFR 2 that are not yet effective will not have a material impact on the Parent Company's financial statements.

**NOTE 3****Financial risk management and financial derivatives**

Through its operations, the Group is exposed to various kinds of risks that may impact the Company's earnings and financial position. Below is a description of the financial risks deemed most significant for Anticimex and how they are managed. Management of these risks is governed by the Group's financial policy as approved by the Board. The financial policy regulates the allocation of responsibilities in financial matters between the Board and the organization. Group Treasury is responsible to monitor and follow up on the financial risks on an ongoing basis. For an overview of the Group's financial risks, see also the Director's report and the Risk management section on pages 111–115.

**Currency risk**

Currency risk is the risk that changes in exchange rates will have a negative effect on the Group's financial position. In

general, currency risk is classified into two types, transaction and translation risk. Transaction risk arises in connection with payment flows in foreign currencies. As Group companies in large operate and finance its business in local currency, any transaction risk is mainly generated in the Parent Company, but assessed as limited. Translation risk arises when translating foreign subsidiaries' balance sheets, i.e. net investments and income statements to SEK. The net investments are to some extent hedged through debt raised in the equivalent currencies. As of 31 December 2023, Anticimex International AB and Anticimex Global AB used part of their external loans in EUR as a hedging instrument with the net investment as hedged item. Any exchange difference from the revaluation of the hedging instrument is recognised in Other Comprehensive Income.

**Net investment hedge**

	31 Dec 2023	31 Dec 2022
	EUR*	EUR*
Carrying amount (outstanding long-term borrowings SEK million)	6,386	6,404
Nominal amount hedge in foreign currency, million	576	576
Hedge ratio	1:1	1:1
Change in carrying amount of bank loans as a result of foreign currency movements recognised in OCI, SEK million	19	-519
Change in value of hedged item used to determine hedge effectiveness, SEK million	-19	519
Average rate for the year	11.5	10.6

\* Outstanding long-term borrowings are greater than the net investment.

The most significant currencies for translation risk are AUD, NOK, EUR and USD. The net exposures for the most significant currencies, and the impact of a 5 percent change in SEK, with all other variables being constant, would have had on the Group's equity is shown in the table on the following page. The amounts in column Net shows the impact including any hedge

activities and hedge instruments and column Gross excluding any hedges or hedge activities. Apart from using debt denominated in foreign currencies to hedge net investment exposure, they also contribute to an improved balance of the Group's Net Debt to EBITDA-ratio per currency.

Note 3 cont.

	31 Dec 2023		
SEK million	Currency exposure	Equity impact at 5% change Net	Equity impact at 5% change Gross
AUD	282	14	14
NOK	180	9	9
EUR	1,796	151	470
USD	1,154	58	58
Other	913	46	46
<b>Total</b>	<b>4,325</b>	<b>278</b>	<b>597</b>

	31 Dec 2022		
SEK million	Currency exposure	Equity impact at 5% change Net	Equity impact at 5% change Gross
AUD	452	23	23
NOK	117	6	6
EUR	1,680	145	465
USD	2,317	116	116
Other	913	43	43
<b>Total</b>	<b>5,479</b>	<b>333</b>	<b>653</b>

#### Interest rate risk

Interest rate risk is the risk of being negatively affected by changes in market interest rates. The objective is to manage a balance between floating and hedged interest rates on the long-term loans, in order to provide a degree of certainty of future interest costs. This is performed by using interest rate derivatives. At 31 December 2023, 79 percent (81) of the long-term loans were hedged through interest rate derivatives. The average time to maturity for the hedging instruments was 36 months (35). The average time of hedged interest rates for the long-term loans amounted to 40 months (31). The weighted average interest rate, including reference interest rates and margin but excluding effects from the interest hedging, for the year was 8.79 percent (5.55). In December 2023, new derivatives were entered in the form of collars, consisting of interest rate caps and floors, which starts when the current derivatives expire in December 2025.

A sustained change in the reference interest rates of 1 percentage point, taking into consideration any effects from current interest hedging, would have an annual impact on financial items totalling SEK 58 million (98), broken down as follows:

- SEK: SEK 8 million (18)
- EUR: SEK 6 million (55)
- AUD: SEK 18 million (19)
- USD: SEK 26 million (6)

#### Financial derivative instruments

The Group uses financial derivative instruments, interest rate caps and floors, to manage the exposure to interest rate fluctuations. Interest rate caps establish maximum interest rates and interest rate floors establish minimum interest rates for the floating interest rate. A combination of an interest rate cap and an interest rate floor is called an interest rate collar which creates a band within the floating interest rate can fluctuate. The instruments are classified as cash flow hedges if considered effective. The Group uses either caps or collars and not stand-alone floors. These types of instruments are never used for speculation purposes.

At 31 December 2023 the nominal amount for outstanding interest rate derivatives amounted to SEK 22,535 million (22,992). The Group's most significant floating interests are linked to STIBOR (SEK), EURIBOR (EUR), SOFR (USD) and BBSW (AUD). Derivative instruments are recognised as financial assets or liabilities.

Note 3 cont.

**The Group's distribution of fixed interest terms on interest-bearing assets and liabilities:**

SEK million	31 Dec 2023	31 Dec 2022
<b>Financial assets with fixed interest period</b>		
Within 1 year	198	355
Between 1 and 5 years	587	502
More than 5 years	73	-
<b>Total financial assets</b>	<b>858</b>	<b>857</b>
<b>Financial liabilities with fixed interest period</b>		
Within 1 year	6,717	5,801
Between 1 and 5 years	23,360	23,638
More than 5 years	-	-
<b>Total financial liabilities</b>	<b>30,077</b>	<b>29,439</b>
<b>Of which interest rate caps</b>	<b>22,536</b>	<b>22,992</b>

**Financial credit risk**

The Group's financial transactions give rise to credit risks relating to financial counterparties. Financial credit risk or counterparty risk refers to the risk of loss if a counterparty fails to meet its obligations. The Group's financial policy stipulates that financial transactions shall to the extent possible only be initiated with relationship banks. At 31 December 2023 there were no significant concentrations of credit risk. Credit risk also arises from credit exposure to customers including outstanding receivables. Credit risk is managed locally within the Group. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, local management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. Compliance with credit limits by customers is regularly monitored by local management.

**Liquidity risk**

Liquidity risk refers to the risk that Anticimex will not have sufficient funds to pay foreseen or unforeseen expenditures. Liquidity risk is managed in Anticimex by having a liquidity reserve (cash and bank balances and the unutilized part of committed facilities) equivalent to a minimum of SEK 600 million. Reporting and monitoring of this is done by Group Treasury. Anticimex had a liquidity reserve of SEK 1 860 million (3 719) as at 31 December 2023. The liquidity reserve was above the minimum limit throughout 2023. In accordance with

directives in the financial policy, any surplus of cash and cash equivalents should mainly be used to pay off outstanding debt rather than to be invested in any interest rate instruments. The purpose of the liquidity reserve is to ensure that Anticimex always has an appropriate amount of liquid funds. To aid this process, the subsidiaries regularly prepare both long and short term cashflow forecasts.

**Financing risk**

Financing risk is the risk of failure to obtain financing, or to obtain financing only on unfavorable terms. Access to financing is affected by a number of factors, including market conditions, the general availability of credit and Anticimex' creditworthiness and credit capacity. In addition, access to further financing depends on lenders' view of Anticimex' long- and short-term financial prospects. Disruptions and uncertainty on the capital and credit markets may also limit access to the capital required to run the business. The portfolio of credit facilities should ideally be diversified to reduce dependency on any specific counterparty, market, or instrument and to ensure competitive terms.

During 2023 the Group had committed credit facilities of SEK 30,617 million (31,451), of which SEK 28,846 million (28,459) were utilised. The average time to debt maturity was 59 months (71).

The table below presents the contractual undiscounted future payments linked to the Group's financial assets and liabilities.

Note 3 cont.

**Contractual undiscounted cash flows, Group**

31 Dec 2023

SEK million	0–3 months	3–12 months	1–5 years	More than 5 years	Total
<b>Financial assets</b>					
Derivatives	103	291	730	-	1,124
Financial assets	84	128	638	-	850
Trade receivables	1,538	-	-	-	1,538
Cash and cash equivalents	1,565	-	-	-	1,565
<b>Total financial assets</b>	<b>3,290</b>	<b>419</b>	<b>1,368</b>	<b>-</b>	<b>5,077</b>
<b>Financial liabilities</b>					
Bank loans	664	2,001	34,054	4,737	41,456
Lease liabilities	82	247	583	11	923
Deferred considerations	90	261	206	-	557
Trade payables	405	-	-	-	405
<b>Total financial liabilities</b>	<b>1,241</b>	<b>2,509</b>	<b>34,843</b>	<b>4,748</b>	<b>43,341</b>

31 Dec 2022

SEK million	0–3 months	3–12 months	1–5 years	More than 5 years	Total
<b>Financial assets</b>					
Derivatives	53	155	399	-	606
Financial assets	117	246	538	-	901
Trade receivables	1,465	-	-	-	1,465
Cash and cash equivalents	2,171	-	-	-	2,171
<b>Total financial assets</b>	<b>3,805</b>	<b>401</b>	<b>937</b>	<b>-</b>	<b>5,143</b>
<b>Financial liabilities</b>					
Bank loans	595	1,837	9,459	30,045	41,936
Lease liabilities	80	240	568	14	902
Deferred considerations	556	192	309	-	1,057
Trade payables	448	-	-	-	448
<b>Total financial liabilities</b>	<b>1,679</b>	<b>2,269</b>	<b>10,336</b>	<b>30,059</b>	<b>44,343</b>

Note 3 cont.

**Fair value**

Financial instruments measured at fair value are presented in the table below, based on the method used to determine their fair value.

**Financial instruments, Group**

SEK million	31 Dec 2023	31 Dec 2022
<b>Financial assets</b>		
<b>Fair value through profit or loss</b>		
Interest derivatives <sup>1</sup>	6	23
<b>Fair value through Other Comprehensive income</b>		
Interest derivatives <sup>1</sup>	460	720
<b>Amortized cost</b>		
Treasury bills and bonds	858	857
Other long-term receivables	70	69
Trade receivables	1,538	1,465
Cash and cash equivalents	1,565	2,171
<b>Total financial assets</b>	<b>4,497</b>	<b>5,306</b>
<b>Financial liabilities</b>		
<b>Fair value through profit or loss</b>		
Deferred considerations <sup>2</sup>	556	1057
Interest derivatives <sup>1</sup>	64	-
<b>Fair value through Other Comprehensive income</b>		
Used for hedging (Net investment hedging) <sup>1</sup>	6,386	6,405
<b>Other financial liabilities measured at amortized cost</b>		
Trade payables	405	448
Lease liabilities	1,231	971
Bank loans	21,817	21,270
<b>Total financial liabilities</b>	<b>30,459</b>	<b>30,150</b>

1) Level 2: Quoted prices in markets that are not active, quoted prices for similar assets or liabilities, other information than quoted prices but which are observable directly or indirectly for primarily the instrument's entire maturity as well as inputs to valuation models obtained from observable market inputs.

2) Level 3: The fair value of deferred considerations is based on estimated outcome from the contractual clauses in the share purchase agreements.

The value of the above stated treasury bills and bonds are reported at amortised cost. Fair value of derivatives (interest rate caps and interest rate floors) is determined by discounting future cash flows through external valuations from the banks. Fair value of deferred consideration is estimated by calculating the present value of future expected cash flows. The most significant unobservable input used in the fair value measurement is the discount rate used and the expected cash flows.

There have been no transfers between levels in the fair value hierarchy during the period. For the Group's other financial assets and liabilities, the carrying values are assessed to be a good approximation of the fair values since the interest on those are either close to current market rates or the financial asset and liability is of a short-term nature. An estimate of fair value based on discounted future cash flows, where the discount rate reflects the counterparty's credit risk, represents the most significant input data and is assessed not to significantly differ from the carrying value. The long-term bank loans in the existing agreement are assessed as being in line with market terms and consequently fair value do not significantly deviate from carrying value.

**Capital management**

Anticimex defines capital as borrowings and equity, which by the end of the year amounted to SEK 74,709 million (76,169).

The Group's goal regarding the capital structure is to;

- have a capital structure with a mix between borrowings and equity, which contributes to retaining the confidence of customers, policyholders and partners, and
- provides a basis for continued development of business operations at the same time as the long-term return generated to owners is satisfactory, and is
- in compliance with external credit facility agreements.

To maintain or adjust a pronounced capital structure, there are generally options such as paying dividends to shareholders, repaying capital to shareholders, issuing new shares or selling assets to reduce liabilities.

The Group's external financing is dependent on a number of terms and conditions being met. At 31 December 2023 all terms and conditions were met.

Note 3 cont.

**Deferred considerations**

SEK million	2023	2022
Opening balance	1,057	872
Increase through business combinations	322	621
Payments	-717	-493
Revaluations*	-106	-24
Translation differences	-1	80
<b>Closing balance</b>	<b>556</b>	<b>1,057</b>

\*Revaluations recognised in profit and loss are specified in note 12.

**Hedging reserve**

SEK million	Cash flow hedge reserve (interest rate Caps)	Hedge of net investment in subsidiaries	Total hedge reserve
<b>Opening balance 1 January 2022</b>	<b>29</b>	<b>-105</b>	<b>-76</b>
Change in fair value of hedging instrument recognized in OCI	637	-519	118
Reclassified from OCI to profit or loss	2	-	2
Deferred tax	-130	107	-23
<b>Closing balance 31 December 2022</b>	<b>538</b>	<b>-517</b>	<b>21</b>
Change in fair value of hedging instrument recognized in OCI	-639	19	-620
Reclassified from OCI to profit or loss	316	-	316
Deferred tax	63	-4	59
<b>Closing balance 31 December 2023</b>	<b>278</b>	<b>-502</b>	<b>-224</b>

**Anticimex Försäkringar AB**

The Board of Directors in Anticimex Försäkringar AB, as responsible for the internal control of the insurance company, has determined investment strategy guidelines defined in the company's finance policy in order to limit and control the financial risks. Anticimex Försäkringar AB only allows investments that generate sufficiently high returns so that the company can, with a good margin and at the right time, fulfil all insurance-related payments. Apart from that, there

is no required return on the investment. Investments with an estimated low risk and good liquidity are prioritized. To ensure that appropriate risk diversification is maintained, the company has established specific approaches to financial assets and exposures. As per 31 December 2023 the investments include treasury bills and municipal bonds. For further information regarding risk management and the financial investments in Anticimex Försäkringar AB, please see note 4 and 18.

**NOTE 4****Insurance risk**

Insurance risk is the risk attributable to the insurance business. The Group's insurance business is based on insurance related to pests, dry rot, property transfers and excess compensation in the event of fire, burglary and water damage. Anticimex' insurance business is based on a business model with large volumes and normally allocated risk selection. This is achieved, among other things, by uniform pricing and external sales channels combined with risk assessments and insurance inspections. Anticimex assesses that the risk in the insurance business is well balanced in relation to the size of the premiums. When the insurance period covered by the insurance contracts has expired, the insurance risk relates to provisions for future payments for claims that have already occurred. The size of these provisions is determined both through individual assessments of each known claim and by actuarially calculated provisions for not yet reported claims.

The Board of Anticimex Försäkringar AB establishes guidelines for the risks for which the Company may assume responsibility and the excess that shall apply taking into account the articles of association and the limitations that apply to the Company with regard to its equity and otherwise taking into account the limitations in the Insurance Business Act. The Company's Board also ensures that the Company has satisfactory reinsurance cover for subscribed risks. The framework of Anticimex' reinsurance is defined in the Group's reinsurance policy which is reviewed and approved annually by the Board of Anticimex Försäkringar AB. When placing reinsurance for the Company, the reinsurer's solvency and ability to pay security is assessed. The reinsurer must have a minimum BBB rating (Standard & Poor's) or equivalent. The Group's insurance business is conducted in the European segment but concentrated to Sweden, Norway, Finland and Denmark.

Note 4 cont.

### Insurance Risk

The company's underwriting risks consist of premium and reserve risk and are deemed to be limited in scope. Anticimex Försäkringar AB's premium risk entails the situation where the estimated premium and other income associated with the insurance will not be sufficient to cover the actual operating costs and claims costs associated with the insurance.

Reserve risk is managed primarily through sophisticated actuarial methods and careful continuous monitoring of reported claims. Provisions are checked and evaluated on an ongoing basis as part of the regular accounting and forecasting process. Risk mitigation also takes place through reinsurance. This allows the size of the exposures to be managed and thus the company's equity to be protected. Reinsurance is purchased as a proportion of the total risk to which the company is exposed in different areas.

Average insurance amounts and claims costs are relatively small, so individual claims have a relatively limited impact on the result. The Company's main approach to managing reserve risks is set out in its policy on technical guidelines. The Company's reinsurance policy sets out the Company's reinsurance framework.

The Company's main methods for minimizing underwriting risks are risk assessment through surveys, a diversified insurance portfolio and reinsurance. For reinsurance received, risk assessments are also made by analyzing claims history, market behavior and surveys.

### Claims development in the non-life insurance business

Claims development is monitored on an ongoing basis through actuarial reserve calculations, which are continuously developed so that the methods used are well adapted to the conditions for each insurance class. The reserve calculations are made quarterly based on data at quarterly level. An essential part of the follow-up is also the regular reviews of unsettled claims.

Provisions for incurred but not reported claims, IBNR, are made using established actuarial methods in the form of Loss Ratio, Chain-ladder in combination with Bornhuetter-Fergusson or Cape Cod. When applying the Loss Ratio method, a loss ratio is applied to the premium income to estimate the expected final loss cost. The method is mainly used for new products or where the own claims history is insufficient. The chain-ladder method can be based on different types of data such as payments, claims costs or number of claims where historical development in the data is analyzed to predict the future. Estimates of the future development are then applied to known data for each

claim quarter, which leads to an estimate of the expected final claim cost for each claim quarter. The Bornhuetter-Fergusson method can be used for claim quarters where there is little information from historical data, where this method uses information from both claim history and exposure data such as the risk premium from pricing. The Cape Cod method is very similar to Bornhuetter-Fergusson and also uses information from both claims history and exposure data to predict the final claims cost.

The company uses two different principles, firstly a "Claims-made principle" where the damage is considered to have occurred in the period in which it is reported. This is done for Hidden Faults insurance in Sweden and Norway. For these policies, a non-linear earning of the premium over the contract period is also used to get a better reflection of the risk pattern of the claims than a linear earning would have given. For other products, a traditional "Occurrence principle" is used, whereby claims are attributed to the date of occurrence, and a standard pro rata accrual of the premium is used to calculate the premium reserve (LRC).

Insurance contract liabilities always contain a degree of uncertainty, as they represent an estimate of the size and frequency of future claims payments. The uncertainty in the technical provisions is typically greater for new portfolios where full settlement statistics are not yet available and for portfolios where claims are not finalized for a long time. However, the company's products have a relatively short duration which limits the risk.

As described in note 2, the liability for claims (LIC) includes a risk adjustment for non-financial risk. The total risk adjustment as per 2023-12-31 amounts to SEK 22 million.

### Sensitivity to risks related to insurance contracts

The following sensitivity analysis for risks related to insurance contracts has been carried out by measuring the effect on gross and net claims costs, profit before appropriations and tax and equity under the assumption that claims costs increase by 10 per cent. Note that the changes in the following analysis are non-linear. The calculations are hypothetical and should not be seen as an indicator that these factors are more or less likely to change or, if they do change, the magnitude of the change. Actual changes and their impact may be larger or smaller than indicated below. In addition, it is likely that actual changes will also affect other items and that actions by the Company, as a result of these changes, may affect other items. The sensitivity analysis should therefore be interpreted with caution. The simplified methodology used to measure sensitivity has not changed from the previous year.

