



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 extensive experience, in-depth expertise and its digital offering SMART, the company is creating healthy and safe 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 more than 10 000 employees. The company has shown 88 years of strong growth.



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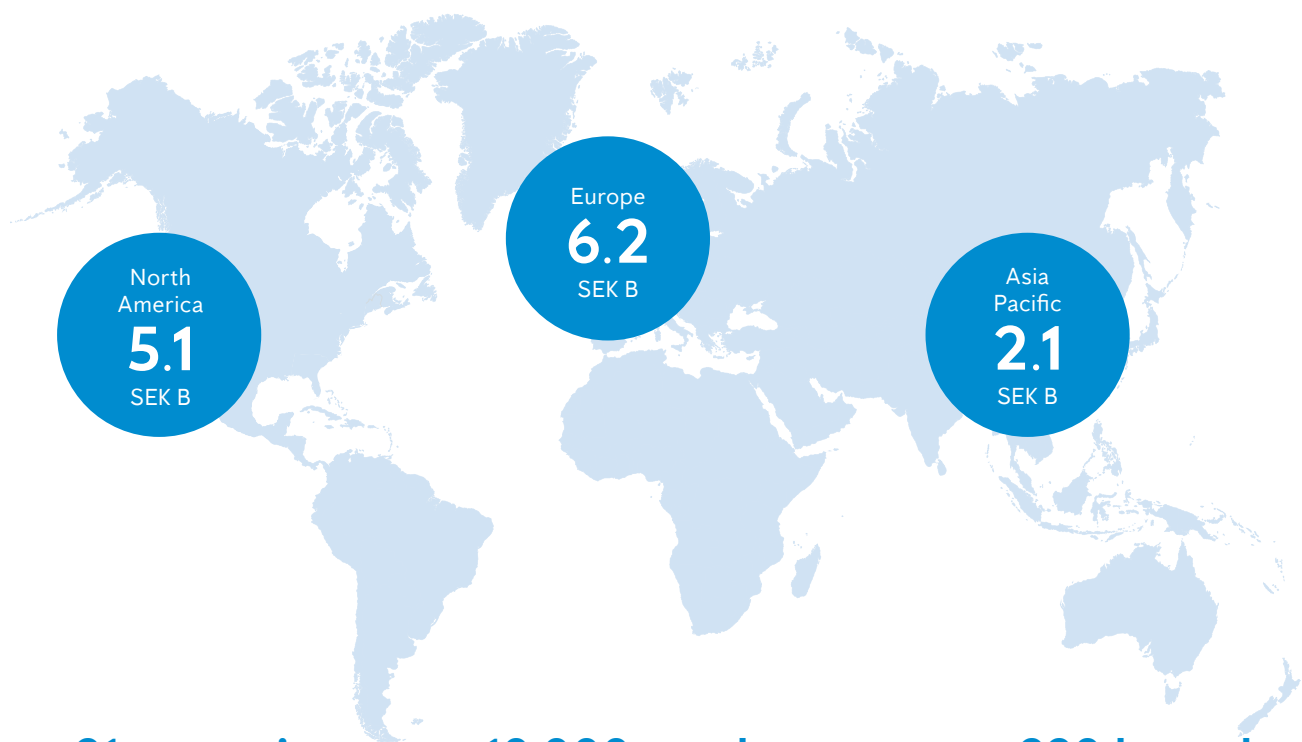
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The Annual summary includes financial information for the years 2018-2022. The years 2018-2020 consist of the Anticimex New TopHolding Group legal consolidated numbers. The year 2021 consists of pro-forma made up of consolidated numbers for Anticimex New TopHolding Group 1 January to 16 November 2021, and Anticimex Group AB consolidated numbers for the period 16 November – 31 December 2021 (refer page 34 in the Annual report for 2022). The 2022 financial information consists of Anticimex Group AB legal consolidated numbers.

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.