Assumption	Change in assumption %	Cost of claim after new assumption	Reinsurers' share of cost of claim after new assumption	Effect on result before income taxes	Result before income taxes after new assumption	Effect on equity	Equity after new assumption
2023	10	-396	39	-33	206	-27	614
2022	10	-347	5	-31	177	-23	550

### Development of claims costs

In addition to the sensitivity analysis, previous years estimates of the cost of claims for individual claim years also provide a measure of the company's ability to predict the final cost of claims. The tables in Note 28 show the cost development for the claim years 2013-2023, after reinsurance. For claim

years 2013 and earlier, the information is aggregated into one column. The upper part of the table shows how the estimate of the total claim cost per claim year developed year by year. The lower part shows how much of this is included in the balance sheet.

Note 4 cont.

**Insurance premiums earned, net after reinsurance, Group**

SEK million	Homeowners		Commercial and real estate		Reinsurance		Liability		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sweden	269	268	35	36	19	22	124	124	448	450
Norway	-	-	-	-	4	6	386	324	390	330
Finland	-	-	-	-	-	-	-	-	1	-
Denmark	-	-	1	-	-	-	-	-	1	-
Spain	-	-	-	-	8	7	-	-	8	7
<b>Total</b>	<b>269</b>	<b>268</b>	<b>36</b>	<b>36</b>	<b>32</b>	<b>37</b>	<b>510</b>	<b>447</b>	<b>847</b>	<b>789</b>

**NOTE 5****Key estimates and assessments**

When preparing financial statements in accordance with IFRS and generally accepted accounting principles, management and the Board must make assumptions that affect the balance sheet and income statement items recorded in the closing accounts as well as information provided in general. These assessments are based on historical experience and the various assumptions which management and Board judge reasonable under the prevailing circumstances. Conclusions reached in this way form the basis for decisions concerning carrying amounts of assets and liabilities where these cannot otherwise be determined through information from other sources. Actual outcomes can differ from these assessments if other assumptions are made or other conditions prevail. Particularly within the area measurement of goodwill and taxes, assessments can have a significant impact on Anticimex' earnings and financial position.

**Accounting for acquisitions of subsidiaries**

The valuation of identifiable assets and liabilities in conjunction with the acquisition of subsidiaries or operations requires that items in the acquired company's balance sheet, as well as items that have not been reported in the acquired company's balance sheet, such as customer relationships, trademark and technology, should be valued at fair value. Under normal circumstances, as listed market prices are not available for the valuation of the assets and liabilities to be valued, different valuation methods must be applied. These valuation methods are based on a number of assumptions where the most significant ones are contract length and customer retention rate. The valuation of identifiable assets and liabilities also depends on the accounting environment in which the acquired company/operations were conducted. This relates to, for example, the accounting norms according to which the financial reporting was previously prepared and, thereby, the scale of the adaptations which must be made to the Group's accounting principles, the regularity with which financial statements were prepared, as well as data of various types which may be necessary for the valuation of identifiable assets and liabilities. All balance sheet items are, in case of acquisitions, subject to certain estimates and assumptions. This implies that a preliminary valuation may be required and adjusted at a later date. All acquisition analyses are subject to final adjustment one year after the acquisition date, at the latest. In light of the factors stated above, Anticimex has chosen, on the condition that the adjustment in question is not considered significant, neither to provide separately, for each individual

acquisition, the reasons why the first reporting of the business combination is preliminary, nor to state the assets and liabilities for which the first reporting is preliminary.

Deferred considerations are reported as part of the purchase price and are recorded based on an assessment assuming that the appropriate terms and conditions agreed upon in connection with the acquisition will be complied with. The deferred consideration is tied to the acquired business achieving certain revenue milestones in a defined period, typically at least 12 months after closing the transaction. Deferred considerations are reported at fair value and the valuation is subject to assessment on each reporting occasion. As per 31 December 2023 the provision for deferred considerations amounts to SEK 556 million (1,057).

**Measurement of loss carryforwards**

The Group reports deferred tax assets relating to loss carryforwards on 31 December 2023 amounting to SEK 149 million (147). On the balance sheet date, the carrying amount of these tax assets was tested and it has been assessed as probable that the deductions can be used against surpluses at future taxation. Tax assets mainly relate to a tax deficit in Germany and the US (see also Note 14).

In addition, the Group had tax loss carryforwards amounting to SEK 4,463 million (2,427) for which no deferred tax asset has been recognised. The reason for not recognising these losses is that the entities are in tax loss making positions.

**Accounting for insurance related items**

Insurance premiums are accounted for over the insurance period. The reserve risk, i.e. the risk that technical provisions are insufficient to settle claims occurred and future claims, is mainly managed through assessments based on experience combined with advanced actuarial methods. The reserve risk is also limited through reinsurance. Through reinsurance the size of exposure can be managed and therefore the insurance company's equity protected. Reinsurance is purchased as a part of the total risk to which the insurance company is exposed in different areas, as well as an upper limit for the size of the risk in each area. Single claims have a limited impact on the result since the average insured amounts and claims costs are relatively low.

For further information on insurance-related technical provisions, see Note 28.

Note 5 cont.

### Key estimates and assessments in application of IFRS 17 Yearly "Eligibility test"

As mentioned above, when recognising revenue from insurance contracts, the Group has chosen to apply a simplified model (PAA) for insurance contracts that are longer than 1 year where the Group can demonstrate that there is no material difference from the main model (GMM) prescribed in IFRS 17 Insurance Contracts. In the simplified model, revenue is recognised when the revenue is expected to be earned (except for acquisition costs as described above), compared with a more straightforward accrual under the main model. The absence of a material difference is tested at least annually and is based on a number of assumptions about the discount rate and other factors. The test is sensitive to changes in assumptions and shows that the combination of increased interest rates and changes in profitability could lead to a material difference between the methods in the future. In such a situation, the Group may need to prospectively apply the main model for impacted insurance products. As a comparison, applying the main method for insurance contracts entered into in 2023 would have meant that the Group's revenue would have increased by SEK 60 million and operating profit would have decreased by 40 million. If the main model would have been applied retrospectively the impact on Group's revenue would have been limited and the operating profit would have been decreased by SEK 25 million.

### Assessment regarding liability for incurred claims (LIC)

The LIC always contains a degree of uncertainty, as the provisions represent an estimate of the size and frequency of future claims payments. The uncertainty in the technical provisions is usually greater for new portfolios where full run-off statistics are not yet available and for portfolios where claims are not finalized for a long time. However, the company's products have a relatively short duration which limits the risk. The assessments, assumptions and estimates made are anchored through a quarterly reserve analysis and presentation to management and the Board.

### Leasing

Anticimex' lease agreements are mainly attributable to buildings and vehicles. As of 31 December 2023 they are accounted

for as right-of-use assets (included in non-current assets), which amounts to SEK 1,201 million (939), long-term lease liabilities of SEK 824 million (637) and current lease liabilities of SEK 407 million (333). The accounting for leases under IFRS 16 involves making critical estimates and judgments. Areas where critical estimates and judgments are applied include determination of the discount rate and the lease term.

The lease liabilities are initially measured at the present value of remaining lease payments. As the interest rate is implicit in the lease and generally cannot be readily determined for leases in the Group, the present value is calculated by using the incremental borrowing rate for each country. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The rate is set in line with the Group's internal borrowing rate, by using each country's relevant rate for the relevant duration plus an internal borrowing margin. The right-of-use assets are initially measured at an amount equal to the lease liabilities. A change in the discount rate could increase or decrease the present value of the lease liabilities and consequently the right-of-use assets. Furthermore, it could impact the total cost in the statement of income and the split between depreciation and interest expense.

Lease terms are negotiated individually for each lease agreement. Determining the correct lease term is important since it impacts on the size of the right-of-use assets and lease liabilities. It also impacts whether a lease can be classified as a short-term lease and thus excluded from the lease liabilities accounted for under IFRS 16. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). In general, extension options have not been included in the lease liability since the Group could replace the assets without significant cost or business disruption. A change in the lease term could increase or decrease the present value of the lease liabilities and consequently the right-of-use assets.

## NOTE 6

### Revenues

#### Revenue by revenue stream

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Contracts	11,802	10,010
Jobs	3,627	3,204
Product sales and other	119	110
<b>Total revenue</b>	<b>15,548</b>	<b>13,323</b>
<i>Revenue recognition – over time</i>	<i>7,982</i>	<i>6,335</i>
<i>Revenue recognition – at point in time</i>	<i>5,946</i>	<i>5,415</i>
<i>Revenue recognition – insurance premiums *</i>	<i>1,621</i>	<i>1,573</i>

\* Insurance premiums are recognised in accordance with IFRS 17.

Note 6 cont.

**Insurance premiums earned, net after reinsurance, Group**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Premiums written	1,655	1,674
Change in provision for unearned premiums and unexpired risks	-33	-101
<b>Total premiums earned, net after reinsurance</b>	<b>1,621</b>	<b>1,573</b>

**Other operating income, type of revenue, Group**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Sale of other fixed assets	22	8
Other operating income	19	14
<b>Total other operating income</b>	<b>40</b>	<b>22</b>

**Type of revenue, Parent company**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Other operating income	21	27
<b>Total other operating income</b>	<b>21</b>	<b>27</b>

Other operating income in the Parent Company is exclusively related to intra-group invoicing with subsidiaries.

**NOTE 7****Revenue by significant geographical market<sup>1</sup>**

	Total sales from external customers <sup>2</sup> 2023	Non-current assets <sup>3</sup> 2023	Total sales from external customers <sup>2</sup> 2022	Non-current assets <sup>3</sup> 2022
Sweden	2,947	23,256	2,819	23,532
USA	6,110	29,652	5,101	30,432
Australia	1,821	7,602	1,594	7,639
Other	4,670	18,333	3,809	17,951
<b>Total Group</b>	<b>15,548</b>	<b>78,843</b>	<b>13,323</b>	<b>79,554</b>
Non-current assets not listed by country <sup>3</sup>		732		983
<b>Total non-current assets</b>	<b>15,548</b>	<b>79,576</b>	<b>13,323</b>	<b>80,537</b>

1) Geographical information related to sales and non-current assets is disclosed for Sweden (which is Anticimex' country of domicile) and for all individual countries where the sales or non-current assets exceed 10 percent of the total amount for the Group, as well as sales per geographic region.

2) Based on the location of the branch offices and corresponds in all material aspects to the geographical location of the customers.

3) Financial instruments, deferred tax assets and post-employment benefit assets are not specified by country. These are instead reported on the line Non-current assets not listed by country.

**NOTE 8****Board, Senior Executives and Employees****Average number of employees**

	2023		2022	
	Number of employees	of whom men	Number of employees	of whom men
<b>Parent Company</b>				
Sweden	1	1	1	1
<b>Total in Parent Company</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Subsidiaries</b>				
Sweden	1,332	933	1,404	982
Finland	179	130	150	110
Norway	383	276	379	270
Denmark	150	97	158	108
Netherlands	179	150	178	149
Germany	444	354	383	303
Belgium	267	216	267	211
Austria	78	60	72	57
Switzerland	83	69	76	61
Spain	687	506	578	406
Italy	498	408	473	386
Portugal	155	124	146	117
France	180	131	147	111
Australia	1,274	764	1,174	709
New Zealand	27	21	29	22
Singapore	574	502	494	423
Malaysia	208	154	184	134
USA	3,567	2,775	3,503	2,730
Colombia	264	194	217	157
Cambodia	86	73	94	77
United Kingdom	255	210	103	79
<b>Total in subsidiaries</b>	<b>10,870</b>	<b>8,147</b>	<b>10,209</b>	<b>7,602</b>
<b>Total in Group</b>	<b>10,871</b>	<b>8,148</b>	<b>10,210</b>	<b>7,603</b>

The average number of employees was calculated based on the number of paid hours during the period 1 January to 31 December in relation to the company's normal working hours for the same period. The Board consists of 8 members whereof 3 are women.

Note 8 cont.

**Salaries and other remuneration**

1 Jan–31 Dec 2023

SEK million	Salaries and other remuneration, Board, MD & VP	Salaries and other remuneration, other employees	Social security costs	of which pension costs
<b>Parent Company</b>				
Sweden	15	11	15	6
<b>Total in Parent Company</b>	<b>15</b>	<b>11</b>	<b>15</b>	<b>6</b>
<b>Subsidiaries</b>				
Sweden	25	670	323	74
Finland	3	81	19	15
Norway	2	226	60	15
Denmark	6	119	16	14
Germany	5	212	49	0
Netherlands	3	99	23	7
Belgium	3	171	35	0
Switzerland	3	91	13	4
Spain	3	223	75	0
Italy	5	189	58	11
Australia	6	708	110	67
Singapore	6	163	25	0
US	49	2,218	183	37
Other	10	297	66	4
<b>Total in subsidiaries</b>	<b>131</b>	<b>5,464</b>	<b>1,052</b>	<b>249</b>
<b>Total in Group</b>	<b>146</b>	<b>5,475</b>	<b>1,067</b>	<b>255</b>

Note 8 cont.

**Salaries and other remuneration**

1 Jan–31 Dec 2022

SEK million	Salaries and other remuneration, Board, MD & VP	Salaries and other remuneration, other employees	Social security costs	of which pension costs
<b>Parent Company</b>				
Sweden	16	0	9	2
<b>Total in Parent Company*</b>	<b>16</b>	<b>0</b>	<b>9</b>	<b>2</b>
<b>Subsidiaries</b>				
Sweden	31	671	320	76
Finland	3	68	14	11
Norway	2	230	52	11
Denmark	5	102	14	11
Germany	5	167	39	0
Netherlands	2	86	22	7
Belgium	3	139	30	0
Switzerland	3	77	13	6
Spain	3	168	54	0
Italy	6	161	48	11
Australia	7	595	89	55
Singapore	7	134	19	0
US	51	1,932	164	34
Other	9	200	48	5
<b>Total in subsidiaries</b>	<b>137</b>	<b>4,730</b>	<b>925</b>	<b>226</b>
<b>Total in Group</b>	<b>153</b>	<b>4,730</b>	<b>934</b>	<b>228</b>

\* The CEO was moved to Anticimex Group AB in February 2022, therefore CEO's remuneration for January 2022 is included in Sweden in the above numbers. For 2022, the Parent Company includes one month of former CEO Jarl Dahlfors and 10 months of former CEO Staffan Pehrson that joined Anticimex on 7 March 2022.

**Pension costs**

Of the Group's total pension costs SEK 8,892 thousand (8,612) refers to the Group's CEO, Board of Directors and other senior executives (EGM).

**Remuneration to other employees**

Remuneration to Board, MD and VP is presented under 'Remuneration to Board, CEO and senior executives'. For other employees, the Group applies an incentive scheme involving a variable remuneration based on performance. The scheme covers employees in tiers from Group management down to branch manager level. The possible variable compensation to which other employees are entitled ranges between 5 to 30 percent of basic salary, depending on the position of the employee. The performance targets that are required to achieve maximum bonus are as a principle linked to year over

year Operating profit (EBITA)<sup>1</sup> improvements of the local unit of the employee. The remuneration is paid out in cash after the year it was earned. In 2023 variable remuneration to other employees amounted to SEK 198 555 thousand (176 559). The Group bonus scheme is conditioned and ultimately decided by the Board of Directors.

In addition to the above, Anticimex branch managers have the opportunity to achieve two additional bonuses in shares in Anticimex Group AB. The program extends over 4 years and is based on two targets: EBITA improvement and SMART. To qualify for these bonuses, branch targets for EBITA improvement and SMART sales targets must be met in 3 out of 4 years. The amount earned equals 30 percent of basic salary and will accrue annually. In 2023, SEK 3,8 million plus social costs have been accrued related to this program.

1) Earnings before interest, tax, amortisations on acquisition-related intangible assets, acquisition-related costs and items affecting comparability.

Note 8 cont.

**Composition of the Board of Directors and their remuneration**

The Board of Anticimex Group AB consists of Jarl Dahlfors (Chairman), Alf Göransson, Dick Seger, Carl Johan Renström, Carolina Klint, Catherine Halligan, Per Franzén and Siew Boi Tan.

The Chairman of the Board and Board members received fees for the period 1 January to 31 December totalling SEK 2,264 thousand (259) distributed per Chairman and Board member as presented in table below. None of the board members have received any other remuneration other than Directors' fees. Three of the Board members do not receive any compensation.

**Remuneration to CEO and senior executives**

Basic salary (excluding vacation pay) to the CEO amounts to SEK 6,840 thousand (6,600) annually. The new CEO was appointed on 14 November 2023. Remuneration in the below table refers to the current CEO for 1,5 months and for the former CEO for 10,5 months. In addition, the CEO may receive variable compensation maximised to 100 percent of basic salary. During 2023 CEO received 89 percent of the maximum amount for variable compensation of SEK 6,840 thousand (6,600). The CEO also has a sickness benefit insurance and a sickness cost insurance. Pension premiums comprise a total of 30 percent of pensionable salary. The notice period between the Company and the CEO is 6 months if termination

of employment is triggered by either the Company or the CEO. During the notice period the CEO is entitled to basic salary and other employment benefits (including pension) in accordance with the employment contract regardless of whether or not there is an obligation to work. If employment is terminated by the Company, severance pay will be paid corresponding to 12 months. The CEO's shareholdings in Anticimex are described below.

Other senior executives receive a fixed basic salary and variable compensation. The possible variable compensation to which a senior executive is entitled ranges between 30 to 50 percent of basic salary. In addition, senior executives are entitled to a company car in accordance with the Anticimex car policy. Anticimex pays insurance premiums for senior executives according to local applicable agreements. The notice period is 6 months from both the Company and the senior executives. If a senior executive's employment is terminated by the Company, the executives are entitled to 6 or 12 months' severance pay. Senior executives' shareholdings in Anticimex are described below.

The CEO's pension scheme is defined contribution. Other senior executives are covered by pension plans in accordance with applicable agreements in each of the countries they are employed in. In 2023, compensation paid to other senior executives in the parent company relates to salary for the former CEO for his employment until May 2025 and an additional 12 months of severance pay.

**Remuneration to Board, CEO and other Senior Executives**

SEK thousands	1 Jan–31 Dec 2023				1 Jan–31 Dec 2022			
	Board	CEO	Other senior executives	Total	Board	CEO	Other senior executives	Total
<b>Parent Company</b>								
Basic salary	-	6,805	10,250	17,055	-	6,129	2,515	8,643
Variable compensation	-	5,648	737	6,385	-	6,129	2,515	8,643
Other benefits	-	8	-	8	-	8	30	38
Pension costs	-	4,674	1,372	6,046	-	1,852	754	2,606
Directors Fees	2,754	-	-	2,754	2,264	-	-	2,264
<b>Total in Parent Company*</b>	<b>2,754</b>	<b>17,136</b>	<b>12,359</b>	<b>32,249</b>	<b>2,264</b>	<b>14,117</b>	<b>5,814</b>	<b>22,194</b>
<b>Subsidiaries</b>								
Basic salary	-	-	30,837	30,837	-	629	32,352	32,981
Variable compensation	-	-	9,622	9,622	-	629	16,475	17,103
Other benefits	-	-	2,530	2,530	-	8	2,619	2,626
Pension costs	-	-	4,218	4,218	-	202	5,804	6,006
Directors Fees	180	-	-	180	180	-	-	180
<b>Total in subsidiaries</b>	<b>180</b>	<b>-</b>	<b>47,207</b>	<b>47,387</b>	<b>180</b>	<b>1,467</b>	<b>57,250</b>	<b>58,897</b>
<b>Total in Group</b>	<b>2,934</b>	<b>17,136</b>	<b>59,566</b>	<b>79,636</b>	<b>2,444</b>	<b>15,583</b>	<b>63,064</b>	<b>81,091</b>

\* The CEO was employed in Anticimex Group AB in February 2022 why the remuneration in the Parent Company only cover 11 months in 2022. One month is included in Subsidiaries. In addition, remuneration includes 2 months of the for the time being former CEO Jarl Dahlfors and 10 months of the for the time being CEO Staffan Pehrson that took over on 7 March 2022.

Note 8 cont.

**Directors' fees, distributed per Chairman and Board member**

SEK thousands	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Parent Company</b>		
Jarl Dahlfors	1,148	871
Alf Göransson	-	-
Dick Seger	287	265
Carl Johan Renström	-	-
Carolina Klint	287	265
Catherine Halligan	459	143
Per Franzén	-	-
Siew Boi Tan	574	530
Gunnar Asp*	-	189
<b>Total in Parent Company</b>	<b>2,754</b>	<b>2,264</b>
<b>Subsidiaries</b>		
Jan Onselius	180	180
<b>Total in subsidiaries</b>	<b>180</b>	<b>180</b>
<b>Total in Group</b>	<b>2,934</b>	<b>2,444</b>

\* Gunnar Asp was chairman on the board from 1 January to 7 March 2022, after that date he is no longer part of the board.

Other senior executives refers to the 9 people who together with the CEO constituted the Executive Group management in 2023. Out of these, 1 (1) is a woman.

Other benefits constitute housing for expatriates and car allowance.

**Board's, CEO's and other Senior Executives' shareholdings**

	Number of shares 31 Dec 2023	Number of shares 31 Dec 2022
Jarl Dahlfors, Chairman of the Board	4,849,122	4,849,122
Alf Göransson	-	-
Dick Seger	243,000	243,000
Carl Johan Renström	-	-
Carolina Klint	22,113	22,113
Catherine Halligan	9,303	9,303
Per Franzén	-	-
Siew Boi Tan	190,000	190,000
<b>Total Board</b>	<b>5,313,538</b>	<b>5,313,538</b>
Jussi Ylinen, CEO*	426,982	196,831
Other senior executives	3,242,284	4,697,313
<b>Total Number of shares</b>	<b>8,982,804</b>	<b>10,207,682</b>

\* The number of shares in 2022 relates to the former CEO Staffan Pehrson

**NOTE 9**

## Government grants

**Government grants recognized in the income statement**

SEK million	1 jan–31 Dec 2023	1 Jan–31 Dec 2022
Employee related costs	0	4
Other	20	22
<b>Total</b>	<b>20</b>	<b>26</b>

Received grants for payroll tax, sick pay and other employee related costs have been recognised by off-setting costs on the profit/loss line item Employee benefit expenses. In addition to

above, various grants relating to postponement of payments of certain taxes due to the Covid-19 pandemic have been used.

**NOTE 10**

## Fees and disbursements to auditors

**Auditors' fees, Group**

SEK million	2023		2022	
	PwC	Other	PwC	Other
<b>PwC</b>				
Audit assignment	-18	-4	-16	-1
<i>Whereof Parent Company auditors</i>	-3	-	-3	-1
Audit-related activities in addition to audit assignment	-	-	-1	-
<i>Whereof Parent Company auditors</i>	-	-	0	-
Tax advice	-8	-1	-4	-1
<i>Whereof Parent Company auditors</i>	-	0	-	0
Other services	-2	-3	0	-5
<i>Whereof Parent Company auditors</i>	-	-	-	0
<b>Total audit fees and fees for other assignments</b>	<b>-28</b>	<b>-8</b>	<b>-21</b>	<b>-7</b>

During 2023, the Parent Company has paid SEK 1 million (0) in audit fees.

**NOTE 11**

## Other external costs

Group	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
SEK million		
Subcontractors	-286	-293
External services	-708	-594
Vehicle expenses	-726	-606
Costs of premises	-157	-149
Other	-1,108	-978
<b>Total other external costs</b>	<b>-2,985</b>	<b>-2,620</b>

## Other external costs, Parent company

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Consultancy fees	-8	0
Other	-5	-5
<b>Total other external costs</b>	<b>-13</b>	<b>-5</b>

**NOTE 12**

## Acquisition-related costs and amortizations, and items affecting comparability

Amortisation of acquisition-related intangible assets are further outlined in note 16 and 32. The acquisition-related intangible assets primarily consist of trademarks, customer relationships and technology. Acquisition-related costs consist of transaction costs, restructuring and integration costs and revaluation of deferred considerations as presented in the table below.

Items affecting comparability includes events or transactions with significant effects, which are relevant for understanding the Group's financial performance when comparing income for the current period with previous periods, including restructuring programs, significant impairment losses, expenses relating to major legal disputes and insurance claims, and gains and losses from disposals of subsidiaries.

## Items affecting comparability

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Amortisation of acquisition-related intangible assets</b>	<b>-913</b>	<b>-838</b>
<b>Acquisition-related cost</b>		
Transaction costs	-60	-47
Restructuring and integration costs	-78	-40
Revaluation of deferred considerations	4	24
<b>Total acquisition-related cost</b>	<b>-134</b>	<b>-63</b>
<b>Items affecting comparability</b>		
Restructuring existing business	-16	0
Incentive program	-5	-19
Legal claims	0	-24
Other	-6	1
<b>Total items affecting comparability</b>	<b>-27</b>	<b>-42</b>
<b>Total acquisition-related costs and amortisations, and items affecting comparability</b>	<b>-1,074</b>	<b>-944</b>

Out of the total amount of acquisition related costs, SEK 0 million (6) relates to the parent company.

Note 12 cont.

The split of amortisation of acquisitions-related intangible assets, acquisition-related costs and items affecting comparability allocated per cost type is shown below.

#### Allocation per line item

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Net sales	-19	-
Other operating income	0	-
<b>Total operating income</b>	<b>-19</b>	<b>-</b>
Raw materials and consumables	-2	0
Employee benefit expenses	-35	-34
Depreciation, amortisation and write downs	4	10
Other external costs	-109	-81
<b>Operating profit (EBITA)<sup>1</sup></b>	<b>-161</b>	<b>-105</b>
Amortisation of Acquisition-related intangible assets	-913	-839
<b>Operating profit (EBIT)</b>	<b>-1,074</b>	<b>-944</b>
Financial income	-	-
Financial expenses	-	-
<b>Profit/loss before tax</b>	<b>-1,074</b>	<b>-944</b>
Tax	-	-
<b>Profit/loss for the year</b>	<b>-1,074</b>	<b>-944</b>

1) Earnings before interest, tax, amortisations on acquisition-related intangible assets, acquisition-related costs and items affecting comparability.

The SEK 16 million in items affecting comparability in the parent company relates to salary for the former CEO for his employment until May 2025 and an additional 12 months of severance pay.

**NOTE 13****Financial income and expenses****Financial income, Group**

SEK thousand	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Interest income	76	39
Interest income derivatives	316	6
Finance income from insurance contracts issued	-	28
Exchange gains	116	708
Other financial income	13	7
<b>Total financial income</b>	<b>521</b>	<b>788</b>

No interest income relates to financial instruments measured at fair value through profit or loss.

The parent company has SEK 0 million (0) in interest income and SEK 0 million (0) in exchange gains.

**Financial expenses, Group**

SEK thousand	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Interest expenses, loans	-2,212	-1,464
Interest expenses, leasing	-57	-39
Interest expenses derivatives	-	-27
Investment return transferred to the technical account	-	-13
Other financial expenses	-379	-42
Capitalised bank fees	-135	-115
Finance expenses from insurance contracts issued	-25	-
Finance expenses from reinsurance contracts held	-1	-
Exchange losses	-100	-936
<b>Total financial expenses</b>	<b>-2,909</b>	<b>-2,636</b>

The Parent Company has SEK 0 million (0) in interest expenses and SEK 0 million (0) in exchange losses.

**NOTE 14**

## Tax

**Income tax recognized in profit or loss, Group**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Current tax cost (-)/income (+)	-278	-229
Adjustment of current tax attributable to previous years	0	-6
Deferred tax expense/income relating to temporary differences	-46	-168
<b>Total recognized tax income/expense</b>	<b>-324</b>	<b>-403</b>

**Income tax recognized in profit or loss, Parent Company**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Deferred tax expense/income relating to temporary differences	3	-
<b>Total recognized tax income/expense</b>	<b>3</b>	<b>-</b>

Income tax in Sweden is calculated at 20.6 percent of taxable profit for the year. Tax in other jurisdictions is calculated at the rate applicable to each jurisdiction.

**Reconciliation of effective tax, Group**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Tax income/expense for the year</b>	<b>-324</b>	<b>-403</b>
<b>Profit/Loss for the year before tax</b>	<b>-243</b>	<b>-102</b>
Tax calculated using Swedish tax rate, 20.6%	50	20
Tax effect of non-deductible expenses	-136	-170
Tax effect of non-taxable income	5	8
Effect of different tax rates in subsidiaries' various jurisdictions	7	-22
Capitalisation of deferred tax assets on previously unrecognized loss carry forwards	-	26
Capitalisation of deferred tax assets on costs for raising capital accounted for in equity	-	-59
Increase/decrease in loss carry forward without corresponding capitalisation of deferred tax	-240	-176
Effect of changed tax rate	-	-1
Other	-13	-17
<b>Total tax income/expense for the year</b>	<b>-327</b>	<b>-391</b>
Adjustment of tax attributable to previous years	3	-12
<b>Recognized tax income/expense for the year</b>	<b>-324</b>	<b>-403</b>

**Reconciliation of effective tax, Parent Company**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Tax income/expense for the year</b>	<b>3</b>	<b>0</b>
<b>Profit/Loss for the year before tax</b>	<b>-17</b>	<b>-26</b>
Tax calculated using Swedish tax rate, 20.6 %	4	5
Non-deductible costs	-1	-5
Increase/decrease in loss carry forward without corresponding capitalisation of deferred tax	-	-
<b>Recognized tax income/expense for the year</b>	<b>3</b>	<b>0</b>

Effective tax rate in the Group amounted to 133 percent (303).

Note 14 cont.

**Deferred tax change analysis**

	Intangible assets	Property, plant and equipment	Trade receiv- ables/ payables	Provisions for pensions and other personnel liabilities	Other provisions	Insurance related contingency reserve	Unutilised tax loss carry forwards	Other temporary differ- ences	Total Deferred tax 2023
<b>Opening balance deferred tax asset 1 Jan 2023</b>	<b>47</b>	<b>29</b>	<b>8</b>	<b>4</b>	<b>48</b>	<b>-</b>	<b>35</b>	<b>2</b>	<b>173</b>
Change due to acquisitions	-	-	-	-	0	-	-	-	0
Recognized in profit and loss	0	3	-1	2	5	-	17	6	32
Change reported in Other Compre- hensive Income	-	-	-	0	-	-	-	-	0
Change due to changed account- ing principles	-	-	-	-	-	-	-	-	-
Other changes/ Reclassifications	0	-	-	-	0	-	-	-	0
Exchange rate effect	-1	-1	0	0	-2	-	-1	-	-4
<b>Closing balance deferred tax asset 31 Dec 2023</b>	<b>46</b>	<b>31</b>	<b>7</b>	<b>6</b>	<b>52</b>	<b>-</b>	<b>52</b>	<b>8</b>	<b>202</b>
<b>Opening balance deferred tax liability 1 Jan 2023</b>	<b>3,169</b>	<b>60</b>	<b>-9</b>	<b>-11</b>	<b>7</b>	<b>48</b>	<b>-112</b>	<b>183</b>	<b>3,336</b>
Change due to acquisitions	29	0	-	-	-	-	-	-	29
Recognized in profit and loss	77	-12	9	-10	-2	-	12	6	78
Change reported in Other Compre- hensive Income	-	-	-	-	-	-	-	-63	-63
Other changes/ Reclassifications	0	0	-	-	-	-	-	0	0
Exchange rate effect	-36	-2	0	1	0	-	4	6	-27
<b>Closing balance deferred tax liability 31 Dec 2023</b>	<b>3,240</b>	<b>46</b>	<b>-1</b>	<b>-20</b>	<b>5</b>	<b>48</b>	<b>-97</b>	<b>132</b>	<b>3,353</b>
<b>Net deferred tax 31 Dec 2023</b>	<b>-3,194</b>	<b>-15</b>	<b>8</b>	<b>26</b>	<b>48</b>	<b>-48</b>	<b>149</b>	<b>-125</b>	<b>-3,152</b>

Note 14 cont.

**Deferred tax change analysis**

	Intangible assets	Property, plant and equipment	Trade receiv- ables/ payables	Provisions for pensions and other personnel liabilities	Other provisions	Insurance related contingency reserve	Unutilised tax loss carry forwards	Other temporary differ- ences	Total Deferred tax 2022
<b>Opening balance deferred tax asset 1 Jan 2022</b>	<b>42</b>	<b>55</b>	<b>9</b>	<b>15</b>	<b>47</b>	<b>-</b>	<b>85</b>	<b>8</b>	<b>261</b>
Change due to acquisitions	-	-	-	-	1	-	-	-	1
Recognized in profit and loss	2	-30	-2	-2	-2	-	-52	-6	-94
Change reported in Other Compre- hensive Income	-	-	-	-10	-	-	-	-	-10
Exchange rate effect	3	4	1	1	3	-	2	-	14
<b>Closing balance deferred tax asset 31 Dec 2023</b>	<b>47</b>	<b>29</b>	<b>8</b>	<b>4</b>	<b>48</b>	<b>-</b>	<b>35</b>	<b>2</b>	<b>173</b>
<b>Opening balance deferred tax liability 1 Jan 2022</b>	<b>2,767</b>	<b>42</b>	<b>1</b>	<b>0</b>	<b>62</b>	<b>48</b>	<b>0</b>	<b>-23</b>	<b>2,897</b>
Change due to acquisitions	99	-	-	-	-	-	134	-	234
Recognized in profit and loss	14	-54	-1	-3	8	-	26	-9	-18
Change reported in Other Compre- hensive Income	-	-	-	-	-	-	-	128	128
Other changes	217	67	-9	-8	-70	-	-270	86	13
Exchange rate effect	72	5	0	0	7	-	-3	1	82
<b>Closing balance deferred tax liability 31 Dec 2022</b>	<b>3,169</b>	<b>60</b>	<b>-9</b>	<b>-11</b>	<b>7</b>	<b>48</b>	<b>-112</b>	<b>183</b>	<b>3,336</b>
<b>Net deferred tax 31 Dec 2022</b>	<b>-3,122</b>	<b>-31</b>	<b>17</b>	<b>15</b>	<b>41</b>	<b>-48</b>	<b>147</b>	<b>-183</b>	<b>-3,164</b>

Note 14 cont.

The Parent Company has no deferred tax assets recognized as per year end relating to tax loss carry forwards.

#### **Unrecognized deferred tax assets**

At year end the Group had total deferred tax assets attributable to tax loss carryforwards amounting to SEK 149 million (147). In addition, the Group had tax loss carryforwards amounting to SEK 4,463 million (2,427) for which no deferred tax asset has been recognized. The majority of the tax losses carried forward are primarily related to non-deductible interest costs in the US and Sweden, and to the operations in the US and in Germany.

#### **Pillar2**

The Group is subject to the new Pillar2 legislation which entered into force on 1 January 2024, applicable on the financial year beginning after 31 December 2023. Since the legislation had not entered into force by the end of the finan-

cial year 2023, the Group has no related current tax exposure. The Group applies the exemption for reporting and disclosing deferred tax assets and liabilities related to top-up tax, according to the amendments to IAS 12 issued in May 2023.

According to the new legislation, the Group is required to determine the effective tax rate in each jurisdiction where the Group is located. If the effective tax rate is below the minimum tax rate of 15 percent, the Group is obligated to pay a top-up tax. The Group is currently evaluating its tax exposure based on the new legislation, which indicates that the Group would not have been obligated to pay top-up tax if the legislation had been applicable for the financial year 2023. Due to the complexity of the new legislation, it is not possible to estimate the quantitative impact with reasonable certainty, however Anticimex is not expecting any significant impact on paid tax from the new legislation. The Group is currently working with tax specialists to implement the new legislation.

**NOTE 15**

## Goodwill and trademarks

**Group**

SEK million	Goodwill	Trademark
<b>Opening accumulated costs 1 Jan 2022</b>	<b>54,061</b>	<b>6,786</b>
Business combinations	3,068	-
Reclassification	-19	-
Translation differences	5,077	13
<b>Opening accumulated costs 1 Jan 2023</b>	<b>62,188</b>	<b>6,799</b>
Business combinations	1,178	-
Reclassification	2	-
Translation differences	-1,493	-6
<b>Closing accumulated costs 31 Dec 2023</b>	<b>61,875</b>	<b>6,794</b>
<b>Opening accumulated impairment 1 Jan 2022</b>	<b>-</b>	<b>-</b>
Impairment	-	-
Translation differences	0	-
<b>Opening accumulated impairment 1 Jan 2023</b>	<b>0</b>	<b>-</b>
Impairment	-	-
Translation differences	0	-
<b>Closing accumulated impairment 31 Dec 2023</b>	<b>0</b>	<b>-</b>
<b>Opening carrying amount, 1 Jan 2022</b>	<b>54,061</b>	<b>6,786</b>
<b>Opening carrying amount, 1 Jan 2023</b>	<b>62,188</b>	<b>6,799</b>
<b>Closing carrying amount, 31 Dec 2023</b>	<b>61,875</b>	<b>6,794</b>

The trademark recognised is related to the Anticimex brand. In light of this trademark's history, combined with the Groups commitment to continue maintaining, supporting and investing in the trademark, the useful life of it is considered to be indefinite. Legally, no restrictions exist as to the limitation of the registration of a trademark over time and it can continually be renewed. Economically, the future life of the trademark is therefore deemed indefinite and is hence not amortised.

Goodwill has been allocated at acquisition to the cash generating units (CGU) in the Group which are expected to receive benefits from the acquisition. Each country in the Group is deemed to be a cash generating unit. The countries and their respective goodwill and trademark values are listed in the table below.

Note 15 cont.

**Specification of goodwill and trademark, Group**

SEK million	2023		2022	
	Goodwill	Trademark	Goodwill	Trademark
Sweden	12,981	-	12,981	-
Norway	1,905	-	2,040	-
Denmark	229	-	230	-
Finland	837	-	830	-
United Kingdom	176	-	167	-
Germany	1,841	-	1,777	-
Netherlands	1,029	-	1,032	-
Belgium	1,406	-	1,410	-
Austria	161	-	161	-
Switzerland	777	-	732	-
Italy	2,257	-	2,175	-
Spain	1,924	-	1,822	-
Portugal	407	-	392	-
France	443	-	405	-
Australia	6,727	-	6,793	-
New Zealand	112	-	117	-
Singapore	1,463	-	1,496	-
Malaysia	209	-	200	-
Cambodia	16	-	16	-
USA	26,836	-	27,380	-
Colombia	138	-	31	-
Group/Unallocated	-	6,794	-	6,799
<b>Total carrying amount goodwill</b>	<b>61,875</b>	<b>6,794</b>	<b>62,188</b>	<b>6,799</b>

**Impairment testing**

Goodwill and trademarks with indefinite useful lives are tested annually for possible impairment. Impairment arises if the carrying amount is higher than the recoverable amount. The recoverable amount is the higher of fair value less cost to sell and the value in use. The value in use for Anticimex is derived by using Gordons model, using the budgeted cashflows by CGU for 2024 (as adopted by the board of directors) divided by the discount rate (WACC, Weighted Average Cost of Capital). The fair value less cost to sell is derived by using an EBIT-multiple valuation model. EBIT is based on the budgeted cash flows by CGU for the upcoming year (as adopted by the board of directors) and the multiple used is the multiple under which the Anticimex Group is valued at. Cost to sell is derived using an approximation. For financial year 2023 impairment test, both the fair value and value in use have been determined and to support that no impairment exists the fair value has been used. The testing is performed using the financial position at September 30.