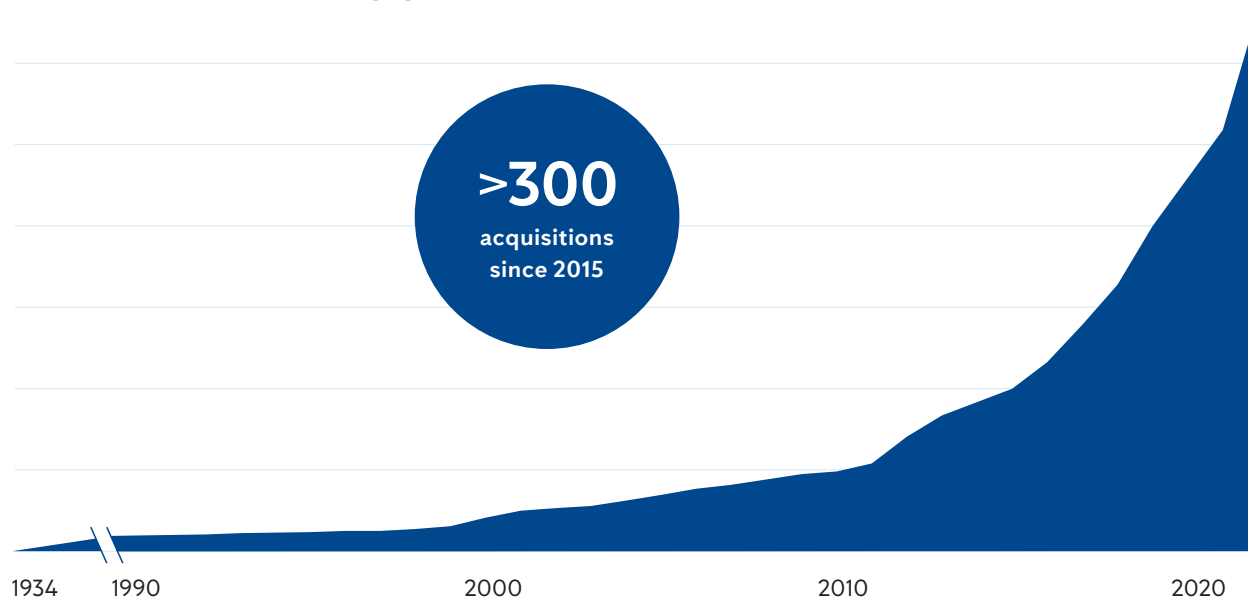


21 countries

>10,000 employees

>220 branches

88 years of strong growth



13.4

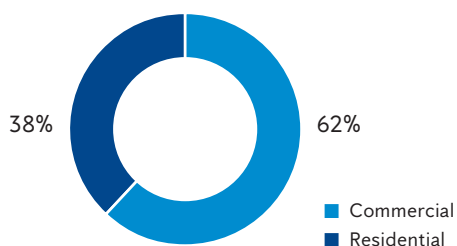
SEK B Revenue

>20%

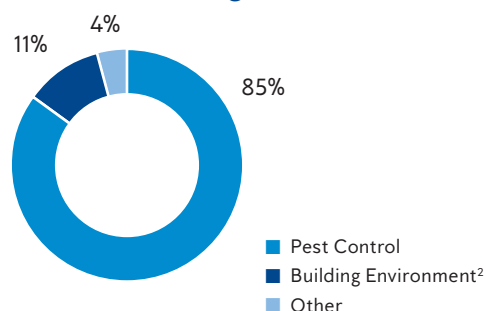
Operating margin (EBITA)¹

Customers

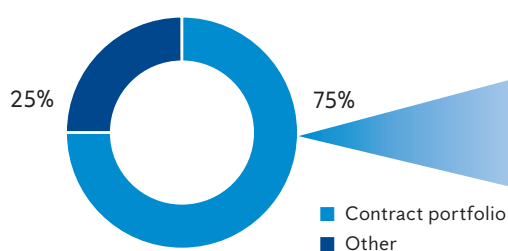
>1 million customers



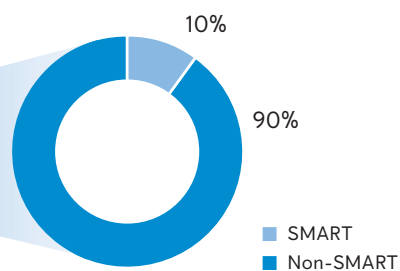
Service offering



Revenue streams



Portfolio revenue



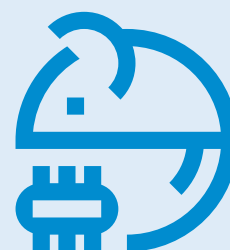
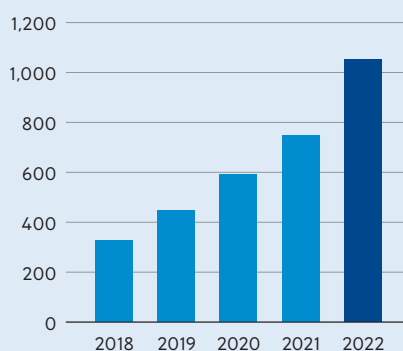
The digital leader in transforming the pest market

375 K

of installed
SMART devices10%
of the contract
portfolio digitalized

Annualized SMART portfolio

SEK million



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.

2022 in brief

SMART milestone

With the focus on digitalizing the services, a new milestone was reached with the annualized SMART portfolio exceeding 1 SEK B. SMART revenue grew by 41% compared to the previous year.



Changes in leadership

In March 2022 Gunnar Asp retired as Chariman of the Board and Jarl Dahlfors stepped up. Effective the same date, Staffan Pehrson joined as new President and CEO.



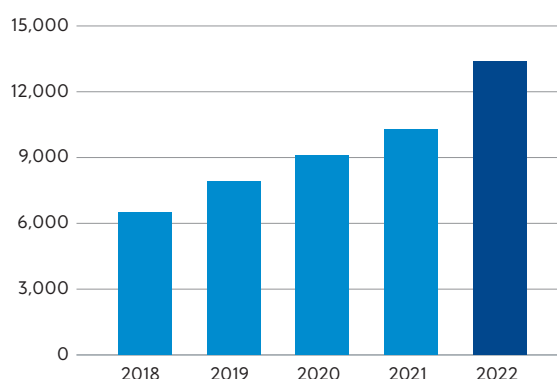
Global branch meeting

In May 2022 more than 350 of Anticimex' global senior leaders, including more than 220 Branch Managers, gathered in Stockholm. During three productive days the team reviewed progress, shared best practice, and discussed the next growth journey.

Revenue
+30% YoY
13.4 SEK B

Revenue

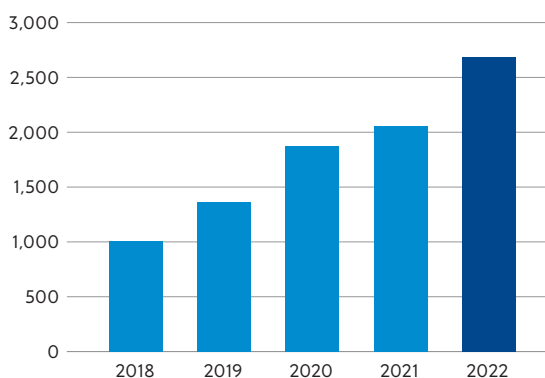
SEK million



Operating profit
(EBITA)¹, +31% YoY
2.7 SEK B

Operating profit (EBITA)¹

SEK million



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

Acquired revenue¹
1.2 SEK B

47

Acquisitions 2022

During 2022 Anticimex has continued to strengthen its market position by means of acquisitions. In total 47 acquisitions have been completed, whereof 44 were focused on increasing density and market share in already existing markets. Three acquisitions have been made to enter new markets: Corky's in south California, Eastside Exterminators in Seattle, Washington and Pestokill in the UK.



Dave Clements, President Pestokill and Platform President UK, celebrating the sales conclusion with his staff and Anders Lönnebo, Regional President Nordics & UK

88%

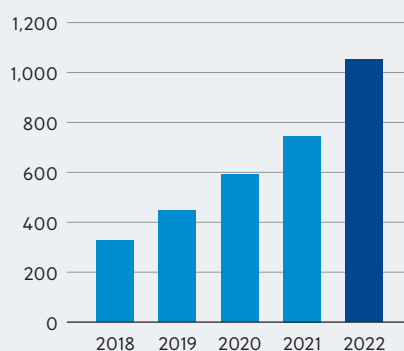
Customer retention

93%

SMART customer retention

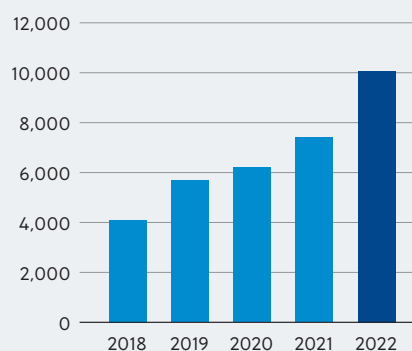
Annualized SMART portfolio

SEK million



Annualized contract portfolio

SEK million



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

Comments from the CEO

It is with great satisfaction that we can look back on a very successful 2022. A year when we grew our revenue with 31% to 13.4 SEK B and improved operating profit (EBITA)¹ to 2.7 SEK B. We have also strengthened our market footprint and offering via 47 acquisitions, whereof 44 have been focused on increasing density and market share in already existing markets. Three acquisitions have been made to enter new markets: Corky's in south California, Eastside Exterminators in Seattle and Pestokill in the UK. On behalf of my management team and everyone in Anticimex I want to extend a warm welcome to all our new colleagues from around the world!

In 2022 we have strengthened our position as global leader in driving the industry transformation from reactive to preventive pest control services, through further innovation in our environmentally friendly digital solutions under the SMART umbrella. SMART enables early detection and is a cornerstone in our sustainability impact, which is centered on three key areas:

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

These are areas where we as Anticimex make a true difference. The successful roll out of SMART to customers worldwide has continued throughout the year, and now we have deployed 375 thousand units worldwide.

We are now accelerating our investments in areas such as data analytics and machine learning to further advance our strong offering within digital pest control. By utilizing company-wide expertise at the intersection of biology, entomology and technology we see that we are getting maximum leverage in our innovation efforts.

In May we gathered for a global Branch Managers meeting in Stockholm, where the global management team met

up with more than 220 Branch Managers from all corners of the world to celebrate achievements, exchange best practices and discuss our growth journey ahead. This kind of meetings where we get together a few days to discuss customer challenges, solutions and ways of working are critical for us all to become even better as a company and find inspiration for the road ahead.