**Assumptions**

The multiples used in the calculation of recoverable amount ranges between 9,0 to 23,1 depending on market risks, maturity and growth.

**Sensitivity**

A sensitivity analysis has been carried out by reducing the multiple for each cash generating unit by -10 percent. The conducted analysis shows no indication of impairment in either of the cash generating units.

**NOTE 16**

## Other intangible assets

**Group**

SEK million	Customer relationships	Computer software	Technology	Other	Total
<b>Opening accumulated costs, 1 Jan 2022</b>	<b>7,235</b>	<b>84</b>	<b>385</b>	<b>146</b>	<b>7,850</b>
Increase through business combinations	565	0	-	-14	551
Reclassification, sale and disposals	19	-8	-	-1	10
Purchases	-	32	-	44	76
Translation differences	541	5	1	15	562
<b>Opening accumulated costs, 1 Jan 2023</b>	<b>8,360</b>	<b>113</b>	<b>386</b>	<b>190</b>	<b>9,049</b>
Increase through business combinations	271	0	-	0	272
Reclassification, sale and disposals	-2	-13	-	-2	-16
Purchases	0	56	-	67	123
Translation differences	-151	-3	0	-3	-158
<b>Closing accumulated costs, 31 Dec 2023</b>	<b>8,478</b>	<b>154</b>	<b>386</b>	<b>252</b>	<b>9,270</b>
<b>Opening accumulated amortisation, 1 Jan 2022</b>	<b>-74</b>	<b>-2</b>	<b>-5</b>	<b>-3</b>	<b>-84</b>
Increase through business combinations	-	0	-	0	0
Reclassification, sale and disposals	0	-5	-	0	-5
Amortisation for the year	-784	-20	-54	-27	-885
Translation differences	-24	0	0	-1	-25
<b>Opening accumulated amortisation, 1 Jan 2023</b>	<b>-882</b>	<b>-27</b>	<b>-59</b>	<b>-31</b>	<b>-999</b>
Increase through business combinations	-	0	-	-	0
Reclassification, sale and disposals	0	12	-	1	12
Amortisation for the year	-857	-21	-55	-41	-974
Translation differences	38	1	0	1	39
<b>Closing accumulated amortisation, 31 Dec 2023</b>	<b>-1,701</b>	<b>-36</b>	<b>-114</b>	<b>-70</b>	<b>-1,921</b>
<b>Opening accumulated write down, 1 Jan 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Write downs	-	-3	-	-	-3
Translation differences	-	0	-	-	0
<b>Opening accumulated write down, 1 Jan 2023</b>	<b>-</b>	<b>-3</b>	<b>-</b>	<b>-</b>	<b>-3</b>
Write downs	-	-3	-	-	-3
Translation differences	-	0	-	-	0
<b>Closing accumulated write down, 31 Dec 2023</b>	<b>-</b>	<b>-6</b>	<b>-</b>	<b>-</b>	<b>-6</b>
<b>Opening carrying amount, 1 Jan 2022</b>	<b>7,160</b>	<b>82</b>	<b>381</b>	<b>143</b>	<b>7,766</b>
<b>Opening carrying amount, 1 Jan 2023</b>	<b>7,478</b>	<b>83</b>	<b>327</b>	<b>159</b>	<b>8,047</b>
<b>Closing carrying amount, 31 Dec 2023</b>	<b>6,777</b>	<b>112</b>	<b>272</b>	<b>182</b>	<b>7,343</b>

Other intangible assets in the Group consist mainly of customer relationships (incl. contract portfolios), technology, software and patents.

The fair value of technology is related to the Groups Smart concept – the digital service offering in the Anticimex Pest

Control services. This includes the value of both patented and unpatented technology and know-how.

The customer relationships accounted for include also the contract portfolios available in the acquired assets. Contract portfolios are agreements with periods between 1–5 years.

**NOTE 17**

## Property, plant and equipment

Group	Land and buildings	Machines and other technical equipment	Equipment, tools and installations	Total
SEK million				
<b>Opening accumulated costs, 1 Jan 2022</b>	<b>34</b>	<b>114</b>	<b>439</b>	<b>588</b>
Increase through business combinations	1	58	19	78
Purchases	9	16	262	287
Sales, disposals and reclassifications	13	-2	-138	-126
Translation differences	5	21	37	63
<b>Opening accumulated costs, 1 Jan 2023</b>	<b>63</b>	<b>208</b>	<b>619</b>	<b>890</b>
Increase through business combinations	-	-7	24	18
Purchases	5	12	400	417
Sales, disposals and reclassifications	0	-228	-43	-271
Translation differences	-1	6	-31	-26
<b>Closing accumulated costs, 31 Dec 2023</b>	<b>67</b>	<b>-9</b>	<b>969</b>	<b>1,027</b>
<b>Opening accumulated depreciation, 1 Jan 2022</b>	<b>0</b>	<b>1</b>	<b>-13</b>	<b>-12</b>
Increase through business combinations	-1	-3	-5	-9
Depreciation for the year	-7	-50	-185	-242
Sales, disposals and reclassifications	-13	6	104	97
Translation differences	-1	-1	1	-1
<b>Opening accumulated depreciation, 1 Jan 2023</b>	<b>-22</b>	<b>-47</b>	<b>-99</b>	<b>-168</b>
Increase through business combinations	-	-3	-4	-7
Depreciation for the year	-12	-7	-290	-309
Sales, disposals and reclassifications	0	90	126	217
Translation differences	1	-3	11	9
<b>Closing accumulated depreciation, 31 Dec 2023</b>	<b>-33</b>	<b>30</b>	<b>-255</b>	<b>-258</b>
<b>Opening write downs, 1 Jan 2022</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
This year's write downs	-	-2	0	-2
Sales, disposals and reclassifications	-	0	1	1
Translation differences	-	0	0	0
<b>Opening accumulated write downs, 1 Jan 2023</b>	<b>-</b>	<b>-2</b>	<b>1</b>	<b>-1</b>
This year's write downs	-	0	-1	-1
Sales, disposals and reclassifications	-	2	-1	1
Translation differences	-	0	0	0
<b>Closing accumulated write downs 31 Dec 2023</b>	<b>-</b>	<b>0</b>	<b>-1</b>	<b>-1</b>
<b>Opening carrying amount, 1 Jan 2022</b>	<b>34</b>	<b>115</b>	<b>426</b>	<b>575</b>
<b>Opening carrying amount, 1 Jan 2023</b>	<b>41</b>	<b>159</b>	<b>522</b>	<b>722</b>
<b>Closing carrying amount, 31 Dec 2023</b>	<b>34</b>	<b>21</b>	<b>713</b>	<b>767</b>

**NOTE 18**

## Other financial assets

**Group**

SEK million	31 Dec 2023	31 Dec 2022
<b>Non-current financial assets</b>		
Treasury bills and bonds	858	857
Derivatives	466	743
Other financial assets	70	69
<b>Total other financial assets</b>	<b>1,394</b>	<b>1,669</b>

Financial assets consist of Swedish treasury bills and municipal bonds for a value of SEK 582 million (561) and corporate bonds issued by banks and financial institutions for a value of SEK 226 million (243). The investment portfolio also consists of one treasury bill issued by the Norwegian government of a total value of SEK 49 million (53). All these investments have varying investment terms.

The treasury bills and bonds are investments for the purpose of the insurance business solvency regulations. They are considered long-term in their nature, however these investments can be realized through divestment at any point in time,

as long as that is in accordance with the solvency regulations on capital adequacy requirements. Treasury bills and bonds are reported as fair value over the profit and loss.

The financial derivatives include interest rate caps and collars and are used to manage the Group's interest rate exposure. For further information, please see note 3. The interest rate derivatives are reported as fair value through Other comprehensive income if eligible for hedge accounting, otherwise through the profit and loss.

**NOTE 19**

## Inventory

**Group**

SEK million	31 Dec 2023	31 Dec 2022
Raw materials and consumables	346	301
Finished products and goods for resale	212	324
Obsolescence	-4	-8
<b>Total inventories</b>	<b>554</b>	<b>617</b>

**NOTE 20**

## Accounts receivable, contract assets and liabilities

**Group**

SEK million	31 Dec 2023	31 Dec 2022
Accounts receivable	1,685	1,467
Accrued income	42	28
Bad debt provision	-147	-174
<b>Total accounts receivable and contract assets</b>	<b>1,580</b>	<b>1,321</b>
Advanced payments from customers	82	45
Deferred revenue	1,604	1,601
<b>Total contract liabilities</b>	<b>1,686</b>	<b>1,646</b>

The Group's revenue is based on four types of revenue streams: Contracts, jobs, insurance premiums and product sales. Contracts are by nature viewed as recurring revenue and normally included in the Group's client contract portfolio. To qualify for inclusion in the contract portfolio the contract duration should be 12 months or more, or for contracts with a duration between 3-12 months they need to include an automatic renewal clause. The contract portfolio value is then the annualised value of all contract revenues. Naturally, contracts can be of various lengths exceeding 12 months, which is applicable particularly for strategic insurance partnerships and in some cases SMART contracts where more technology components are included. In general contracts terms include a set renewal date with an automatic renewal clause. Contracts normally contain cancellation clauses on both Anticimex and the client side.

Anticimex uses the client retention rate as a key measurement for how long a contract that is included in the contract portfolio normally is operated. Client retention rate is defined as the total closing portfolio minus lost customers in the period in relation to total opening portfolio. The client retention rate for the Group is 88 percent (88) 2023.

Contract-based pest control arrangements included in the contract portfolio typically include the installation of traps and regular inspections and other required treatments, depending on the service level set forth in the contract.

As mentioned Anticimex has additional revenue streams based on non-contracted jobs. These can be ad-hoc services generated from a contracted client e.g. a customer requests inspections or treatments on an "as needed" basis outside the contract. In other cases, jobs can be one-off treatments or preventive actions from event-based sales.

In addition to pest control, the Group offers complementary services in selected markets, aimed at creating a healthier and more sanitary indoor environment and securing property value and are included in the contract portfolio if eligible according to above stipulated requirements.

All contract liabilities for not yet serviced performance obligations towards the customer recognised as per 1 January 2023 have been carried out as per closing of 2023. All contract liabilities recognised as per 31 December 2023 for not yet serviced performance obligations are expected to be carried out before 31 December 2024. Deferred revenue for performance obligations that is expected to be satisfied during 2024 amount to SEK 1,604 million (1,601).

Anticimex Group carries out invoicing in accordance with market practice in each country, where contract-based services are often subject to advanced invoicing. Payment terms are normally between 30-60 days, however in southern Europe up to 90 days.

Note 20 cont.

**Change in bad debt provision**

SEK million	2023	2022
	Bad debt provision	Bad debt provision
<b>Opening balance 1 January</b>	<b>-174</b>	<b>-127</b>
Increase/decrease in provision, recorded in Profit and Loss	-73	-87
Increase through acquisitions	2	-10
Accounts receivable written off during the year	45	16
Amounts reversed, not used	50	48
Translation difference	3	-14
<b>Closing balance 31 December</b>	<b>-147</b>	<b>-174</b>

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on the days

past due. The contract assets relate to unbilled work and have substantially the same risk characteristics as the trade receivables. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

On that basis, the loss allowance as at 31 December 2023 was determined as follows for both trade receivables and contract assets:

**Bad debt provision**

31 Dec 2023	Not past due	Past due 1-90 days	Past due 91-180 days	Past due >180 days	Total
<i>Expected credit loss level, %</i>	0.0	-0.2	-41.4	-93.8	-8.5
Accounts receivable reported amount, gross	1,014	458	102	110	1,684
Accrued income reported amount, gross	42	-	-	-	42
<b>Bad debt provision</b>	<b>0</b>	<b>-1</b>	<b>-42</b>	<b>-103</b>	<b>-147</b>

31 Dec 2022	Not past due	Past due 1-90 days	Past due 91-180 days	Past due >180 days	Total
<i>Expected credit loss level, %</i>	-0.9	-3.3	-50.1	-87.7	-10.5
Accounts receivable reported amount, gross	989	431	107	112	1,639
Accrued income reported amount, gross	28	-	-	-	28
<b>Bad debt provision</b>	<b>-9</b>	<b>-14</b>	<b>-53</b>	<b>-98</b>	<b>-174</b>

**NOTE 21**

## Prepaid expenses and accrued income

**Group**

SEK million	31 Dec 2023	31 Dec 2022
Prepaid insurance	77	51
Other prepaid expenses	171	162
Accrued income	42	28
<b>Total prepaid expenses and accrued income</b>	<b>290</b>	<b>241</b>

**NOTE 22**

## Cash and cash equivalents

Cash and cash equivalents in the Group and the item Cash and bank in the Parent Company only comprise cash and bank deposits. The carrying amount for these assets is assessed as corresponding to fair value. Cash and cash equivalents in the statement of cash flow for the Group and Parent Company respectively correspond to cash and cash equivalents in the

balance sheets for the Group and the Parent Company. Out of the total cash and cash equivalents in the Group, SEK 849 million (701) constitutes cash in the insurance business which is governed by solvency requirements that may limit the Parent Company's possibility to use these funds.

**NOTE 23**

## Share capital

**Parent Company**

SEK million	Share capital
<b>Opening balance 1 January 2022</b>	<b>434</b>
<b>Opening balance 1 January 2023</b>	<b>434</b>
<b>Closing balance 31 December 2023</b>	<b>434</b>

	Number of votes	Number of shares	Share capital
Ordinary shares	43,423,451	43,423,451	43
Preference shares	390,812,114	390,812,114	391
<b>Closing balance 31 December 2023</b>	<b>434,235,565</b>	<b>434,235,565</b>	<b>434</b>

The number of outstanding shares as per 31 December 2023 amounts to 434,235,565 (434,235,565) and are fully paid. The quota value per share is SEK 1.00. The Company's outstanding shares are divided into ordinary shares and preference shares. All shares carry entitlement to one vote per share.

Owners of preference shares have preferential rights to the Company's assets and profits in an amount corresponding to SEK 100 per share plus a preferred interest of 8 percent per annum, calculated from 16 November 2021, accruing daily

and compounding annually on 16 November each year, minus any previously paid amounts on the preference shares. To the extent not paid, preferred interest for the preference shares shall be capitalised annually in arrears. The total outstanding amount related to preference shares as of 31 December 2023 was 46,025 MSEK (42,614).

After distributions to preference shares as described above, all ordinary shares have equal rights to distributions.

**NOTE 24****Financial liabilities****Group**

SEK million	31 Dec 2023	31 Dec 2022
<b>Non-current financial liabilities</b>		
Bank loans	28,063	27,505
Lease liabilities	824	637
Derivatives	64	-
Deferred considerations	206	309
<b>Total non-current financial liabilities</b>	<b>29,157</b>	<b>28,451</b>
<b>Current financial liabilities</b>		
Current portion of bank loans	140	170
Current portion of lease liabilities	407	334
Current portion of deferred considerations	351	748
<b>Total current financial liabilities</b>	<b>897</b>	<b>1,252</b>
<b>Total financial liabilities</b>	<b>30,054</b>	<b>29,703</b>

Bank loans are secured by the Group's chattel mortgages and pledged shares (note 33). The Group's exposure related to borrowing interest rate fluctuations is partly hedged through interest rate CAPS (note 3).

The bank loans are raised in SEK, EUR, AUD and SOFR. Since parts of the loans in EUR constitute a hedging of net investment and meet the conditions for hedge accounting, the exchange differences on this part of the loan is recognised in Other comprehensive income.

The Group's external financing is dependent on a number of terms and conditions being met. At 31 December 2023 all loan conditions were met.

The Group's loans are classified according to current financing agreements and the maturity date of each loan.

Deferred considerations are measured at fair value through profit and loss (level 3). The fair value of deferred considerations is based on estimated outcome from the contractual clauses in the share or asset purchase agreements. For information on the amount of revaluation of deferred consideration that has been recognised in profit and loss, see note 12.

The table below shows the maturity profile of the Group's financial liabilities:

**Maturity structure for financial liabilities, Group**

SEK million	31 Dec 2023	31 Dec 2022
<b>Liabilities due for payment:</b>		
Within one year from balance sheet date (current borrowing)	897	1,252
Between 1 and 2 years after balance sheet date	540	505
Between 2 and 5 years after balance sheet date	9,341	435
More than 5 years after balance sheet date	19,276	27,511
<b>Total</b>	<b>30,054</b>	<b>29,703</b>

Note 24 cont.

## Changes in financial liabilities

SEK million	1 Jan 2023	Cash flows	Non-cash changes					31 Dec 2023
			Acquisition	Foreign exchange movement	New lease liabilities	Reclassification	Other	
Non-current financial liabilities	27,814	1,235	127	-641	-	-362	160	28,332
Current financial liabilities	918	-877	195	-3	-	362	-105	490
Lease liabilities	971	-407	-	-48	715	-	-	1,231
<b>Total liabilities from financing activities</b>	<b>29,703</b>	<b>-49</b>	<b>322</b>	<b>-692</b>	<b>715</b>	<b>0</b>	<b>55</b>	<b>30,054</b>

SEK million	1 Jan 2022	Cash flows	Non-cash changes					31 Dec 2022
			Acquisition	Foreign exchange movement	New lease liabilities	Reclassification	Other	
Non-current financial liabilities	22,353	3,097	242	2,446	-	-324	-	27,814
Current financial liabilities	617	-388	356	105	-	260	-32	918
Lease liabilities	745	-338	-	75	488	-	-	971
<b>Total liabilities from financing activities</b>	<b>23,715</b>	<b>2,371</b>	<b>598</b>	<b>2,626</b>	<b>488</b>	<b>-64</b>	<b>-32</b>	<b>29,703</b>

**NOTE 25**

## Leasing

**Amounts recognized in the balance sheet**

SEK million	31 Dec 2023	31 Dec 2022
<b>Right-of-use assets</b>		
Vehicles	791	564
Premises	410	376
<b>Total</b>	<b>1,201</b>	<b>939</b>

Additions to the right-of-use assets during 2023 were SEK 262 million (155).

SEK million	31 Dec 2023	31 Dec 2022
<b>Lease liabilities</b>		
Non-current	824	637
Current	407	334
<b>Total</b>	<b>1,231</b>	<b>971</b>

The lease liabilities are reported as non-current and current financial liabilities. See note 3 for maturity analysis of lease liabilities.

**Amounts recognized in the statement of profit and loss**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Depreciation charge of right-of-use assets</b>		
Vehicles	-252	-203
Premises	-167	-141
<b>Total depreciation</b>	<b>-419</b>	<b>-344</b>
Interest expense (included in line item financial expenses)	-57	-39
Expense relating to short-term and low value leases (included in line item Other external costs)	-65	-53
<b>Total amounts recognized in the statement of profit or loss relating to leases</b>	<b>-541</b>	<b>-436</b>

Total cash outflow for leases in 2023 amounted to SEK 528 million (429).

The Group does not recognise any residual value guarantees in the lease liability because typically the expected residual value at lease commencement is higher than the guaranteed amount, so the Group does not expect to pay anything under the guarantees.

**NOTE 26****Pensions****Defined contribution pension plans**

The Group's defined contribution pension plans include employees in all Group Companies from 2003. Prior to 2003 employees in Anticimex AB and Anticimex Försäkringar AB were excluded by securing benefits through PRI. The defined benefit pension plans mainly include retirement pension, disability pension and family pension. Premiums are paid regularly during the year by each Group company to various insurance providers. The size of the premiums is based on salary.

Commitments for retirement pensions and family pensions for salaried employees in Sweden are secured through insurance with Alecta According to UFR 10 issued by the Swedish Financial Reporting Council, this is a defined benefit plan which includes several employers. For a financial year for which the company has not had access to information which makes it possible to report this plan as a defined benefit plan, a pension plan according to ITP secured through insurance with Alecta will be reported as a defined contribution plan. Alecta's surplus can be distributed to policyholders and/or the insured. At the end of December 2023, Alecta's surplus in the form of the collective funding ratio amounted to 158 percent (172). The collective funding ratio consists of the market value of Alecta's assets expressed as a percentage of insurance commitments calculated according to Alecta's actuarial calculation assumptions, which do not concur with IAS 19.

Pension costs (excluding social security contributions) for the year are included in profit or loss on the line Employee benefit costs and amounted to SEK 255 million (231) for the period.

**Defined benefit pension plans**

The Group has defined benefit pension plans in Sweden, Italy and Switzerland. As per 31 December 2023 they amount to SEK 55 million (56) in Sweden, SEK 20 million (16) in Italy and SEK 16 million (14) in Switzerland. Sweden is secured through provisions in the FPG/PRI system. Italy is secured via the TFR fund and Switzerland via PKG. Sweden and Italy have unfunded obligations and Switzerland has a funded obligation. Actuarial calculations have been performed on 31 December 2023. When calculating the present value of the defined benefit obligation and associated costs relating to current service period and costs relating to past service periods, the Projected Unit Credit Method was used.

**Other pension plans**

Anticimex has some Swedish employees with pension payments to a capital insurance. The premiums are expensed on an ongoing basis as they are paid, while a financial asset and a long-term provision are reported in the balance sheet. The plan is measured at fair value and the provision and financial asset are both recognised with the same amount.

**Key actuarial assumptions**

	31 Dec 2023, %	31 Dec 2022, %
Discount rate	2.0–4.0	2.0–4.0
Expected inflation	1.7–2.5	1.8–2.5

The weighted discount rate for the defined benefit plans for the full year amount to 3.6 percent (3.6) and the weighted expected inflation rate amounts to 1.9 percent (2.1).

The table below presents amounts recognised in profit or loss relating to the defined benefit plans and other pensions plans recognised in the balance sheet.

**Pension cost recognised in profit or loss, Group**

SEK million	1 Jan - 31 Dec 2023		1 Jan–31 Dec 2022	
	Defined benefit plans	Other pension plans	Defined benefit plans	Other pension plans
Current service cost	4	5	8	4
Interest expense	3	-	1	-
Other	-	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>7</b>	<b>5</b>	<b>9</b>	<b>4</b>

The total cost recognised in profit or loss relating to the defined benefit plan is included on the line Employee benefit costs and in Financial Expenses in profit or loss.

The Parent Company has recognised SEK 2,9 million (2,6) in cost during 2023 related to other pension plans.

Note 26 cont.

**Actuarial gains/losses recognised in other comprehensive income, Group**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Actuarial gains (-) and losses (+) recognised during the year	0	-47
<b>Total amount recognised in Other Comprehensive Income</b>	<b>0</b>	<b>-47</b>

**Amount recognised in statement of financial position, Group**

SEK million	31 Dec 2023	31 Dec 2022
Present value of defined funded obligation	222	195
Fair value of managed assets	-206	-181
<b>Surplus (-)/deficit (+) in the defined benefit funded obligation</b>	<b>16</b>	<b>14</b>
Present value of defined benefit unfunded obligation	75	73
<b>Total net liability/asset attributable to benefit obligation</b>	<b>91</b>	<b>87</b>
Other pension plans	48	40
<b>Total pension provision</b>	<b>139</b>	<b>127</b>

The defined benefit plans managed assets consists of equities amounting to SEK 74 million (65), bonds of SEK 85 million (74), real estate of SEK 41 million (37) and other alternative investments of SEK 6 million (5).

Changes for the year in the present value of the managed assets, defined benefit obligation and other pension plans are shown in the tables below.

The Parent Company has an obligation for other pension plans and a corresponding financial asset amounting to SEK 21 million (15) as per December 2023.

**Changes in present value of managed assets, Group**

SEK million	1 Jan–31 Dec 2023		1 Jan–31 Dec 2022	
	Defined benefit plans - managed assets	Other pension plans	Defined benefit plans - managed assets	Other pension plans
Opening fair value of assets	182	40	165	36
Interest income	4	-	0	-
Return on plan assets excluding interest income	10	-	-21	-
Plan participants contribution	5	-	4	-
Company contributions	5	5	4	4
Benefits paid through pension assets	-10	-1	4	-1
Other	0	5	0	1
Translation difference	10	-	25	-
<b>Closing fair value of assets</b>	<b>206</b>	<b>48</b>	<b>181</b>	<b>40</b>

Note 26 cont.

**Changes in present value of defined benefit obligation, Group**

SEK million	1 Jan–31 Dec 2023		1 Jan–31 Dec 2022	
	Defined benefit plans - obligation	Other pension plans	Defined benefit plans - obligation	Other pension plans
Opening obligation	268	40	290	36
Interest cost	7	-	2	-
Current service cost	5	5	7	4
Actuarial gain/loss due to experience	5	-	13	-
Actuarial gain/loss due to demographic assumptions	0	-	-1	-
Actuarial gain/loss due to changes in financial assumptions	4	-	-80	-
Pension payments	-6	-1	-5	-1
Benefits paid through pension assets	-10	-	4	-
Other changes	11	5	6	1
Translation differences	12	-	32	-
<b>Closing obligation</b>	<b>297</b>	<b>48</b>	<b>268</b>	<b>40</b>
<b>Closing net obligation</b>	<b>91</b>	<b>0</b>	<b>87</b>	<b>0</b>

Next year's expected payments from defined benefit obligations amount to SEK 14 million (10). The average duration of the obligation is 12 years in Sweden (12), 17 years in Switzerland (17) and 8 years in Italy (8).

A sensitivity analysis of the most important assumptions affecting the recognised pension obligation relating to defined benefit plans is provided below:

**Sensitivity analysis**

SEK million	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
Discount rate, increase with 0.5 percentage points	-4,5	-4,1
Discount rate, decrease with 0.5 percentage points	4,0	4,6
Inflation, increase with 0.5 percentage points	2,8	3,6
Inflation, decrease with 0.5 percentage points	-3,5	-3,3

**NOTE 27**

## Other provisions

**Other provisions, Group**

SEK million	31 Dec 2023		31 Dec 2022	
	Current other provisions	Non-current other provisions	Current other provisions	Non-current other provisions
Other provisions	21	51	19	57
<b>Total other provisions</b>	<b>21</b>	<b>51</b>	<b>19</b>	<b>57</b>

Other provisions consists primarily of long service leave provision in Australia.

**Change in other provisions, Group**

SEK million	2023	2022
	Other provisions	Other provisions
<b>Opening balance 1 January</b>	<b>77</b>	<b>94</b>
Increase through acquisitions	-1	0
Provisions during the year	8	19
Provisions utilised during the year	-8	-28
Reversed, not used	-2	-4
Other changes	-2	-5
<b>Closing balance 31 December</b>	<b>72</b>	<b>77</b>

**NOTE 28****Reconciliations of insurance contract liabilities analysed by the liability for remaining coverage and liability for incurred claims**

The liability for remaining coverage (LRC) represents the remaining liability for the contract's insurance coverage. The insurance contract liability for incurred claims (LIC) is calculated as the sum of the expected future cash flow and a

risk adjustment, see note 2 for further details. The table below presents the changes in insurance liabilities divided up by the part that regards liability for remaining coverage and for incurred claims.

SEK million	LRC	LIC	Total
Opening balance 1 Jan 2022, insurance liabilities	546	188	734
Opening balance 1 Jan 2022, insurance assets	-	-	-
<b>Net opening balance 1 Jan 2022</b>	<b>546</b>	<b>188</b>	<b>734</b>
<b>Insurance revenue</b>			
Insurance revenue	-1,573	-	-1,573
<b>Total Insurance revenue</b>	<b>-1,573</b>	<b>-</b>	<b>-1,573</b>
<b>Insurance service expenses</b>			
Incurred claims and other directly attributable expenses	-	325	325
Changes that relate to past services - adjustment to insurance contract liability for incurred claims	-	-9	-9
Insurance acquisition cash flow amortisations	-44	-	-44
Other acquisitions	120	-	120
<b>Total Insurance service expense</b>	<b>76</b>	<b>316</b>	<b>392</b>
<b>Insurance service result</b>	<b>-1,497</b>	<b>316</b>	<b>-1,181</b>
Finance expenses from insurance contracts issued	-22	-6	-28
Exchange differences	6	2	8
<b>Insurance service recognized in profit and loss</b>	<b>-1,513</b>	<b>312</b>	<b>-1,201</b>
<b>Insurance service cash flow</b>			
Premiums received	1,639	-	1,639
Claims received and other attributable expenses paid	-	-263	-263
Insurance acquisition cash flow	-121	-	-121
<b>Total insurance service cash flows</b>	<b>1,518</b>	<b>-263</b>	<b>1,255</b>
Closing balance 31 Dec 2022, insurance liabilities	552	237	789
Closing balance 31 Dec 2022, insurance assets	-	-	-
<b>Net Closing balance 31 Dec 2022</b>	<b>552</b>	<b>237</b>	<b>789</b>

Note 28 cont.

SEK million	LRC	LIC	Total
Opening balance 1 Jan 2023, insurance liabilities	552	237	789
Opening balance 1 Jan 2023, insurance assets	-	-	0
<b>Net opening balance 1 Jan 2023</b>	<b>552</b>	<b>237</b>	<b>789</b>
<b>Insurance service revenue</b>			
Insurance revenue	-1,621	-	-1,621
<b>Total Insurance service revenue</b>	<b>-1,621</b>	<b>-</b>	<b>-1,621</b>
<b>Insurance service expenses</b>			
Incurred claims and other directly attributable expenses	-	363	363
Changes that relate to past services - adjustment to insurance contract liability for incurred claims	-	-3	-3
Insurance acquisition cash flow amortisations	-23	-	-23
Other acquisitions	109	-	109
<b>Total Insurance service expense</b>	<b>86</b>	<b>360</b>	<b>446</b>
<b>Insurance service result</b>	<b>-1,535</b>	<b>360</b>	<b>-1,175</b>
Finance expenses from insurance contracts issued	25	-2	23
Exchange differences	-17	-8	-25
<b>Insurance service recognized in profit and loss</b>	<b>-1,527</b>	<b>350</b>	<b>-1,177</b>
<b>Cash flow</b>			
Premiums received	1,661	-	1,661
Claims received and other attributable expenses paid	-	-318	-318
Insurance acquisition cash flow	-109	-	-109
<b>Total Cash flows</b>	<b>1,552</b>	<b>-318</b>	<b>1,234</b>
Closing balance 31 Dec 2023, insurance liabilities	578	270	848
Closing balance 31 Dec 2023, insurance assets	-	-	-
<b>Net Closing balance 31 Dec 2023</b>	<b>578</b>	<b>270</b>	<b>848</b>

Note 28 cont.

**Claims development, Group 2023**

SEK million	Claim year											Total
	<2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Estimated accumulated claims:</b>												
at the end of the claim year	231	133	138	160	160	143	174	224	281	322	352	-
1 year later	379	136	125	129	137	131	168	223	286	306	-	-
2 years later	436	129	118	122	132	129	165	224	294	-	-	-
3 years later	450	126	113	124	126	124	167	223	-	-	-	-
4 years later	454	121	110	120	124	124	163	-	-	-	-	-
5 years later	459	121	108	121	123	123	-	-	-	-	-	-
6 years later	457	121	108	120	122	-	-	-	-	-	-	-
7 years later	457	120	108	119	-	-	-	-	-	-	-	-
8 years later	455	120	108	-	-	-	-	-	-	-	-	-
9 years later	455	120	-	-	-	-	-	3	3	62	174	-
10 years later	455	-	-	-	-	-	-	3	2	59	173	-
<b>Current estimation of accumulated claims</b>	<b>455</b>	<b>120</b>	<b>108</b>	<b>119</b>	<b>122</b>	<b>123</b>	<b>163</b>	<b>223</b>	<b>294</b>	<b>306</b>	<b>352</b>	<b>-</b>
Accumulated payments	455	120	108	119	122	123	163	223	294	306	352	-
Provision recognised in balance sheet	-	-	-	-	-	1	3	3	2	59	173	241
Discount impact	-	-	-	-	-	-	-	-	-	-	-	-6
Risk margin impact	-	-	-	-	-	-	-	-	-	-	-	18
<b>Total provision for claims*</b>												<b>235</b>

\* The Group's total provision for claims is reported as a net amount including the reinsurer's share.

Note 28 cont.

**Claims development, Group 2022**

SEK million	Claim year											Total
	<2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
<b>Estimated accumulated claims:</b>												
at the end of the claim year	198	33	133	138	160	160	143	174	224	281	322	-
1 year later	302	77	136	125	129	137	131	168	223	286	-	-
2 years later	358	79	129	118	122	132	129	165	224	-	-	-
3 years later	374	77	126	113	124	126	124	167	-	-	-	-
4 years later	381	73	121	110	120	124	124	-	-	-	-	-
5 years later	387	72	121	108	121	123	-	-	-	-	-	-
6 years later	385	72	121	108	120	-	-	-	-	-	-	-
7 years later	385	72	120	108	-	-	-	-	-	-	-	-
8 years later	384	72	120	-	-	-	-	-	-	-	-	-
9 years later	384	72	-	-	-	-	-	-	-	-	-	-
10 years later	384	-	-	-	-	-	-	-	-	-	-	-
<b>Current estimation of accumulated claims</b>	<b>384</b>	<b>72</b>	<b>120</b>	<b>108</b>	<b>120</b>	<b>123</b>	<b>124</b>	<b>167</b>	<b>224</b>	<b>286</b>	<b>322</b>	<b>-</b>
Accumulated payments	384	72	120	108	119	122	122	159	208	247	156	-
Provision recognised in balance sheet	-	-	-	-	-	2	2	8	16	39	166	234
Discount impact	-	-	-	-	-	-	-	-	-	-	-	-6
Risk margin impact	-	-	-	-	-	-	-	-	-	-	-	19
<b>Total provision for claims*</b>												<b>228</b>

\* The Group's total provision for claims is reported as a net amount including the reinsurer's share.

**NOTE 29****Accrued expenses and deferred income****Group**

SEK million	31 Dec 2023	31 Dec 2022
Accrued holiday pay	272	250
Accrued social security contributions	364	310
Accrued pension costs	-1	1
Other accrued personnel costs	159	166
Other accrued expenses	235	276
Accrued interest	229	196
Prepaid service contracts	1,604	1,614
Deferred income	5	4
<b>Total accrued expenses and deferred income</b>	<b>2,867</b>	<b>2,817</b>

**NOTE 30**

## Pledged assets and contingent liabilities

**Group**

SEK million	31 Dec 2023	31 Dec 2022
<b>Pledged assets</b>		
Total pledges taken out under SFA*	2,480	4,175
<b>Total pledged assets</b>	<b>2,480</b>	<b>4,175</b>
<b>Contingent liabilities</b>		
Guarantees and commitments	72	52
<b>Total contingent liabilities</b>	<b>72</b>	<b>52</b>

\* This means that shares in the subsidiaries are pledged. For further information on pledged shares in subsidiaries, please see note 33.

Contingent liabilities relate to commitments that arose in the normal business activities.

**NOTE 31**

## Related party disclosures

All-Star HoldCo S.à.r.l, registered in Luxembourg, owns 47,7 percent of Anticimex Group AB's shares as per 31 December 2023 and has control over the Group. All-Star HoldCo S.à.r.l is controlled by EQT as part of the EQT Future Fund. The remaining 52,3 percent of the shares are owned by senior executives and other employees in the Anticimex Group (5,3 percent) and institutional investors (47,1 percent).

Transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated at consolidation and disclosures of these transactions are therefore not provided in this note.

Anticimex Group purchases services from IFS, including Workwave, which is a co-owned company within the EQT Group is part of the same ownership group as the Anticimex Group. The services used are support services, other consult-

ing services and IFS licence. Transactions with IFS during the financial year amounts to approximately SEK 13 million (12). All transactions with IFS take place at market prices and on normal commercial terms.

No other transactions with related parties have occurred during the years presented in this report.

**Remuneration to senior executives**

Disclosures on remuneration to senior executives are provided in note 8.

**Commitments and contingent liabilities**

The Group has no commitments or contingent liabilities to related parties.

**NOTE 32****Acquisitions**

During the financial year 53 acquisitions have been completed, all of them being bolt-on acquisitions to existing business and none is individually substantially impacting the Group. In total, acquisitions rendered a goodwill of SEK 1,177 million to a total purchase price of SEK 1,395 million and total cash flow for acquisitions amounted to SEK 1,879 million.

The acquisitions were made in the US (20), Australia (12), Finland (1), France (1), Germany (5), Italy (1), Malaysia (1), Portugal (2), Spain (9) and UK (1). The majority of these acquisitions are asset deals.

The purchase price allocations for all acquisitions made are preliminary and may be adjusted at a later date. Final adjustments are made one year after the acquisition date, at the latest.

**Recognised amount per acquisition date for acquired identifiable assets, Group**

SEK million	Total acquisitions 2023
	Acquired fair value
<b>Non-current assets</b>	
Customer relationships	270
Property, plant and equipment	11
Other long-term receivables	0
Deferred tax asset	0
<b>Current assets</b>	
Inventory	9
Trade receivables	51
Other current receivables and prepaid expenses/accrued income	-7
Cash and cash equivalents	24
<b>Non-current liabilities</b>	
Deferred tax liability	-29
Interest bearing liabilities	6
Provisions	-8
<b>Current liabilities</b>	
Trade payables	-4
Corporate tax liability	-3
Other current liabilities and accrued expenses/deferred income	-102
<b>Identifiable assets and liabilities, net</b>	<b>218</b>
Goodwill through acquisition	1,177
<b>Total consideration</b>	<b>1,395</b>
Minus deferred consideration/payment in kind ( - = not paid)	508
Minus acquired cash and cash equivalent	-24
<b>Net cash flow at business combination</b>	<b>1,879</b>

Note 32 cont.