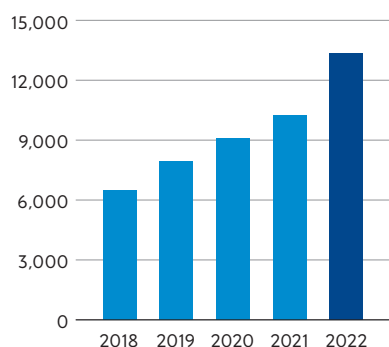
The industry outlook is positive, with market growth driven by increased pest prevalence and decreased pest tolerance. We also see additional growth opportunities arising from the shift to digitally enabled pest control services.

To conclude I would like to extend a big thank you to all our employees around the world, who through their fantastic commitment, collaboration and strong customer focus have made it possible for us to deliver fantastic results. I also want to thank our customers for the continued trust they put in us. And, once again, a warm welcome to all the people who have joined Anticimex via the 47 acquisitions in 2022!

Staffan Pehrson
President & CEO, Anticimex Group

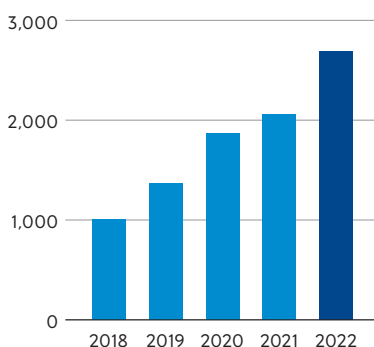
Revenue

SEK million



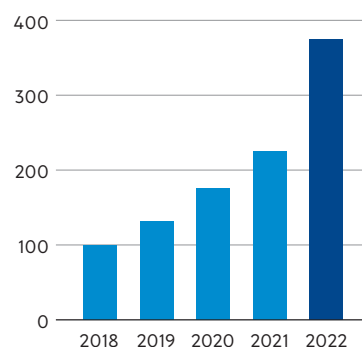
Operating profit (EBITA)¹

SEK million



Installed SMART devices

Thousands



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

“ In 2022 we have strengthened our position as global leader in driving the industry transformation from reactive to preventive pest control services.”



Our model for growth

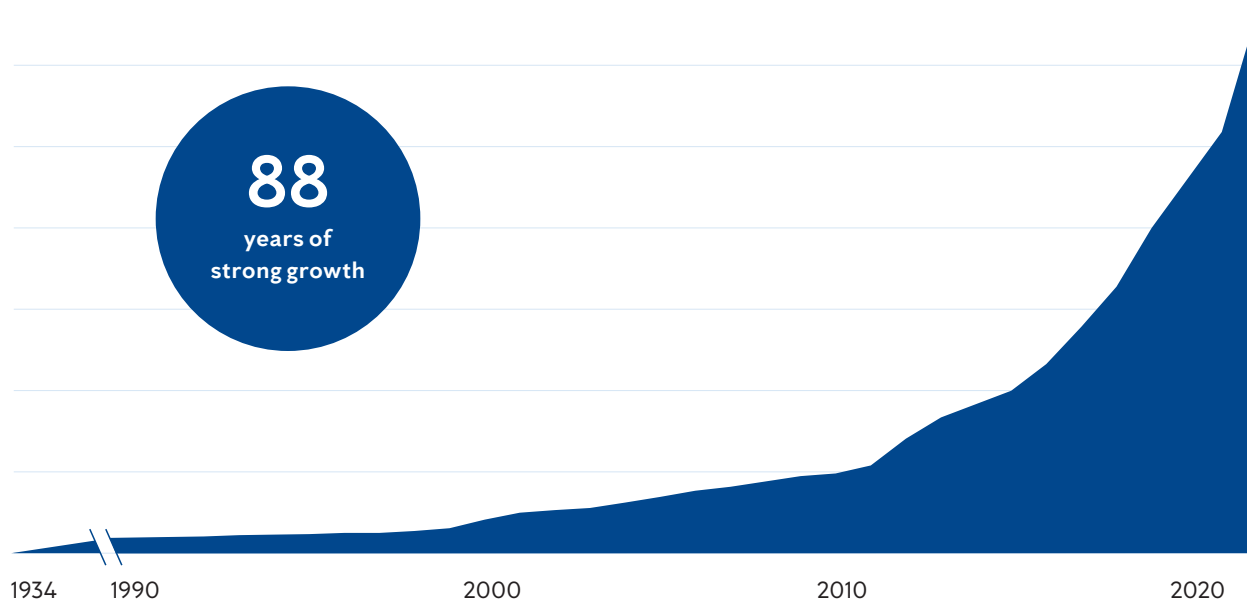
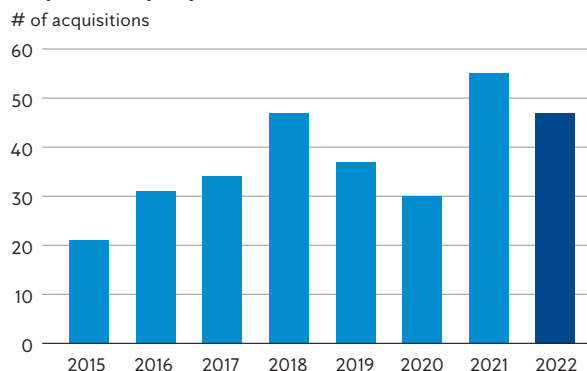
Anticimex' growth model rests on three key pillars; i) a large and growing pest control market, ii) Anticimex' industry leadership in transforming the market from reactive to preventive pest control and iii) a strong entrepreneurial culture in a branch-based structure with empowered people.

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 increased spreading of pests. Meanwhile, tolerance for pest is continually decreasing driven by a growing global middle class with higher disposable incomes spending 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 existing footprint as well as in new markets. An acquisition within current footprint increases the density of customers, elevates the responsiveness, while also improving efficiency of the operation.

The 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



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 300 companies around the world since 2015.

During 2022 Anticimex has completed 47 acquisitions, whereof 44 have been focused on increasing density and market share in already existing markets. Three acquisitions have been made to enter new markets: Corky's in south California, Eastside Exterminators in Seattle, Washington, and Pestokill in the UK.



Entering the UK has been on the radar for Anticimex for many years, since the UK represents a huge and growing pest control market. However, finding the right partner has been a challenge, and it was not until discussions were initiated with Pestokill that both Anticimex and Pestokill felt that they had found the perfect partner. Mr Dave Clements, managing director and founder of Pestokill, started his business as a "man-with-a-van" in 1985, and has since successfully grown and expanded the business, across the UK.

Dave Clements comments: "Arriving at the decision to sell Pestokill has been a long, and not always easy, journey. We are like family at Pestokill, and looking after the staff is very important for me, as founder and managing director. In Anticimex we have found a great partner who we feel will be able to help us develop both business and employees going forward.

Growing the business and doing good for the environment are things that really motivate my team at Pestokill."

Dave Clements

Over the years we have had a lot of success, but we have also felt that we have come close to the limit of what can be achieved in our current platform. Now there is great belief and expectation that we'll be able to expand the business further, also with the great SMART platform which offers exactly the kind of digital and pesticide-free pest prevention that customers in the UK are looking for. Growing the business and doing good for the environment are things that really motivates my team at Pestokill."