**Recognised amount per acquisition date for acquired identifiable assets, Group**

SEK million	Corky's Pest Control	Pestokill	Cavanaugh's Pest Control	Preventive Pest Control	Eastside Exterminators	Other	Total acquisitions 2022 Acquired fair value
<b>Non-current assets</b>							
Customer relationships	165	52	37	49	64	197	565
Other intangible assets	-	-	-	-	-	-14	-14
Property, plant and equipment	16	1	4	9	5	43	78
Other long-term receivables	-	-	-	-	7	1	8
Deferred tax asset	-	-	-	-	-	1	1
<b>Current assets</b>							
Inventory	1	2	-	0	1	11	15
Trade receivables	6	24	1	2	2	28	63
Other current receivables and prepaid expenses/accrued income	5	-	-	-	-	-5	0
Cash and cash equivalents	7	40	-	-	-	25	72
<b>Non-current liabilities</b>							
Deferred tax liability	-	-14	-	-	-	-220	-234
<b>Current liabilities</b>							
Trade payables	-11	-5	-	-	-	-4	-20
Financial liabilities	-	-	-	-	-6	-2	-8
Other current liabilities and accrued expenses/deferred income	-29	-14	-16	-14	-6	-153	-232
<b>Identifiable assets and liabilities, net</b>	<b>160</b>	<b>86</b>	<b>26</b>	<b>46</b>	<b>67</b>	<b>-91</b>	<b>294</b>
Goodwill through acquisition	661	166	147	197	257	1,640	3,068
<b>Total consideration</b>	<b>821</b>	<b>252</b>	<b>173</b>	<b>243</b>	<b>324</b>	<b>1,549</b>	<b>3,362</b>
Minus deferred consideration/payment in kind (- = not paid)	-80	-73	-13	-24	-154	215	-129
Minus acquired cash and cash equivalent	-7	-40	-	-	-	-25	-72
<b>Net cash flow at business combination</b>	<b>734</b>	<b>139</b>	<b>160</b>	<b>219</b>	<b>170</b>	<b>1,739</b>	<b>3,161</b>

In order to capture maximum value from acquisitions and reduce integration risk, most acquisitions contain a deferred consideration component as part of the purchase price. Most common is that the deferred consideration is tied to the acquired business achieving certain revenue milestones in a defined period which is typically at least 12 months after closing of the transaction. Without exception, the total purchase price paid in each transaction is capped at a specific amount. Deferred considerations are measured at fair value through profit and loss. The fair value of deferred considerations is based on estimated outcome from the contractual clauses in the share or asset purchase agreements.

The maximum potential deferred considerations for acquisitions made during the period amounts to SEK 652 million

(635). Total deferred consideration recognised for acquisitions made during the current year, less potential payments of deferred considerations relating to acquisitions for the current year, amounts to SEK 312 million (621). The line "Minus deferred consideration/payment in kind" in the table on the previous page shows the net of new, adjusted and paid out deferred considerations, both relating to acquisitions during the current year and previous years.

Fair value of acquired receivables (primarily trade receivables) amounts to SEK 51 million (63). Contractual gross amount is SEK 51 million (63) which concludes that as per the acquisition date there is no impairment needed.

Goodwill which arose at the acquisitions is mainly attributable to future potential customers in a growing industry, the

Note 32 cont.

company's employees including a well-functioning organisation. These advantages are not recognised separately from goodwill since they do not meet the criteria for recognition of identifiable intangible assets.

The part of goodwill recognised that is tax deductible amounts to SEK 12 billion (12). Information about acquisition costs can be found in note 12.

#### **Acquisition's impact on consolidated earnings**

Approximately SEK 282 million (520) of the Group's revenue is attributable to acquisition of business combinations in 2023 and they have contributed with approximately SEK 70 million (120) to the consolidated operating profit (EBIT). If consolidated as of January 1, 2023, the acquisitions would have contributed approximately with SEK 678 million (1,190) to the Group's revenue and approximately SEK 168 million (250) to the consolidated operating profit (EBIT). The information on the effect on the financial reporting of the acquisitions is commonly an estimation of the annualised effect based on a calculation of the acquisition's contribution to Anticimex since the acquisition date up to year-end. This estimation is deemed the best estimate of the contribution the acquisition would have had if the acquisition had been made and was consolidated on January 1.

#### **Acquisitions after the end of the period**

After the end of the financial year another 8 acquisitions have been made (5 in the US, 1 in the UK, 1 in Germany and 1 in Italy). The total purchase price amounts to approximately SEK 390 million with an estimated annual revenue of approximately SEK 142 million and corresponding operating profit (EBIT) at SEK 27 million. None of these acquisitions are deemed to have a significant effect on the Group's financial statements.

**NOTE 33****Participation in Group Companies****Parent Company 31 Dec 2023**

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2023 Carrying amount	31 Dec 2022 Carrying amount
Anticimex Global AB	559316-9005	Stockholm	434,235,565	100		43,423,562	43,423,562
Anticimex International AB	556855-7234	Stockholm	50,000,000	100	Pledged		
Anticimex AB	556032-9285	Stockholm	1,520,000	100	Pledged		
Anticimex Försäkringar AB	502000-8958	Stockholm	1,010	100			
Anticimex Services KB*	969700-4332	Stockholm	-	100			
Anticimex Schädlings- bekämpfungs GmbH	HRB 61196	Germany	1	100			
Anticimex GMBH & Co. KG	HRA 63885	Germany	-	100			
Verwaltung Anticimex GmbH	HRB 50595	Germany	1	100			
PCS GmbH	HRB 232229	Germany	25,000	100			
BioBeraCert GmbH	HRB 111395	Germany	25,000	100			
Dr. Gumpinger Hygiene Management GmbH Süd	HRB 4672	Germany	1	100			
Anticimex B.V	20035416	Holland	11,344	100			
Anticimex operations BV	855397226	Holland	1,000	100			
Anticimex AS	923856781	Norway	2,750	100	Pledged		
Anticimex Oy	0568693-7	Finland	1,000	100			
Anticimex Palvelut Oy	3149296-8	Finland	10	100			
Anticimex Innovation Center A/S	30350766	Denmark	1,398,916	100			
Anticimex A/S	21766488	Denmark	507	100			
Anticimex NV	BE 0402 272 064	Belgium	3,158	100**			
Vandermarliere & Co NV	BE 0597.974.514	Belgium	100	100			
Anticimex GmbH	FN 389309p	Austria	1	100			
Anticimex AG	CHE-106.956.311	Switzerland	500	100			
Anticimex S.r.l.	8046760966	Italy	1	100	Pledged		
D.A.S Disservizi Infestazioni Appalti E S.R.L	09973300156	Italy	15,000	100			
A.T. Service S.R.L.	10839490157	Italy	200,000	100			
Anticimex 3D Sanidad Ambiental, S.A.	B-263895	Spain	75,050	100	Pledged		
Anticimex Acquisition 3D Cantabrica, S.L	B-95836102	Spain	300	100			
Anticimex 3D Sanidad Ambiental Cantábrica	B-95565172	Spain	3,050	100			
Funcadion Anticimex	G022996635	Spain	-	100			
Evania Sistemas De Lucha Antivectorial S.L.	B97984736	Spain	600	100			
Anticimex Portugal Lda	507583698	Portugal	2	100**			
Pest kil – Controlo integrado de plagas Lda	512081050	Portugal	3	100			
Sprague Unipessoal	LDA510499627	Portugal	1	100			

\* Anticimex Services KB is a limited partnership with Anticimex AB as the limited partner and Anticimex Försäkringar AB as General Partner.

\*\* A small portion of the share capital is owned by Anticimex AB; 0.032 percent in Anticimex NV and 4.2 percent in Anticimex Lda. Remaining capital is owned by Anticimex International AB.

\*\*\* 100 percent membership interest owned by Anticimex Inc.

For companies not owned directly by the Parent Company no carrying amount is shown.

## NOTES

Note 33 cont.

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2023 Carrying amount	31 Dec 2022 Carrying amount
Anticimex France Holding SAS	89841289788	France	1,500,000	100			
Anticimex France SAS	528209653	France	15,000	100			
Etablissement SEROR et Fils	320,955,958	France	4,000	100			
GMD Sanitation SAS	329220073	France	500	100			
SOS DDN SARL	352512602	France	5,000	100			
Aphysio	397.997.297	France	245	100			
Ratunet Services	412.801.441	France	500	100			
Salubris SAS	488.129.800	France	120	100			
Etablissement Bernard Lamolie	523.829.828	France	2,000	100			
France Hygiene Services	523.829.828	France	5,000	100			
Arnoust Hygiene Services	430.482.638.00011	France	250	100			
Biomaitris	812274314	France	100	100			
Laboratoire Sublimm 17	824.576.078	France	4,749	100			
Anticimex Holding UK Ltd.	14258499	United Kingdom	1	100			
Horizon Environment Services Ltd.	2705606	United Kingdom	100	100			
Advance Pest Control Ltd	3915269	United Kingdom	100	100			
Anticimex Pty Ltd	162914374	Australia	89,840	100	Pledged		
Flick Anticimex Pty Ltd	000059665	Australia	16,004	100	Pledged		
Elders Pest Control Pty Ltd	003055641	Australia	165	100			
Termguard Pty Ltd	009302265	Australia	3,933	100			
Termguard USA LLC	262805230	U.S.	-	100			
1300 Termite Pty Ltd	602789006	Australia	172,502	100			
Amalgamated Pest Control Pty Ltd	009712958	Australia	103	100			
Amalgamated Pre-Construction Pty Ltd	092733876	Australia	210,000	100			
Flick Queensland Pty Ltd	626926921	Australia	100	100			
Flick Anticimex Limited	9429030291577	New Zealand	18,649,000	100			
Anticimex Holding Pte. Ltd	201543551K	Singapore	56,000,000	100			
Anticimex Pte. Ltd	201543639G	Singapore	1	100			
Anticimex Pest Management Pte. Ltd	198400909C	Singapore	650,000	100			
Pest Pro Management Pte. Ltd	201005550C	Singapore	250,000	100			
Alliance Pest Management Pte. Ltd	199806315C	Singapore	200,000	100			
Anticimex Pest Management Sdn. Bhd	473728U	Malaysia	1,000,000	100			
Anticimex Pest Management Co., Ltd	1000004324	Cambodia	100,000	100			

\* Anticimex Services KB is a limited partnership with Anticimex AB as the limited partner and Anticimex Försäkringar AB as General Partner.

\*\* A small portion of the share capital is owned by Anticimex AB; 0.032 percent in Anticimex NV and 4.2 percent in Anticimex Lda. Remaining capital is owned by Anticimex International AB.

\*\*\* 100 percent membership interest owned by Anticimex Inc.

For companies not owned directly by the Parent Company no carrying amount is shown.

Note 33 cont.

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2023 Carrying amount	31 Dec 2022 Carrying amount
Anticimex Inc	81-3300903	U.S.	100	100	Pledged		
American Pest Management Inc	D00045195	U.S.	32,900	100	Pledged		
Triple S Termite & Pest Control LLC	54-1156415	U.S.	n.a.***	100			
Innovative Pest Management LLC	3103386014L	U.S.	n.a.***	100			
Official Pest Prevention, Inc.	87-3773761	U.S.	n.a.***	100			
Modern Pest Services LLC	26-3469835	U.S.	3,000	100	Pledged		
Viking Termite & Pest Control LLC	6438205	U.S.	1,000	100	Pledged		
Turner Pest Control LLC	L02000022097	U.S.	n.a.***	100	Pledged		
Impact Pest Management LLC	59-2480740	U.S.	n.a.***	100			
CME Pest Management LLC	59-3758967	U.S.	n.a.***	100			
WME Pest Management LLC	59-3574744	U.S.	n.a.***	100			
JFC Pest Management LLC	20-2474598	U.S.	n.a.***	100			
Anticimex Carolinas LLC	208969307	U.S.	n.a.***	100			
Killingsworth Komfort Air, LLC	45-5548599	U.S.	n.a.***	100			
Killingsworth Plumbing, LLC	81-4682254	U.S.	n.a.***	100			
JP McHale Pest Management LLC	126640558L	U.S.	n.a.***	100	Pledged		
Waynes Pest Control LLC	83-4159943	U.S.	n.a.***	100	Pledged		
Pestban LLC	57-0443700	U.S.	n.a.***	100			
Northwest Exterminating Company Inc	86-0660792	U.S.	n.a.***	100			
Enviropest LLC	85-3293284	U.S.	n.a.***	100			
Eastside Exterminators LLC	88-3891257	U.S.	n.a.***	100			
Corky's Pest Control Inc.	94-1726332	U.S.	n.a.***	100			
Anticimex California, Inc.	88-0756103	U.S.	n.a.***	100			
Anticimex Latam Holding, S.L	B04984134	Spain	3,000	100			
Palmera Junior S.A.S	900.405.705-8	Colombia	10	100			
						<b>43,423,562</b>	<b>43,423,562</b>

\* Anticimex Services KB is a limited partnership with Anticimex AB as the limited partner and Anticimex Försäkringar AB as General Partner.

\*\* A small portion of the share capital is owned by Anticimex AB; 0.032 percent in Anticimex NV and 4.2 percent in Anticimex Lda. Remaining capital is owned by Anticimex International AB.

\*\*\* 100 percent membership interest owned by Anticimex Inc.

For companies not owned directly by the Parent Company no carrying amount is shown.

**NOTE 34****Important events after the end of the financial year**

After the end of the financial year another 8 acquisitions have been made (5 in the US, 1 in the UK, 1 in Germany and 1 in Italy). The total purchase price amounts to approximately SEK 390 million with an estimated annual revenue of approximately SEK 142 million and corresponding operating profit (EBIT) at SEK 27 million. None of these acquisitions are deemed to have a significant effect on the Group's financial statements.

In February 2024 the Anticimex Group has granted one of its shareholders, All-Star HoldCo S.à.r.l, a loan to the amount of USD 7 million via an Anticimex holding company in the US. The terms of the loan are in line with arms length principles.

**NOTE 35****Proposed disposition of earnings in Parent Company**

**The following amounts are available to the Annual General Meeting:**

SEK

Unrestricted equity	42,963,012,268
Loss for the year	-14,694,812
<b>Total</b>	<b>42,948,317,456</b>

**The Board's proposed disposition of earnings:**

SEK

To be carried forward	42,948,317,456
<b>Total</b>	<b>42,948,317,456</b>

# Signatures

The Board of Directors and the President certify that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and provide a true and fair view of the financial position and performance of the Group. The annual report has been prepared in accordance with generally accepted accounting principles, and provides a true and fair view of the financial position and performance of the Parent Company. The Directors' Report for the Group and Parent Company provides a true and fair view of the

development of the activities, financial position, and performance of the Group and Parent Company, and describes the significant risks and uncertainties faced by the Parent Company and companies which form part of the Group. The Board of Directors and the President also release Anticimex Group AB's sustainability report for 2023. The Sustainability Report describes the Group's work based on economic, environmental and social aspects. The report has been prepared in accordance with the requirements of the Swedish Annual Accounts Act.

The Annual Report was approved by the Board for publication on April 25, 2024. The income statement and balance sheet will be presented to the Annual General Meeting for adoption in May 2024.

Stockholm April 25, 2024

**Jarl Dahlfors**  
Chairman

**Alf Göransson**  
Board member

**Per Franzén**  
Board member

**Carolina Klint**  
Board member

**Catherine Halligan**  
Board member

**Carl Johan Renström**  
Board member

**Dick Seger**  
Board member

**Siew Boi Tan**  
Board member

**Jussi Ylinen**  
CEO

Our Audit Report was submitted on April 25, 2024  
Öhrlings PricewaterhouseCoopers AB

**Patrik Adolfson**  
Authorized Public Accountant

# Auditor's Report

To the general meeting of the shareholders of Anticimex Group AB,  
corporate identity number 559316-9039

This is a translated version of the Swedish original auditors report. The signature is on the Swedish original and the page numbers are updated to reflect the translated version of this document "Report 2023" which in the original opinion is defined as other information.

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Anticimex Group AB for the financial year 2023. The annual accounts and consolidated accounts of the company are included on pages 32–102 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and the balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the group.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–31 and 107–123. The Board of Directors and the CEO and President are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

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

### Responsibilities of the Board of Director's and the CEO and President

The Board of Directors and the CEO and President are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the CEO and President are also responsible for such internal control as they deter-

mine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the CEO and President are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the CEO and President intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibility

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

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

#### Report on other legal and regulatory requirements Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the CEO and President of Anticimex Group AB for the financial year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the CEO and Presidents be discharged from liability for the financial year.

#### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our respon-

sibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

#### Responsibilities of the Board of Director's and the CEO and President

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The CEO and President shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the CEO and President in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

## AUDITOR'S REPORT

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report

Stockholm April 25, 2024  
Öhrlings PricewaterhouseCoopers AB

**Patrik Adolfson**  
Authorized Public Accountant

# Corporate governance report

Anticimex Group AB ("Anticimex") is a Swedish limited company with the organization number 559316-9039. Anticimex' headquarters is based in Stockholm. The Corporate Governance Report, which has been prepared in accordance with the Swedish Annual Accounts Act, provides key information concerning compliance with the Swedish Corporate Governance Code ("the Code"). The report has been submitted by the Board and includes information regarding Anticimex shareholders, the Annual General Meeting, the Board of Directors work and responsibilities and description of Anticimex model for internal control and risk management. The report has been reviewed by the company's auditor.



The Code is intended for listed companies operating in a regulated market but is relevant as a tool to describe governance. Anticimex follows the Code principle of "comply or explain" and has two areas to explain for 2023.

### Code rule regarding chapter 2:

#### The company shall have a nomination committee.

Comment: Anticimex has not established a nomination committee due to the current shareholder structure and since the Company is not operating in a listed environment. The Board is appointed by the shareholders after an annual evaluation, taking into account requirements for competence and background given the Company's operations, development and needs.

### Code rule 9.1 paragraph 3:

#### Policy for Remuneration to senior executives shall be approved by the Annual General Meeting.

Comment: The rule is not applicable for non-listed companies. The remuneration to senior executives is regulated by a Board approved policy and proposed by the established Remuneration Committee, as described on page 109.

Anticimex has a decentralised organizational model that promotes local ownership and focuses on the 200+ branches and Branch Managers who run the groups day-to-day operations in 21 countries. The branches are consolidated into 37 Platforms or reporting units for operational purposes, each one with a Platform President operating as a "local CEO". As a

service provider, Anticimex believes that quality improves when decisions are made in proximity to our customers and our employees. In a model where local responsibility and accountability is promoted, solid corporate governance and management systems are required.

### Shares and shareholders

At the top of the governance structure shareholders influence the direction of the Group. By the end of 2023, Anticimex had 276 shareholders. 47.7 percent of the Company's shares are owned by All-Star HoldCo S.à.r.l., an entity controlled by EQT as part of the EQT Future fund. The remaining 52.3 percent of the Company's shares are owned by senior executives and other employees in the Anticimex Group (5.3 percent) and institutional investors (47.1 percent) including several long-term investors, such as Melker Schörling AB (MSAB) and GIC.

The Company's outstanding shares are divided into common shares and preference shares. Both common shares and preference shares carry entitlement to one vote per share. Owners of preference shares have preferential rights to dividends. Refer to note 23 share capital for how dividends on preference shares are calculated. Provided that registration for participation at the annual general meeting has taken place in the prescribed order each owner has the right to vote at the Annual General Meeting for all owned, directly registered and represented shares. No restrictions regarding shareholders' rights exist in the Articles of Association or in any shareholder agreements.

### General Meeting of shareholders

The General Meeting is the highest decision-making body and forum which enables the shareholders to exercise their influence. The Annual General Meeting addresses matters including i) Articles of Association; ii) election of Board, appointment of auditors and determination of remuneration to the Board and auditors, iii) authorisation of the Board to adopt resolutions to issue new shares and iv) discharge from liability of the Board of Directors and CEO.

The notice of the company's annual general meeting must be sent by e-mail to the shareholders no earlier than six weeks and no later than two weeks before the AGM.

The Annual General Meeting shall be held no later than six months after the end of the financial period.

### Annual General Meeting 2023

In 2023, the Annual General Meeting was held on May 19th at the company's premises on Hålsingegatan 40, Stockholm, Sweden. During the meeting the Board of Directors were re-elected and Öhrlings PricewaterhouseCoopers AB (PwC) was elected as the company's auditors.

### Annual General Meeting 2024

The Annual General Meeting 2024 will be held on May 20th 2024 at the company's premises on Hålsingegatan 40, Stockholm, Sweden.

### Board of Directors

The Board, which is the highest decision-making body after the Annual General Meeting, bears ultimate responsibility for Anticimex organization, management and control of the Company's financial conditions. The duties of the Board include, among other things, the appointment, evaluation and, if necessary, the removal of the CEO and ensuring that systems are in place for monitoring and controlling the business considering the risks Anticimex' business is exposed to. The Board shall establish the overall goals and strategies, ensure that controls exist to guarantee that Anticimex complies with applicable laws and regulations and approve internal control documents that contribute to compliance.

A number of policies that apply to governance are approved and adopted by the Board and annually brought to their attention for review. The Board is further responsible for ensuring that the Company has good internal controls with formalised procedures, see further described under "The Board's report on internal control and Risk Management" (on pages 116–119). The Board's work is governed by the Articles of Association, the Code and the Board's rules of procedure. According to the Anticimex Articles of Association, the Board shall consist of not less than one and not more than ten directors. The Board is elected annually at the Annual General Meeting until the end of next year's Annual General Meeting.

### Composition and Independence

The composition has during 2023 consisted of eight board members without deputies. The Board's composition is especially composed with regard to the Anticimex' operations and development stage and characterised by versatility and breadth regarding the competence, experience and background. The Board applies rule 4.1 of the Swedish Corporate Governance Code as its diversity policy.

The Board of 2023 consisted of Jarl Dahlfors (Chairman), Per Franzén, Alf Göransson, Catherine Halligan, Carolina Klint, Carl Johan Renström, Dick Seger and Siew Boi Tan. None of the members of the Board are employed by the Group. Three members of the Board are independent in terms of their relationship to the Company's shareholders. A presentation of the Board is to be found on pages 120–121.

### The Board's Rules of Procedure

The work of the Board follows a written procedure that ensures that the work is carried out efficiently and

that the Board fulfils its duties. The duties of the Board include continuously assessing the Group's financial situation and ensuring that the company has appropriate systems for reporting and managing its funds and financial business in general, to ensure a satisfactory monitoring. In addition, the Board should ensure that there are effective systems and procedures in place for good internal control and risk management, as well as taking into account the necessary policies and the ethical guidelines (Code of Conduct) for the company's conduct. Furthermore, the Board monitors the Group's ESG and Sustainability agenda.

#### The work of the Board during 2023

The Board held seven regular meetings in 2023, of which one was a constitutional meeting. In addition, six extra board meetings were held to approve acquisitions. The agenda at the Board meetings always cover CEO, CFO, COO, SMART and M&A reporting, including updates on internal control and risk management, cyber-security, and sustainability. In addition, each meeting has certain themes which is the focus of the meeting, for example a certain region. During the year the Board visited two other locations in the Group outside of the Anticimex headquarters. For additional information, see table "The work of the Board in 2023" on page 121.

#### Audit Committee

The Audit Committee supports the Board's quality control work in terms of financial reporting, the internal control over financial reporting and risk management within the Group. The Committee also stays informed about annual statutory audits focus, scope and progression, by meetings with the Company's auditors. The Committee is a preparatory function and presents its findings and proposals to the Board, prior to the Board's decision. The Committee operates under the Board established Rules of Procedures for the Audit Committee. The members of the Committee are Carolina Klint (committee chair), Carl Johan Renström and Siew Boi Tan. The Committee held two meetings during 2023.

#### Remuneration Committee

The Board has established a Remuneration Committee to prepare decisions related to salaries and bonuses and other forms of compensation for the Executive Group Management. The Committee operates under the Board established Rules of Procedures for the Remuneration Committee. Further information on remuneration to the Board, management and other employees is provided in Note 8. The members of the Committee are Jarl Dahlfors (committee chair) and Per Franzén. The Committee held in total one meeting during 2023.

#### Chairman of the Board

The Chairman of the Board is responsible for managing and distributing the work, organising the Board work and monitoring that decisions taken are being executed. The Chairman continuously monitor the business through regular contact with the CEO and is responsible for ensuring that all members of the Board receive the information and documentation they need.

#### Evaluating the Board of Directors and the CEO

A regular and systematic evaluation forms the basis for assessing the work of the Board, the CEO and for their continued development. The Board has evaluated its own work during 2023 using a digital survey in order to improve and develop the Board's working methods and effectiveness. The Board has also continuously evaluated the CEO's work, especially in situations where none of the Company's management has been present.

#### CEO and EGM

The Company's CEO is appointed by the Board and is responsible for the company's ongoing management and the Group's operations in accordance with the Articles of Association, the Board adopted CEO instruction and current law.

The responsibilities of the CEO are further described in the Board established CEO instruction. The Executive Group Management ("EGM") comprise CEO, CFO, COO, the Region Presidents (Nordics, Europe, Asia-Pacific, South & West- and North & East America) and President SMART Solutions. The primary tool that is used by the CEO and Executive Group Management to evaluate the Company's development is through the monthly and quarterly business reviews.

The Chief Operating Officer of the Group has overall responsibility for the sustainability work. The process of integrating the sustainability goals with the overall operation was further intensified in 2023.

On November 14th the Board appointed Jussi Ylinen as new CEO and President of Anticimex.

#### Group management (GM)

Group management consist of the EGM, the 37 Platform Presidents and the Heads of the Group support functions. CEO and GM are charged with the overall responsibility for day-to-day operations. In addition, GM is primarily responsible for monitoring and ensuring compliance by local Platforms with the Group Policies, including any region-specific policies and guidelines. Local management (e.g. Platform Presidents and Platform Finance Managers) is responsible for the establishment of routines and procedures that ensures reliability of the company's management and financial reporting information in the most efficient manner possible. This includes implementation of basic and

supervisory controls to mitigate relevant risks. Local management reports directly to Region Presidents on operational matters but regarding financial reporting matters directly to the CFO office.

### **Branch Management**

The Group's Platforms are divided into 200+ operational branches, each led by a Branch Manager. Governing responsibilities lay upon the Platform Presidents, but each Branch Manager holds the responsibility to carry out the day-to-day operations towards employees and stakeholders in accordance with Anticimex values.

### **Anticimex Insurance**

The subsidiary Anticimex Försäkringar AB is run as an independent company in order to fulfil applicable requirements set by the Swedish Financial Supervisory Authority, EU guidelines and Swedish laws and regulations. The company complies with statutory requirements regarding independent risk control, independent compliance and independent Board members. The Group's CFO constitutes Anticimex representative in the Board.

### **Corporate Control**

The Corporate Control Function is ultimately responsible to monitor that the Group's Internal Controls are performed in accordance with the framework decided by the Board. The compliance with the Board adopted governing documents and the Group Financial Manual are reviewed by the Corporate Control function, mainly through the internal control reviews. Further description of the Corporate Control functions role and internal control is to be found under "The Board's report on internal control" on pages 116–119.

### **External Auditor**

The Company's auditors are appointed by the Annual General Meeting. At the Annual General Meeting on May 19h 2023, Öhrlings PricewaterhouseCoopers AB (PwC) was re-elected as the company's auditors, with Patrik Adolfson as auditor in charge. Patrik Adolfson (born 1973) is an authorized public accountant and partner at PwC. Other audit assignments include AcadeMedia (publ), Bonava AB (publ), Dometic Group AB (publ), NCC AB (publ), Röko AB and Nordstjernen AB. He is a member of FAR.

The auditor shall keep the Board informed about the planning and content of the annual audit and shall review the interim report and provide an audit opinion over the annual report. The auditor shall also inform the Audit Committee of any services performed in addition to the normal audit information, compensation for such services and any other circumstances, which are relevant to the auditor's independence.

# Risk management

Anticimex is a global organization with operations in 21 countries. The geographical spread means that business is conducted in markets with different prerequisites, cultures, and varying degrees of maturity. Anticimex is thereby exposed to various risks which can have a negative impact on the Group's operations. It is therefore of considerable importance that the Group has a systematic and efficient process for effectively identifying, managing and limiting the effects of these risks.

## Global and local responsibilities

Anticimex' overall risk management approach is designed to provide reasonable reliability that risks are properly identified, effectively managed, and monitored. The Executive Group Management is responsible for promoting a risk aware culture, where risks and opportunities are a natural component of the business planning.

The Anticimex Model promotes local responsibility and accountability, foremost in regard to operational risks where each Platform compose the risk owners.

Anticimex reasons that procedures and controls are favorably designed in proximity to the local market, customers, and employees. A foundation of Anticimex risk mitigation lays upon a decentralized organization with risk mitigating activities carried out in each of the Group's 37 platforms. Each Platform President ("Local CEO") is responsible for ensuring that measures to manage risk on their local market are implemented which enables the Platforms to quickly and directly respond to events that may occur. With each of the Group's Platforms operating as a stand-alone organization on its local market makes the Group less vulnerable to certain risks, hence the likelihood reduces that the same issues would affect Anticimex' Platforms simultaneously, or with the same magnitude.

To support the local risk management, HQ functions monitor, measure and share best practices. Financial risk management and insurance coverage is supervised by CFO and Group Treasury, further described in note 3

"Financial risk management and financial derivatives" for further information".

## Dedicated function for governance

Anticimex has further established a Corporate Control function, dedicated to risk management and internal control. The scope includes an annual risk assessment and a process for internal control review. Based on the annual risk assessment, the Group's Risk Map and Risk Register is established and in turn used as a foundation for the Platforms to identify their own local risk status for their specific market. The risks can in this way, with more ease, be mitigated. See further description in "The Board's Report on Internal Control" on pages 116–119.

## Anticimex risk universe

The risk management framework is founded on a risk universe that could impact Anticimex ability to achieve the established strategy and operational objectives, including financial targets. Anticimex risk universe can be compiled into four categories consisting of 12 principal risk areas. Anticimex complete risk register consist of over 30 sub-risk areas identified across the organization within the risk management framework. The purpose of the sub-risk areas is to define the risks more distinctly for the organization to better facilitate the local risk management. These sub-risk areas are aggregated and categorized to form the principal risks, which are described below.

Strategic	Operational	External	Finacial & Regulatory
<ul style="list-style-type: none"> <li>• M&amp;A execution and integration</li> <li>• Digital Transformation</li> <li>• Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Business disruption</li> <li>• Employee</li> <li>• IT and information security</li> </ul>	<ul style="list-style-type: none"> <li>• Business environment</li> <li>• Macroeconomic and geopolitical instability</li> </ul>	<ul style="list-style-type: none"> <li>• Financial market</li> <li>• Inaccurate financial reporting</li> <li>• Compliance and Regulatory</li> <li>• Insurance &amp; Warranty business</li> </ul>

## Strategic risks

### M&A execution and integration

An important element of Anticimex' business strategy is acquisitions. There is an inherent risk in not being able to pursue acquisitions according to objectives. Furthermore, there is a risk of not being able to integrate acquired operations in a successful manner, adversely affecting Anticimex' revenues and earnings.

#### Risk management

Anticimex have a track record of completing 300+ acquisition and integrations, granting the organization invaluable know-how and opportunity to finesse the related processes.

Acquisition risk is mitigated through a systematic approach and the strict enforcement of a rigorous acquisition process, from identification of potential targets to integration of acquired businesses. Anticimex has a dedicated M&A function with experienced professionals who oversee and manage all due diligence processes and negotiations. Each acquisition is documented and reviewed by several management levels prior to being presented to the Board of Director for final approval.

Integration risk is managed by keeping the process in vicinity to the acquired target. This provides local ownership, agility, and a process tailored for the specific market. The regions and HQ provide additional layers of support to ensure a structured process. Each acquisition is regularly followed up both financially and operationally and is subject to a formal 1-year review.

### Digital transformation

The pest control industry is undergoing a shift toward increased professionalization, sustainability focus, and digitalization of services. This transformation creates opportunities and challenges and pose a demand for a continuously developed service offering, tailored for the specific markets.

#### Risk management

Anticimex is the global leader in preventative pest control. With a unique methodology, deriving from industry expertise and with the connected SMART devices as the enabler, our service aims at maximizing customer value through a preventive way of working.

Anticimex has a dedicated central team that accelerate the digital transformation to SMART solutions by developing and driving growth opportunities across all Platforms. This includes the development of IOT and digital products that supports industry leading service offerings for business and homes around the world.

Please see page 18 for further information on Anticimex technology innovation.

### Sustainability

Anticimex is accelerating its sustainability agenda. Failure to execute on the objectives may damage Anticimex' brand, reputation and long-term prospects.

#### Risk management

Please see pages 22–31 for a detailed description.

## Operational risks

### Business disruption

As a service provider, Anticimex is exposed to a risk of operational disruption, i.e., inability to deliver our services at a desired capacity. This would directly impact our possibility to fulfill the obligation toward our customers and thereby affect earnings and reputation. The materializing factor may vary from internal factors to external such as natural disasters, incidents or pandemics.

#### Risk management

The decentralised business model provides reactive and directed efforts to any local disruption by each of the Group's 200+ branches operating only in its immediate market. Operational- and ERP systems are sourced locally, limiting the affect any disruption have on the Group. Furthermore, all Platforms are required to have documented business continuity and disaster recovery procedures in place.

In practice, Anticimex was able to continue operating during the Covid-19 pandemic without any significant disruption of operations. Operational efficiency was not materially impacted even though extra precautions was implemented to assure the health and safety of employees.

### Employee

Anticimex' potential to reach long-term objectives depends on our ability to attract and retain skilled employees at all levels. Anticimex' technicians are instrumental in ensuring excellent service delivery, and the decentralized business model emphasizes the importance of strong local management teams.

#### Risk management

Anticimex is actively working towards creating an attractive workplace that can recruit and retain the right competence. As an organization both the digital enabled way of working and the ESG agenda is becoming a more significant attraction factor. With the decentralized model, Anticimex' strong entrepreneurial spirit promotes long-term, inclusive, and sustainable economic growth, fueled by a full and productive employment. Each of Anticimex Platforms manages annual staffing, competency, and succession planning.

### IT and information security

Our society and Anticimex' business rely to an ever-greater degree on digital tools and data. Anticimex is dependent on being able to maintain a well-functioning IT infrastructure to ensure interface with customers and maintain financial accuracy.

#### Risk management

The increased digitalization of the business presents major opportunities but at the same time pose greater demand on the ability to protect critical information and ensure stable IT operations. Anticimex dedicate significant efforts to continuously elevate the IT maturity.

Governance is exercised by Group IT who outline the strategical roadmap, perform measure and monitoring activities, and establishes policies and guidelines. Dedicated forums exist for collaboration with the network of local IT Managers and Group IT are further involved in the integration process of acquired businesses to assure non-compromised migrations.

Cybersecurity is on top of Anticimex agenda where Group IT have a dedicated team for real-time incident monitoring and threat detection. Group-wide security measures further include multi-factor authentication, tool for third-party risk assessment, and 24/7 cybersecurity service countering cyberthreats to end-points and networks. Furthermore, all Platforms conduct regular cybersecurity awareness training and testing, complimented by cyber incident response training.

## External risks

### Business environment

The pest control industry is competitive, with many small and large players present in all Anticimex' markets. Any actions in relation to pricing and service by our competitors could adversely impact Anticimex' revenue and earnings.

#### Risk management

Anticimex is dedicated to being the preferred business partner, providing preventative and digital enabled pest control solutions. Meaning that Anticimex doesn't have the intention to compete by lowest price, but rather in incomparable service quality. It is notable that the demand for our SMART offering is increasing in line with societies and companies stricter regulations and increasing demands and sustainability focus.

### Macroeconomic and geopolitical instability

The industry is affected by the global and local macroeconomic environment which is subject to uncertainty and volatility. Macroeconomic instability may affect our customers' ability to spend and deter the possibilities to expand and grow profitability.

#### Risk management

The pest control industry has proven to be resilient to turbulent macroeconomic climate. The decentralised business model supports reactive and directed initiatives to counter any local instabilities. Similarly, material is foremost sourced in proximity to the local market which limits impact of supply chain disturbances.

Anticimex' business model is strongly focused on building up a contract portfolio, where recurring earnings (contracts and insurance) represent the major share of revenues. The contract portfolio is to a large extent paid in advance of performed service, protecting Anticimex' earnings in the short term.

In the long term, the wide customer base and extended geographical footprint stabilize the Group's income.

## Financial & Regulatory risks

### Financial market

With a strong and ambitious M&A agenda, Anticimex is exposed to financial risks, such as currency risk, interest rate risk, financial credit risk, liquidity risk, and financing risk. If any risks materialize without sufficient mitigation this may have a negative impact on profitability, cash flow and may negatively impact financial ratios and credit ratings which ultimately would impact our ability to raise funds for acquisitions.

#### Risk management

The capital structure is constantly assessed by the Board of Directors to balance financial risks with business opportunity. Anticimex have a dedicated Treasury function that together with CFO supervise financial matters. Long term and short term cashflow forecasts are produced to ensure enough funds exist to meet the needs of the day-to-day operations and acquisition pipeline. Financing risk is further mitigated by a diverse credit facility, not exposed to individual currencies, markets or instruments.

The current volatile economic climate provides increased vulnerability and is closely monitored. The immediate exposure of rising interest rates has been mitigated by hedging a significant part of the outstanding loans via interest rate caps.

Please see Note 3 "Financial risk management and financial derivatives" for further information.

## Financial & Regulatory risks

### Misstatement in financial reporting

Inaccurate financial and operational reporting could result in an inaccurate illustration of Anticimex' performance.

#### Risk management

Anticimex continuously monitor financial performance to ensure financial reporting accuracy, with a systematic approach of Platform business review from Region and Group Management. Furthermore, compliance with the Group Financial Manual and effectiveness of controls are reviewed as part of the internal control cycle, described in section "The Board's Report on Internal Control" on pages 116–119.

### Compliance and Regulatory

For Anticimex, it is of great importance to comply with laws and other rules and regulations as well as to conduct business in accordance with generally accepted business practices. The pest control industry is directly and indirectly affected by environmental laws and regulations and consequently by changes to these laws. Any violations or negligence could harm the Group's reputation and result in sanctions or fines.

#### Risk management

Anticimex commits to and expects its business partners to adhere to international standards and requirements. The local Platforms are responsible for adherence to their applicable market's regulations, while the Code of Conduct constitute the Group's framework for general business practices. For risk prevention purposes, a policy framework and a process for internal control have been established across the Group, described in section "The Board's Report on Internal Control" on pages 116–119.

Anticimex follows amendments to regulations and industry standards. The regulatory climate of the pest control industry, directly or indirectly through environmental legislation is increasingly restrictive. A development that benefits larger, digitally enabled, and sustainability focused companies as Anticimex.

### Insurance and Warranty business

Part of Anticimex' services are structured as insurance business related to pests, dry rot, property transfers and excess compensation in the event of damage. Similarly, services can have a warranty component over a predefined period. By offering such services there exists an inherit risk for managing the related provisions to cover any claims.

#### Risk management

The insurance business is operated by a dedicated insurance company, Anticimex Försäkringar AB. The Board of the insurance company establish guidelines for the risks the Company may assume responsibility and the excess that shall apply, governed by the Insurance Business Act. Anticimex assesses that the risk in the insurance business is well balanced in relation to its exposure, which is supported by a historically acceptable and stable claims experience. Similarly, Anticimex approach to warranty related services is assessed on the historical record, supported by inspections and a capped exposure.