Dave Clements concludes: "I'm very excited to take on the role as managing director for the UK, under the Anticimex umbrella, and continue helping solve pest-related problems in an environmentally friendly way, for commercial and residential customers throughout the UK."

>300

**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, fuelled 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 benefitting 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 CO₂-footprint.

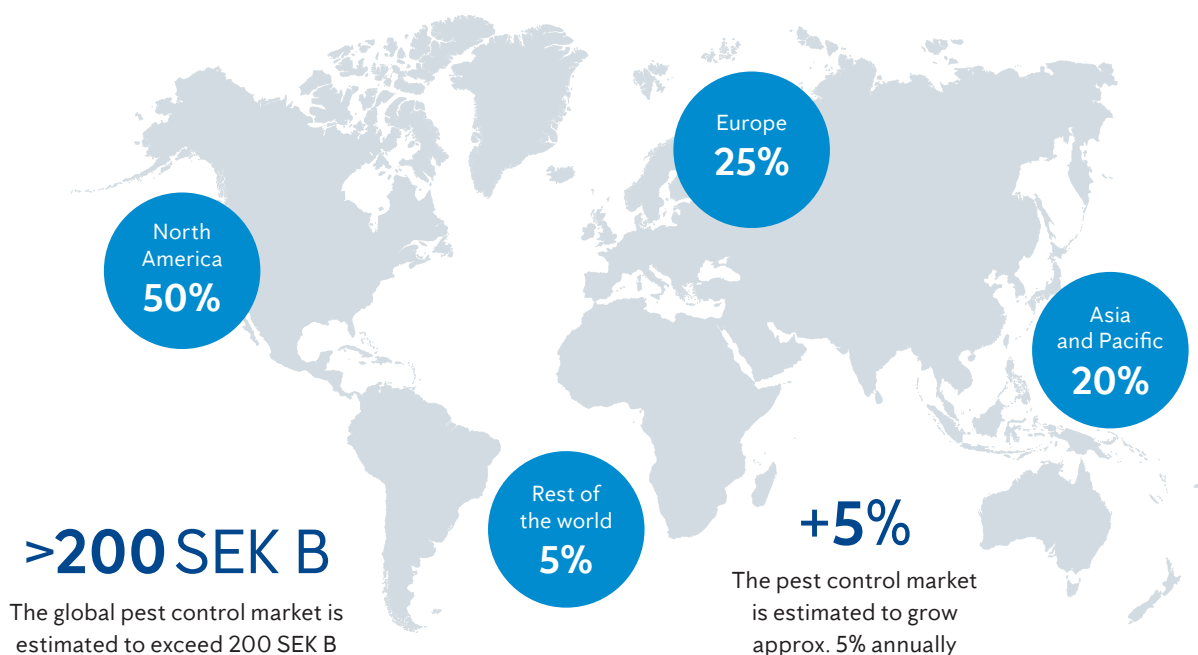
Higher living standards:

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 control¹



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 are able to 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.

Non-cyclical & 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 health-care, protecting property and agriculture, and mitigating hazardous 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.

Global market fragmentation¹



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, control and eliminate pest 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 customers, for example, improved service quality by introducing 24/7 remote monitoring and detection of blind spots where pests may otherwise proliferate unnoticed. SMART alerts the customer of potential pest problems 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's 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.

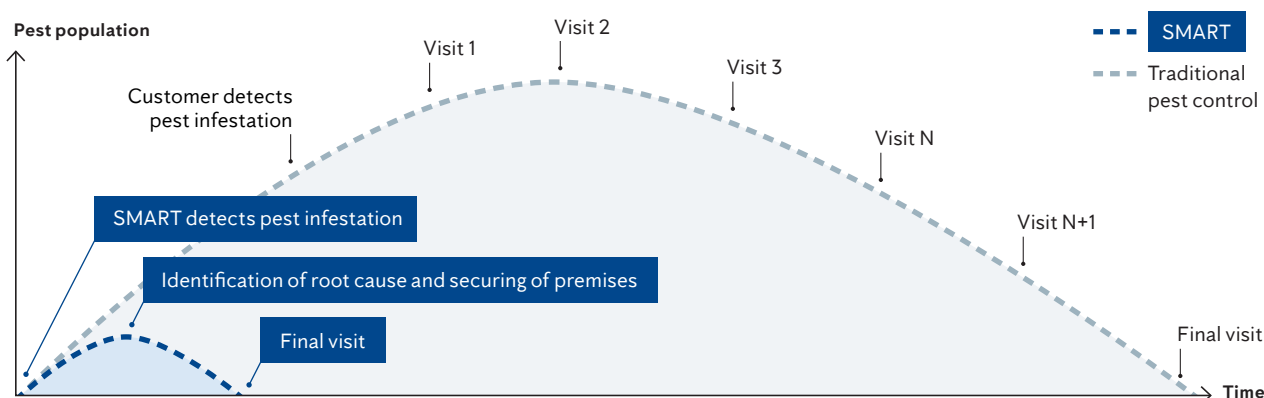
Evolving the offering – Adding more value

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)



SMART City, City of Portland, Maine – A case study



In the spring of 2020 the city of Portland, Maine decided to partner with Anticimex to take a new and more sustainable approach in battling growing pest issues. These issues followed in the wake of a prosperous and growing city with more ongoing construction work and densification of urban areas. The number of restaurants downtown was increasing, and with this came a need to more effectively prevent potential pest infestations in those areas. At the same time city officials were noticing that residents were increasingly doing gardening and composting, which further added to more frequent rodent complaints.

John Emerson, Utilities Coordinator with the City of Portland, comments:

“As pest problems were worsening in residential and commercial areas, we started looking for a partner that could help us handle rodent mitigation in a more effective and sustainable way. With Anticimex’s digital SMART solution we now have an environmentally impact-free solution, which helps us report out progress and status to residents and higher management on a weekly basis. In the past when a resident had placed a rodent complaint, they would often follow that

**With Anticimex’
digital SMART
solution we now have an
environmentally impact-
free solution.”**

John Emerson

up by asking if the mitigating action had been successful. With the old method that typically involved baiting with poison, we could only tell whether the bait was gone or not. With the new digital solutions, we can quantify removals and success rates and let the client know that it is being done in a sustainable and eco-friendly way. This is very important to us.”

Following successful deployment of SMART in Portland, Maine, several additional cities in Maine and Massachusetts have decided to partner with Anticimex and go SMART, for a preventive, effective and sustainable approach to rodent mitigation.

For more information about Anticimex’s SMART City offering, see www.anticimex.com/digitally-enabled-pest-control

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.



Innovation team members in Helsingør, Denmark

Perspectives on innovation

Ulf Eripe, Chief Technology Officer, and Håkan Kjellberg, Chief Biology Officer

What is your view on innovation, and why is it so important for Anticimex?

ULF: "Anticimex has a long and proud history, and innovation has been a common theme throughout our 88 years in business. It has clearly been a key differentiator for us over the past decade. To maintain that position, we should and must continue to leverage our expertise in technology and biology for the benefit of our customers. Simply put; we need to stay persistent and continue to innovate."



Ulf Eripe, Chief Technology Officer

In your view, what are the key factors for successful innovation?