# The Board's report on internal control

Anticimex' internal control structure is based on the Committee of Sponsoring Organizations of the Treadway Commission's guidelines on internal control ("COSO") and includes control environment, risk assessment, control activities, information and communication and monitoring. Anticimex process for risk management pays special attention to achieve a balance between identified risks, internal control activities, an effective control environment and individual accountability throughout the organization.

The internal control framework rests on the Swedish Companies Act and applicable parts of the Code. The Board of Directors has the overall responsibility for Anticimex' internal control and must ensure that the Company's organization is designed so that the accounting, asset management and the Company's financial conditions in general are controlled in a reassuring manner and in compliance with applicable laws, regulations and applicable accounting standards.

To facilitate Anticimex' decentralised model, the Company has established a rigorous framework for rules, responsibilities, processes and routines for monitoring performance, internal control and risk management. The primary objective is to effectively protect shareholders and other parties' interests, set a good platform for the employees and creating prerequisites for a safe expansion of Anticimex' operations. Furthermore, the Code of Conduct which is strictly linked to Anticimex' values - Trust. Innovation. Passion. - forms a vital part of Anticimex' governance framework. Anticimex' values together with the Code of Conduct are the cornerstones of "The Anticimex model" which is the Group's main tool through which it conveys its corporate culture. The model, a digital application, further creates a common ground where best practices are shared and describes how branch managers should approach customers and employees and conduct business.

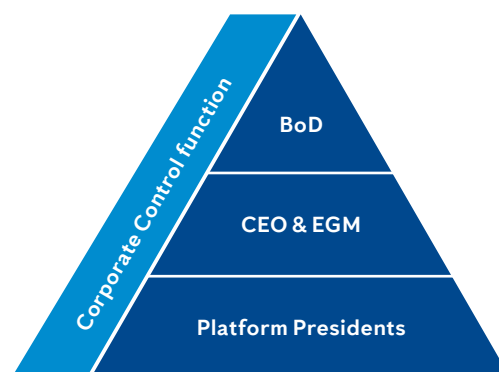
As part of its decentralised management approach, Anticimex has set and follow-up financial targets through constant measuring and monitoring from the branch office through to the Group Management. The development is mainly monitored through the monthly and quarterly business reviews with Branch Managers, Platform presidents and Region Presidents.

## Control environment

The control environment forms the basis for internal control. An important part of the control environment is that decision paths, mandates and responsibilities are clearly defined and communicated between different

levels in the organization and that governing documents in the form of policies, manuals, internal control framework and guidelines are available. The general allocation of responsibility can be described:

1. The governing documents approved by the Board of Directors forms the foundation of the control environment and are briefly described below.
  - *Code of Conduct*- describes how Anticimex' values, Trust- Innovation- Passion, shall be reflected in the Company's organization through business ethics, among co-workers and in regard to environmental efforts. Governance of Anticimex' sustainability is mainly regulated by the company's Code of Conduct. This describes employee responsibility in areas including human rights, work conditions, business ethics and environment. In order to reduce risks linked to compliance breaches, all members of the organization have been asked to sign the Code of Conduct, something all employees do annually. To strengthen compliance with the Code of Conduct, a direct link to corporate management has been established, the SpeakUp Line, which can be used by everyone in the company to report potential breaches.



- *Risk Management Policy*- The purpose is to provide a framework for how to identify, assess, manage, and monitor risks in the Anticimex Group. The policy defines roles and responsibilities to help ensure the risk management process is understood.
  - *Human Resources Policy*- describes Anticimex responsibilities towards its employees and emphasises equal employment opportunities and health & safety measures.
  - *Information Security Policy*- carries the purpose to protect all information assets by defining allocation of responsibilities and requirements on the IT-environment.
  - *Purchasing and Procurement Policy*- constitutes a framework for purchasing activities within all Group companies. This includes adequate processes for supplier selection and supplier management, as well as principles for commercial terms.
  - *M&A Policy*- The purpose is to specify responsibilities, limits and to provide principles on the application of the Anticimex M&A Process Manual, including all relevant templates.
  - *Accounting and Reporting Policy*- The purpose is to specify responsibilities and provide principles that guide the organization working with accounting and reporting. These activities are further detailed in the Group Financial Manual.
  - *Financial Policy*- Has the purpose to establish a framework for how to manage financial risks within all group companies. The policy clarifies the distribution of responsibilities for financial risk management and specifies the reporting and control requirements.
2. The CEO and EGM are responsible for measuring and monitoring financial performance, mainly through the monthly and quarterly business reviews with Branch Managers, Platform Presidents and Region Presidents. The CEO and EGM are responsible for the Internal Controls Framework being implemented in the Group and to drive a risk aware culture.
  3. The Platform Presidents are responsible for implementing the Group's policies and to adapt them for local operational purposes. Each Platform President confirms the compliance of the Group's policies on an annual basis.

The Corporate Control function is ultimately responsible to monitor that the Group's internal controls are performed in accordance with the form decided by the Board. The Corporate Control function assures that the Internal Control Framework is updated and reviews that it is implemented and complied with by the Group's Platforms. The Corporate Control function reports regularly to the Audit Committee and Board of Directors.

#### **Risk Assessment**

An Annual Risk Assessment is carried out by the Group Management (i.e. EGM & GM). The risk assessment is designed to identify Anticimex' enterprise risks (including financial reporting) that may prevent the Group from achieving its long-term objectives. The assessment identifies gross risks, prior to mitigating control activities, which are classified by impact and probability and with the trend from previous risk assessment incorporated. The risk assessment is finalised and discussed with the Board of Directors. After completion the risk map is converted into a risk register, utilised by the Corporate Control function to facilitate that risks are managed and mitigated by risk owners in the organization. Risk awareness is further strengthened with additional local risk workshops that each of the Group's Platforms perform with their local management teams.

#### **Control Activities**

The Group's control structure is designed to manage the risks that the Board determines as significant to the achievement of the targets including reliable financial reporting. The control structure consists of an organization with clear roles that enable an appropriate division of responsibilities. The key concept within the decentralised Anticimex model is to "measure, monitor and manage" and consequently several governing activities are performed by the GM.

From a performance monitoring perspective, the monthly Business Reviews are the main activity. During the reviews, the CEO and CFO in conjunction with the Group Business Control function reviews each of the Group's Platforms using a predetermined template covering various focus areas.

**Internal control cycle for the groups' platforms**

The internal control cycle is a continuous process and designed to follow the calendar year, divided into three main periods.

**First Period- Self assessment**

Anticimex has developed an extensive Internal Control Framework, including various processes and controls relevant for a reliable internal control environment, including financial reporting. In the first period, the risks and controls of the Internal Control Framework are reviewed and updated by the Corporate Control function in conjunction with the Audit Committee. Alterations are made in light of previous year's internal control reviews and changes in the Annual Risk Assessment, among other factors relevant to Anticimex business.

Each of the Group's Platforms performs an internal control self-assessment to raise local risk awareness and to self-evaluate the current internal control maturity.

**Second Period- Review and follow-up**

The self-assessments are verified through internal control reviews carried out by the Corporate Control function through site visits. All the Group's Platforms are subject to the internal control reviews, regardless of size. A Finance Manager (i.e. Platform CFO) from another Platform than the one subject to the review participates in order to share best practices. The entire Internal Control Framework is reviewed together with representatives from local management, including review of closing procedures and balance-sheet reconciliations. The internal control reviews include follow-up on last year's observations and action points as part of establishing a continuous wheel.



**Third Period- Action Plan**

After the review, each Platform review is summarised and concluded in an individual "Platform Report". Based on the review, certain development areas are identified in order to improve the internal control maturity. The identified areas are prioritized in the ongoing work with internal control and formalised as action points.

The internal control work is concluded and summarised, and the Group's internal controls effectiveness results are reported to the Audit Committee who further reports to the Board of Directors. The Platforms individual maturity is graded and shared among the Group to drive a competitive progression. The Platform with the highest internal control maturity and the one that has shown biggest improvement is annually announced.



Cross-visits is an integral part of Anticimex' process for Internal Control, where the Finance Managers join another Platforms Internal Control meeting to learn and share best practices.

**“The objective of the Internal Control meetings is of course to assure compliance with Anticimex’ control environment expectations, but the purpose also lay upon helping Platforms to prioritize and develop into more sophisticated finance functions. To work smarter with increased reliability and control!”**

Ebba Stålvant De Lisa, Head of Corporate Control

The main governing activity over financial reporting within the Group is the annual internal control reviews, as described on the previous page, during the internal control cycles second period. The Internal Control Framework is structured for specific control activities aimed to either detect or prevent risks for errors in reporting. Examples of processes included are Financial Close, Compliance, Order to Cash, Procurement to Pay, M&A integration, Inventory, Tax and IT government. Based on predefined minimum requirements, each Platform designs the controls based on its local conditions. The internal controls design is ultimately assessed during the internal control reviews to ensure proper formalisation.

#### **Information and communication**

The Group’s governing documents are shared through a web-based collaborative site. The site includes the financial manual, policies, guidelines and reporting templates relevant to the Groups Platforms.

The internal control visits are summarised and concluded in an individual Platform Report, shared with all management involved with that specific Platform, including Region President and CFO. The Platform Reports follows a standard format and is prepared by the Corporate Control function. The report compares the local Platforms self-assessment with the internal control review and sets certain focus in highlighting improvement areas which ultimately forms action points.

The internal control work is finalised and communicated to the Audit Committee during the fourth quarter and further the Audit Committee reports to the Board, to assure that a sufficient evaluation of the internal control’s effectiveness has been performed.

#### **Monitoring**

Throughout the year, internal control is a standing point on the agenda for the Board meetings to enable the Board of Directors to continuously stay informed. Internal control is also a standing point during management meetings, as it is a cornerstone for the risk management to have internal control embedded in the culture.

Anticimex has not introduced a separate internal audit function. The Board of Directors has evaluated that the established model fulfils the role of evaluating and monitoring the internal control in an efficient way and in accordance with applicable laws and regulations. The Board of Directors is to annually assess the need for a separate internal audit function and to justify its decision in the description of internal control in the corporate governance report.

#### **Focus during the year**

In 2023, the focus has continued on developing new and existing processes and controls linked to financial reporting.

# Board of Directors



## Jarl Dahlfors

**Chairman**

**Remuneration committee chair**

**Education:** B.Sc. in Accounting and Finance, Stockholm University and IMD management training.

**Born:** 1964

**Other assignments:** Chariman of the Board of Envirotainer Group AB, BLOOM Fresh International. Member of the Board of IVC Evidensia Ltd, Guardian Pest Control China, Melker Schörling AB

**Previously:** President and CEO of Anticimex Group, Loomis AB. CFO at Attendo Group AB, EF Education, Trygg Hansa Asset Management.

**Independent of Company:** Yes

**Independent of owners:** No

**Shares in Anticimex (including related parties):** Yes

**Meeting attendance:** 7/7



## Per Franzén

**Board member**

**Remuneration committee**

**Education:** M.Sc. in Economics and Business Administration, Stockholm School of Economics.

**Born:** 1976

**Other assignments:** Deputy Managing Partner and Head of EQT Private Capital, Member of the Board of IVC Evidensia Ltd and Stockholm, Member of the Board of AcadeMedia, Eton, IFS, Securitas Direct, Duni, SSP and Automic

**Independent of Company:** Yes

**Independent of owners:** No

**Shares in Anticimex (including related parties):** No

**Meeting attendance:** 6/7



## Alf Göransson

**Board member**

**Education:** B.Sc. in Economics and Business Administration, University of Gothenburg

**Born:** 1957

**Other assignments:** Chairman of the Board of NCC AB (publ), Loomis AB (publ), Hexpol AB (publ), Axfast AB. Member of the Board of Sweco AB (publ), Attendo AB (publ), Melker Schörling AB and Sandberg Development Group.

**Previously:** President & CEO of Securitas AB and CEO of NCC AB.

**Independent of the Company:** Yes

**Independent of the owners:** No

**Shares in Anticimex (incl. related parties):** No

**Meeting attendance:** 6/7



## Catherine Halligan

**Board member**

**Education:** B.Sc. Finance, Northern Illinois University.

**Born:** 1963

**Other Assignments:** Member of the Board of Ulta Beauty (publ), Ferguson plc (publ), Driven Brands (publ), Jeld-Wen Holdings (publ).

**Previously:** Various Senior Executive level positions with Walmart, including Chief Marketing Officer, Walmart.com and Vice President Market Development of Walmart, Inc, Vice President and General Manager, Online of Williams Sonoma Inc.

**Independent of the Company:** Yes

**Independent of the Owners:** Yes

**Shares in Anticimex:** Yes

**Meeting attendance:** 6/7



## Carolina Klint

**Board member**

**Audit committee chair**

**Education:** Law, Uppsala University, University of Leeds

**Born:** 1975

**Other assignments:** Chief Commercial Officer, Marsh McLennan Europe. Member of the Board of Marsh AB, Marsh AS Norway, and Business Insurance Foundation

**Previously:** Managing Director and Risk Management Leader Europe at Marsh. Chairman of the Board of Marsh SA Belgium. Member of the Board of Marsh Oy Finland and Mercer AS Norway

**Independent of Company:** Yes

**Independent of owners:** Yes

**Shares in Anticimex (incl. related parties):** Yes

**Meeting attendance:** 5/7



## Carl Johan Renström

**Board member**

**Audit committee**

**Education:** M.Sc. in Economics and Business Administration, Stockholm School of Economics, MBA Harvard Business School

**Born:** 1981

**Other assignments:** Partner EQT, Member of the Board of BLOOM Fresh International

**Previously:** Member of the Board of Piab, Dellner Couplers, and AcadeMedia, deputy member of the Board of Gambro

**Independent of Company:** Yes

**Independent of owners:** No

**Shares in Anticimex (including related parties):** No

**Meeting attendance:** 7/7



### Dick Seger

#### Board member

**Education:** M.Sc., Industrial Economy, University of Linköping.

**Born:** 1953

**Other assignments:** -

**Previously:** President & CEO Verisure. Member of the Board of Securitas AB and Brinks Home

**Independent of Company:** Yes

**Independent of owners:** No

**Shares in Anticimex (including related parties):** Yes

**Meeting attendance:** 7/7



### Siew Boi Tan

#### Board member

#### Audit committee

**Education:** B.Sc., Accounting and Economics, The University of Sheffield.

**Born:** 1955

**Other assignments:** Chairman of the Board of Guardian Hygiene Services Limited. Member of the Board of CLP Holdings (publ), Manulife Financial Corporation (publ)

**Previously:** CEO Standard Chartered Bank (Hong Kong) Limited. Member of the Board of INED Home Credit NV, INED HSBC Life HK Limited and INED Link Asset Management

**Independent of Company:** Yes

**Independent of owners:** Yes

**Shares in Anticimex (including related parties):** Yes

**Meeting attendance:** 7/7

## The work of the Board in 2023



The agenda for the ordinary Board meetings always cover CEO, CFO, COO, SMART and M&A reporting, including updates on internal control and risk management, cybersecurity, and sustainability. In addition, each meeting has certain themes which is the focus of the meeting, for example a certain region.

# Executive Group Management



## Jussi Ylinen

**CEO and President**

**In the current role since:** 2023

**Education and professional experience:** M.Sc. Civil Engineering, Helsinki University of Technology, Finland. Previous experiences include various management positions within Nokia Networks as well as senior positions within the Anticimex Group, most recently President Region Pacific.

**Born:** 1967

**Current Board assignments and similar:** —



## Tomas Björksiöö

**CFO**

**In the current role since:** 2017

**Education and professional experience:** B.Sc. in Business Administration, Uppsala University, Sweden. Previously CFO at Attendo AB

**Born:** 1969

**Current Board assignments and similar:** —



## Rasmus Bokvist

**President SMART Solutions**

**In the current role since:** 2021

**Education and professional experience:** MsBA Economics, University of Stockholm, Managing Director Anticimex Norway

**Born:** 1975

**Current Board assignments and similar:** —



## Ebba Bonde

**COO**

**In the current role since:** 2017

**Education and professional experience:** MBA, Harvard Business School, United States. M.Sc. in Applied Mathematics and Statistics, Johns Hopkins University, United States. Previously consultant at Bain & Company Nordic Inc.

**Born:** 1980

**Current Board assignments and similar:** Uniwater AB



## Thomas Hilde

**President Region Continental Europe**

**In the current role since:** 2015

**Education and professional experience:** BSc in International Marketing, IHM Business School, Sweden. Psychological Leadership, Lund University, Sweden. International Executive Leadership, Stockholm School of Economics, Sweden. Previous experiences include various senior positions within the Anticimex group.

**Born:** 1966

**Current Board assignments and similar:** Recover Group



## Tony Hurst

**President Region Asia**

**In the current role since:** 2017

**Education and professional experience:** Studies in Accounting and Taxation, Melbourne, Australia. Previous experiences include various senior positions within the Anticimex group

**Born:** 1969

**Current Board assignments and similar:** —



### Anders Lönnebo

**President Region Nordics**

**In the current role since:** 2019

**Education and professional experience:** Bachelor in Business and Administration, University of Borås, Sweden. Previously VP Business Development of Securitas AB.

**Born:** 1968

**Current Board assignments and similar:** –



### Steve Nylund

**President Region US - North & East**

**In the current role since:** 2023

**Education and professional experience:** M.Sc. Business Administration & Economics, Stockholm School of Economics, Officers Academy Swedish Armed Forces (InfOHS). CEO of Red Bee Media and various senior leadership positions within Ericsson and Kinnevik Group.

**Born:** 1968

**Current Board assignments and similar:** Archipelago Investments



### Bill Talon

**President Region US - South & West**

**In the current role since:** 2023

**Education and professional experience:** Bachelor of Science, Embry-Riddle Aeronautical University. President, Turner Pest Control, COO Anticimex US

**Born:** 1964

**Current Board assignments and similar:** –



### Andreas Sahlbom

**President Region Pacific**

**In the current role since:** 2023

**Education and professional experience:** M.Sc. in Business Administration, School of Economics and Management, Lund University. Previous experience includes Deloitte Financial Advisory, CFO Akademikliniken Group and most recently CFO Anticimex Region Pacific.

**Born:** 1979

**Current Board assignments and similar:** –

Stockholm April 25, 2024

**Jarl Dahlfors**  
Chairman

**Alf Göransson**  
Board member

**Per Franzén**  
Board member

**Carolina Klint**  
Board member

**Catherine Halligan**  
Board member

**Carl Johan Renström**  
Board member

**Dick Seger**  
Board member

**Siew Boi Tan**  
Board member

**Jussi Ylinen**  
CEO

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# The auditor's examination of the corporate governance statement

To the Annual General Meeting in Anticimex Group AB, company registration number 559316-9039.

## Assignment and responsibilities

The Board of Directors and the President that is responsible for that the corporate governance statement on pages 107–115 has been prepared in accordance with the Annual Accounts Act.

## The scope and coverage of the examination

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit

conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

## Conclusion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm April 25, 2024  
Öhrlings PricewaterhouseCoopers AB

**Patrik Adolfson**  
Authorised public accountant

# Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Anticimex Group AB, corporate identity number 559316-9039.

## Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2023 as outlined in the table below and that it has been prepared in accordance with the Annual Accounts Act.

## The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12. The auditor's opinion regarding the statutory sustainability report.

This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

## Opinion

A statutory sustainability report has been prepared.

Stockholm April 25, 2024  
PricewaterhouseCoopers AB

**Patrik Adolfson**  
Authorised Public Accountant

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# Addresses

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