HÅKAN: "Firstly, the starting point must always be the customer's perspective, and asking ourselves: How can we add more value and help solve our customers' problems and challenges? With these challenges in mind, we need to discover new solutions, and deliver those solutions to market, in joint effort with customers and Anticimex colleagues around the world."

Secondly, for Anticimex it is crucial to excel at the intersection of technology and biology/entomology. Our successful digital SMART solutions couldn't be developed without leveraging our expertise in the fields of biology and entomology. These are areas where we have built deep and widespread expertise across the company during many years. By using this expertise, matched with our technology know-how, we can continuously offer new state-of-the-art solutions under the SMART umbrella.

And last, but not least, it is very important for us to have excellent cross-company collaboration between different units and functions. This is how we can share ideas and get input for new solutions, and also enable swift and effective deployment of new solutions worldwide."

How do you look upon the role of Advanced Analytics such as Big-data and AI, going forward?

ULF: "Advanced Analytics will play a key role in the SMART Ecosystem going forward, with new digital products based on data and analytics bringing valuable 'insights' to

customers and operations, creating an improved customer experience and more efficient operations."

Today, we are experimenting and rapidly building knowledge around how we can use the massive amounts of data that we collect in ongoing customer engagements. We are learning that data, which is collected, analyzed and used the correct way, can predict pest issues, and prevent infestations, before they ever happen. There are of course huge benefits with this from a sustainability and economical point of view; for companies, individuals and society at large. To give an example, by analyzing data, we could during the Covid lockdowns see a change in rodent behavior and heavily increased pest activity in the cities when people abandoned the streets; insights that we could use to safeguard our customers from infestations.

Data is important, and it will play an even more important role in the future. I like to say that "We use data instead of poison, fighting pest all around the world."



Håkan Kjellberg, Chief Biology Officer

What are your main priorities for the next 1-3 years?

HÅKAN: "Anticimex has held the position as tech leader for more than 10 years. We are continuously at a high pace increasing the number of SMART installations across the world for new customers, for new pest areas and with increased data granularity and content."

ULF: "In the coming years we will see a convergence towards a connected ecosystem of IoT, digital products, processes and business models giving a best-in-class customer experience using data and insights. By collecting pest- and environmental data from around the world through secure IoT technology and combining it with decades of pest control and biology experience we are on our way to create the first digital real-time representation of the world's pest situation."

HÅKAN: "This will afford us an unparalleled understanding of the pest challenges at hand worldwide, allowing us to use modern analytics technology to understand, prevent but also predict pest problems around the globe, protecting our customers' homes and businesses."

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 survey

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 2022 the eNPS score increased by 6 points to 23, compared with 2021. 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.

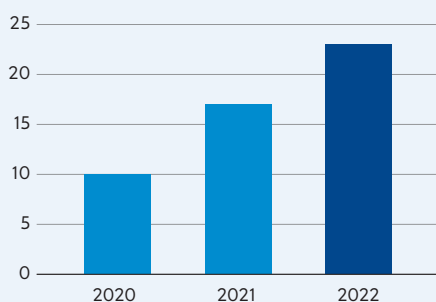
To meet local needs and challenges, organizations develop locally tailored training programs. For example, the Swedish organization offers a 10-module program for all leaders.

“Our success rests on skilled and engaged people, who are willing to walk the extra mile for Anticimex' customers, worldwide.”

Staffan Pehrson, President and CEO

eNPS score

employee Net Promoter Score



>10,000

employees worldwide

Meet our people



Jessica Olsson
Pest Control
Technician,
Malmö, Sweden

"I almost feel like a detective trying to find the clues I need to solve the case"

"I have been in several different roles since joining the company +30 years ago, but I feel that my current job as pest control technician is the perfect match for me. In this job I get to meet a lot of people every day, and this is something I really enjoy. The role has changed a lot over the years, and the greatest change came when we started to harness the full potential of digitalized pest control with SMART. Now I am spending much more time at the first on-site visit, doing a thorough inspection to get a

deeper understanding of the root cause to the customer's problem. I almost feel like a detective trying to find the clues I need to solve the case. Rats are intelligent creatures and to outsmart them you need to be very clever. Using SMART to combat pests means that I receive real-time data in my cell phone about pest movements and catches. The data helps me get much better control of the situation and is the ultimate proof to the customer for a job well done."



Alfonso Millano Pastor
Branch Manager,
Guadalajara, Spain

"Being part of a large company also opens new doors for me in growing my career"

"My job as a branch manager requires many different skills. Every day brings new challenges, and this is one of the reasons why I love my job. Another is the level of freedom I am given in how to operate my branch here in Guadalajara. Empowerment is given, as long as we reach the set targets and KPI's. This is similar to when I ran my father's business ten years ago, before we sold the company to Anticimex. The biggest difference is that now I have 20 branch managers in

Spain to reach out to, and another 200 branch managers across the world, if I should run into a problem. Most likely someone else has already encountered a similar challenge and can give guidance for what can be done. Being part of a great company like Anticimex also allows me to grow my professional career. I am now leading a team looking into certain heat and anoxia treatments, and we are sharing knowledge to colleagues all around the world."



Dr Foo
Entomologist,
Singapore

"With SMART as the vital part of the first line defense we can reduce the use of pesticides dramatically"

"As entomologist there are basically two paths you can take, either you stay in the academic world, or you take the commercial path. When I finished my PhD, I joined the pest control industry, and I then came to Anticimex six years ago via an acquisition. I now train and teach technicians on how to handle pest infestations from an entomology perspective, and I have also overseen the SMART roll out here in Singapore. Some years ago, without having monitoring tools, the industry used chemicals almost blind-

ly, meaning that there was a lot of unnecessary spraying. With SMART as the vital part of the first line defense we can reduce the use of pesticides dramatically. By doing so we use all resources more cautiously and the reduction of chemicals will have a great contribution to a more biodiverse local society. For me, being part of that movement is really rewarding and it confirms that I have chosen the right career path."

Meet our people



Luke Hull
Regional Sales Manager,
Melbourne, Australia

"I have adopted a model built around showing the customer a proof of concept rather than selling them a full solution"

"To be honest, I never thought I would be doing a career in selling pest control services. My background was in the sport industry and when I joined Anticimex two years ago I started as a customer development manager. At that time a lot of focus was around SMART, and I got excited and realized that digitalized pest control must be the future for the whole industry. I spent a lot of time learning how SMART worked from the ground up and enjoyed the trainings with local leaders and the SMART team in Stockholm. I have adopted a model built around

showing the customer a proof of concept rather than selling them a full solution with a lot of technical equipment, and I have realized that this is far more successful. My bet has always been that people trust the data when they see proof in front of them. Therefore, I spend a lot of my time pulling out relevant reports from the database and keep the customers updated on what has been accomplished. It creates customer engagement, shows the value of what we are doing and to me that is what sales is all about."



Fran Bautista
Platform President,
Southern California, US

"I am a people's person and for me the daily interaction with my staff and customers has always been top priority"

"After being in the industry +20 years in leadership roles, I like to believe I know all the aspects of the pest control business here in Southern California. I am a people's person and for me the daily interaction with my staff and customers has always been top priority. When the owner of Corky's decided to sell his business to Anticimex in 2022 I did not really know what to expect. A year later I can conclude that it has been really rewarding. Being part of a global group of course demands some more reporting, but a huge number of new doors have also opened. For example, I have joined a

global general management meeting in London and a US Branch Manager meeting in Denver. Both were unique opportunities for me to learn and share best practices with peers who face similar management challenges as myself. The great level of trust and empowerment given to the local platform and country presidents is amazing, yet targets are very demanding. The combination of being an entrepreneur with full responsibility for your business and having access to a rich source of know-how via peers in US and overseas, is truly the best of two worlds to me."



Doychin Dimitrov
Backend Developer,
Helsingør, Denmark

"What caught my interest back then, and still matters the most to me, is that I am in the very center of product development"

"I have a Master of Computer Science and used to work with web development before I joined Anticimex in 2017. What caught my interest back then, and still matters the most to me, is that I am working at the very core of product development. We in the R&D team are not only following specifications and implementing requirements, but we have a lot of room to be creative and decide upon how to develop the hardware

and software for products that meet the needs of our customers worldwide. Today, with greater focus on sustainability and reduction of pesticides it feels really rewarding to be part of the team developing the SMART portfolio, which is instrumental in that transition. I feel that my job brings a clear purpose, and for me that makes up the difference between having a good job or a great job."



Anticimex

29

ol company

Anticimex

Long Life

Anticimex

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% 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 pest poses another challenge to biodiversity. If over-used or misused it risks spreading into fresh-water, 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 pest 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 are contaminating 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

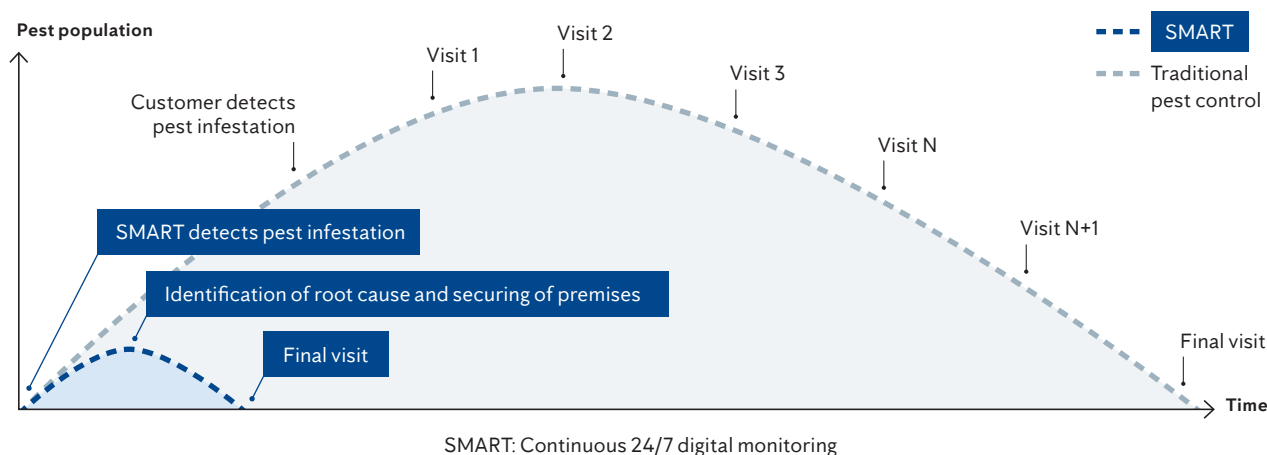
cased egg sac – ootheca – containing up to 35–40 small cockroaches, called nymphs. Early detection is critically important, since it circumvents excessive usage of pesticides, equipment and other resources – and minimizes damage and contamination caused by the various pests.

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 premise 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)



Conducting business sustainably

In addition to the above-mentioned environmental impact areas, Anticimex' sustainability strategy also encompasses approaches to minimize CO₂ 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 stays

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.

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

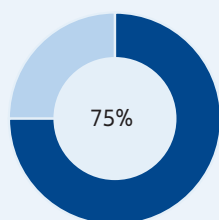
More efficient biocide usage

To further validate that Anticimex' pest control methodology enables more efficient use of biocides, a risk framework is being developed to ensure a shift to less harmful biocides over time.

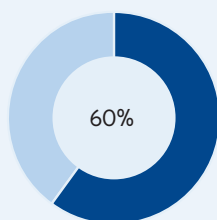


Infectious diseases

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.

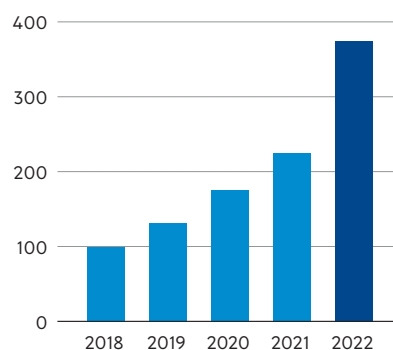
Source: US Center for Disease Control and Prevention

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 reactive to proactive and preventive.

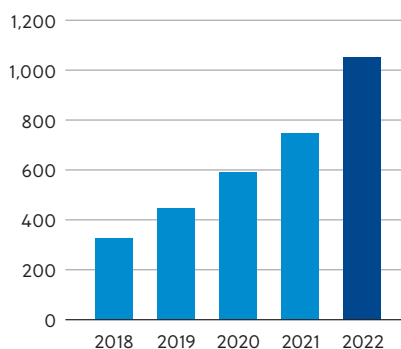
Installed SMART devices

Thousands



Annualized SMART portfolio

SEK million



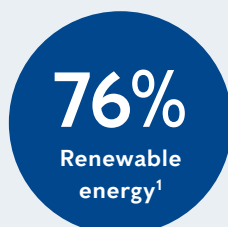
Conducting business sustainably



ENVIRONMENTAL

As a route based service business, we constantly strive to improve our CO₂e emissions. We continuously strive to optimize routes. Zero and low emission vehicles are becoming a greater part of our vehicle fleet.

During 2022 Anticimex committed to the Science Based Target initiative and submitted targets.



GHG Scope 1:
50,929 ton CO₂e
or 3.8 ton CO₂e per SEK M revenue

GHG Scope 2:
1,012 ton CO₂e
(market based)

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



SOCIAL

With a majority of our more than 10,000 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 branch level – and act on deviations immediately.

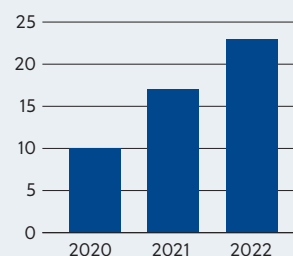
3.2

Injuries per 100 FTEs¹

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

eNPS score

employee Net Promoter Score



1) Injuries that result in an employee not being able to perform his/her regular job within at least 24 hours.



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 implemented an anonymous SpeakUp Line with direct communication to the CEO.



THE GLOBAL GOALS
For Sustainable Development



Sustainability

– risks and management

		 Environment – chemicals	
Description of area of sustainability		Working with pest control, biocides are needed. Some biocides can be harmful to animals and can have a negative impact on the environment.	
Main risks		• Environmental biocide contamination at a customer site or in Anticimex' warehouse. • Inefficient use of biocides. • Inadequate handling of batteries and SMART hardware.	
Mitigation	Steering	• Compliance with national and multinational training regulation. • Additional continuous training for technicians, particularly for handling SMART hardware. • Continuous follow-up of SMART KPIs. • All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line). • Mitigation is part of business plan process.	
	Anticimex's sustainability goals and outcome	Protecting biodiversity • SMART revenue growth 2022 was 42 percent. • SMART installed base on 31 Dec 2022 was 375 thousand installed units.	
	Designated UN goal relevant for Anticimex	  	
	Link to strategy	Development and spreading of the SMART concept is a key pillar in Anticimex' strategy.	

1) The Anticimex Code of Conduct contains policies on, for example, environment and anti-corruption.

2) Calculation for baseline year 2021 as part of SBTi baselining and target setting.

	 Environment – climate	 Employee and social conditions
	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).	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.
	• Inadequate route planning increases carbon dioxide emissions.	• Discrimination in the workplace. • Unfair treatment at workplace.
	• Continuous follow-up of KPIs measuring efficiency of route planning. • All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line). • Mitigation is part of business plan process.	• Employee satisfaction survey mandatory on yearly basis for all countries. • Continuous follow-up of relevant KPIs. • All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line). • Mitigation is part of business plan process.
	Improving carbon dioxide emissions efficiency • GHG scope 1 emissions were 50,929 ton CO₂e (3.8 ton CO₂e per SEK million revenue) in 2022. • GHG scope 2 emissions were 2,487 ton CO₂e (location based) in 2022. • GHG scope 3 emissions for 2021 were 109,434 ton CO₂e.²	Promoting a diverse and inclusive workplace • Employee Net Promotor Score, eNPS 2022 was 23, compared to last year 17.
		 
	Optimizing route planning is key to achieving the quality and efficiency needed to reach growth and profitability goals.	Decentralized model securing employees' direct contact with decision makers impacting their everyday.

Sustainability

– risks and management

		 Health and safety	
Description of area of sustainability		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.	
Main risks		• Work injuries from biocide handling or fumigation. • Accidents in specific services (e.g. height related), traffic or other work situations.	
Mitigation	Steering	• All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line). • Anticimex offers mandatory systematically preventive training for all relevant employees in safe working practice at branch level.	
	Anticimex's sustainability goals and outcome	Promoting a safe & healthy workplace • Aggregated Group incidents² per 100 employees was 3.2.	
	Designated UN goal relevant for Anticimex		
	Link to strategy	Decentralized model securing employees get most suitable safety training at their local market.	

1) The Anticimex Code of Conduct contains policies on, for example, environment and anti-corruption.

2) Incidents that result in an employee not being able to perform his or her job in the next 24 hours.

	 Anti-corruption	 Human rights
	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.	Anticimex has an obligation to respect human rights.
	• Employees engaging in bribery, criminal acts or other forms of corruption.	• Risks for human rights violations 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's requirement of employees to sign company's Code of Conduct is deemed sufficient.
	• Risk assessment for instances of corruption is part of acquisition due diligence process. • All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line). • For all acquisitions considerable AML analysis is conducted to assess the financial performance, risk management practices, and the quality of its assets.	• All employees are asked to sign the Code of Conduct¹ annually. • Internal anonymous reporting channel for Code of Conduct violations (SpeakUp Line).
	• No reported cases of breaches against anti-corruption.	• No reported cases of breaches against human rights.
	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.	Anticimex has always had high demands on human rights issues and sees them as a core element in company values.



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 2022 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, organizations and businesses, primarily within pest control but also building environment in the Nordics and hygiene services.

Change in ownership

The company was registered on November 16 2021, when the shares of Anticimex New TopHolding Group was acquired by EQT Future Fund and institutional investors. Anticimex New TopHolding AB was the consolidating parent before the acquisition, but the change in ownership resulted in the new Anticimex Group being formed and Anticimex Group AB becoming the consolidating parent. Due to the acquisition, the 2021 financial year is covering the period from 16 November to 31 December. Anticimex Group AB performed a new share issue in 2021 to a total amount of SEK 43 billion in connection with the acquisition of the Anticimex New TopHolding Group. This consisted of a new share issue to the amount of SEK 22 billion, and a capitalisation issue to the amount of SEK 21 billion.

Important events

Anticimex established presence in the UK during the year by acquiring Pestokill in the third quarter of 2022. Furthermore, the presence in the United States was strengthened by some significant acquisitions with Corky's Pest Control taking place in Southern California and Eastside Exterminators in Seattle which also formed a new platform in North America.

Revenue

Consolidated revenue amounted to SEK 13,367 million (1,371). The covid-19 pandemic has resulted in the launching of disinfection services on some markets which has had a positive impact on the Group's total revenues during 2022, however, less so than in previous years due to a decline in these services.

Earnings

Operating profit (EBITA)¹ amounted to SEK 2,689 million (248), representing an operating profit (EBITA)¹ margin of 20.1 percent (18.1). Reported operating profit (EBIT) amounted to SEK 1,746 million (44).

Financial income and expense

Financial net expenses amounted to SEK -1,876 million (-174). See note 13 and 14 for further information.

Profit/loss before tax

Profit/loss before tax amounted to SEK -131 million (-129), representing a margin of -1.0 percent (-9.4). If excluding exchange rate effects, the corresponding amount would have been SEK 97 million (-149).

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

Total tax cost for the year amounted to SEK -396 million (63). Please see note 15 for further information. Consolidated profit/loss for the year amounted to SEK -527 million (-66). Total comprehensive income amounted to SEK 3,529 million (835).

Financial position, liquidity and financing

Consolidated equity amounted to SEK 47,572 (43,971) million at year-end. Consolidated cash and cash equivalents amounted to SEK 2,171 (1,592) million.

Current approved bank facilities amounted to SEK 31,451 (27,050) million. Out of these, SEK 2,992 (4,354) million were unutilised by the end of the year which includes available bank overdraft facilities of SEK 449 (353) million.

Acquisitions

Anticimex made a total of 47 acquisitions during the year. Total purchase price amounted to SEK 3,362 million (49,524), with a net cash flow effect of SEK 3,161 million (26,469). The most significant impact came from the acquisition of Corky's Pest Control by Anticimex Inc. Further information regarding acquisitions in 2022 is provided in Note 32.

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

Acquisitions 2022¹

SEK million	Consolidated from	Acquired share ² , %	Acquired revenue	Purchase price ³	Acquisition-related intangibles	Goodwill
Corky's Pest Control	July 2022	100%	91	821	165	662
Pestokill	September 2022	100%	45	252	52	166
Cavaunaugh's Pest Control	September 2022	100%	14	173	37	147
Preventive Pest Control	September 2022	100%	34	243	49	197
Eastside Exterminators	October 2022	100%	24	324	64	257
Other acquisitions	-	-	312	1,549	183	1,640
Total acquisitions			520	3,362	551	3,068

1) Purchase price allocation is preliminary.

2) Refers to votes in connection with the acquisition of shares. For asset deals, voting rights are not stated.

3) Refers to expected paid purchase price including deferred consideration.

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 complete description of these risks can be found separately from the legal Annual Report in the Risk management section, see pages 109-113. 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 2022, the average number of employees was 10,210 (9,375). As of December 2022, 26 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

47,6 percent (47,8) 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 52,4 percent (52,1) is owned by institutional investors (47,1) and employees and senior executives (5,3 percent).

EQT is a leading Nordic private equity group based in Sweden with approximately EUR 113 billion in assets under management across 47 active funds. EQT's

strategy is to support and develop Anticimex's growth-oriented strategy.

Events after the end of the financial year

After the end of the financial year another four acquisitions have been made (Euskal Falcon in Spain, Eco-Choice Termite & Pest Control in the US, Elbe-Weser-SBK in Germany and Southeastern Termite and Pest in the US. The total purchase price amounts to SEK 139 million with an estimated annual revenue of approximately SEK 65 million and corresponding operating profit (EBIT) at SEK 15 million. None of these acquisitions are deemed to have a significant effect on the Group's financial statements.

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 2022 Sustainability Report will be published in connection with the Annual Report and can be found in "Anticimex Annual Review 2022" on pages 22-28 and at 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	42,988,926,918
Loss for the year	-25,914,650
Total	42,963,012,268

The Board's proposed disposition of earnings (SEK):

To be carried forward	42,963,012,268
Total	42,963,012,268

Financial statements

Consolidated statement of comprehensive income

SEK million	Note	1 Jan– 31 Dec 2022	16 Nov– 31 Dec 2021	Proforma ² 1 Jan– 31 Dec 2021
Net sales	6	13,345	1,368	10,216
Other operating income	6	22	3	47
Total revenue		13,367	1,371	10,263
Raw materials and consumables		-862	-83	-669
Employee benefit expenses	8	-6,083	-643	-4,752
Depreciation and impairment of non-acquisition related non-current assets	16, 17, 18	-647	-74	-524
Other external costs	9, 10, 11	-3,086	-322	-2,264
Operating profit (EBITA)¹		2,689	248	2,054
Amortization of acquisition-related intangible assets	12	-838	-81	-425
Acquisition-related costs	12	-63	-123	-385
Items affecting comparability	12	-42	-	-
Operating profit (EBIT)		1,746	44	1,244
Financial income	13	760	21	124
Financial expenses	14	-2,637	-195	-919
Profit/loss before tax		-131	-129	450
Tax	15	-396	63	-128
Profit/loss for the year		-527	-66	321
<i>Profit/loss for the year attributable to:</i>				
Shareholders of the Parent company		-527	-66	-
Non-controlling interests		-	-	-
		-527	-66	-

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

2) Proforma is made up of consolidated numbers for Anticimex New TopHolding Group until 16 November 2021, and acquisitions in the period 16 November – 31 December 2021 is included from their date of acquisition.

Consolidated statement of comprehensive income, cont.

SEK million	1 Jan– 31 Dec 2022	16 Nov– 31 Dec 2021
Other comprehensive income		
<i>Components not to be reclassified to profit or loss</i>		
Actuarial gains/losses	50	-4
Tax related to components not to be reclassified	-10	-2
<i>Components that can be reclassified to profit or loss</i>		
Translation differences from translation of foreign operations	3,920	983
Cash flow hedges, change in fair value during the year	638	29
Hedge of net investments in subsidiaries	-519	-127
Tax related to components that can be reclassified	-23	22
Total other comprehensive income for the year, net after tax	4,056	901
Total comprehensive income for the year	3,529	835
<i>Total comprehensive income for the year attributable to:</i>		
Parent company	3,529	835
Non-controlling interests	-	-
	3,529	835

Consolidated statement of financial position

SEK million	Note	31 December 2022	31 December 2021
ASSETS			
Non-current assets			
Goodwill	16, 32	62,188	54,061
Trademarks	16, 17	6,799	6,786
Customer relationships	17, 32	7,478	7,160
Other intangible assets	17	569	606
Property, plant and equipment	18	722	575
Right-of-use assets	26	939	723
Deferred tax assets	15	171	253
Other financial assets	19	1,669	1,038
Total non-current assets		80,535	71,203
Current assets			
Inventory	20	617	298
Accounts receivable	21	1,465	1,167
Prepaid expenses and accrued income	21, 22	244	196
Other receivables		449	388
Cash and cash equivalents	23	2,171	1,592
Total current assets		4,946	3,640
TOTAL ASSETS		85,481	74,843

Consolidated statement of financial position

SEK million	Not	31 December 2022	31 December 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	24	434	434
Other paid-in capital		42,757	42,702
Reserves		4,923	907
Profit or loss brought forward		-543	-72
Total equity		47,572	43,971
Non-current liabilities			
Financial liabilities	25, 26	28,451	22,756
Provision for pensions	27	127	161
Other provisions	28	304	312
Deferred tax liabilities	15	3,336	2,897
Total non-current liabilities		32,218	26,126
Current liabilities			
Trade payables		447	391
Financial liabilities	25, 26	1,252	960
Current tax liabilities		135	150
Other provisions	28	616	499
Accrued expenses and deferred income	21, 29	2,817	2,409
Other liabilities		424	337
Total current liabilities		5,691	4,746
Total liabilities		37,909	30,872
TOTAL EQUITY AND LIABILITIES		85,481	74,843

Statement of changes in consolidated equity

SEK million	Attributable to owners of the Parent Company					Total
	Share capital	Other paid-in capital	Hedging reserve	Translation reserve	Profit/loss brought forward	
Opening balance, 16 November 2021	-	-	-	-	-	-
Change in equity 16 November 2021 - 31 December 2021						
Profit/loss for the year	-	-	-	-	-66	-66
Other comprehensive income						
Cash flow hedges, changes in fair value during the year	-	-	29	-	-	29
Translation differences relating to foreign operations	-	-	-	983	-	983
Actuarial gains/losses	-	-	-	-	-4	-4
Hedge of net investment in subsidiaries	-	-	-127	-	-	-127
Tax attributable to components relating to other comprehensive income	-	-	22	-	-2	20
Total comprehensive income for the year	-	-	-76	983	-72	835
Transactions with owners						
New share issue	-	22,023	-	-	-	22,023
Issue in kind	434	20,967	-	-	-	21,401
Costs for raising capital	-	-288	-	-	-	-288
Closing balance, 31 December 2021	434	42,702	-76	983	-72	43,971

Statement of changes in consolidated equity

SEK million	Attributable to owners of the Parent Company					Total
	Share capital	Other paid-in capital	Hedging reserve	Translation reserve	Profit/loss brought forward	
Opening balance, 1 January 2022	434	42,702	-76	983	-72	43,971
Change in equity 1 January 2022 - 31 December 2022						
Profit/loss for the year	-	-	-	-	-527	-527
Other comprehensive income						
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
Total comprehensive income for the year	-	-	97	3,920	-487	3,529
Transactions with owners						
Share based incentive program	-	-	-	-	16	16
Costs for raising capital ¹	-	56	-	-	-	56
Closing balance, 31 December 2022	434	42,757	21	4,903	-543	47,572

1) Due to the new share issue taking place at the end of 2021, capital raising costs accounted for included an estimation as not all costs had been finalised at the time of completing the annual accounts. During 2022, the costs were finalised and the costs for raising capital adjusted accordingly.

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 recognized relating to the effective component of cash flow hedges through interest rate swaps and the effective component of hedges of net investment in foreign operations. Hedge accounting of the interest rate swaps' accumulated gains or losses is recognized 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 recognized as financial expenses. No inefficiency from hedging instruments is

recognized in profit or loss. Since hedging of net investment in foreign operations is assessed as effective, no effects are recognized in profit or loss.

Translation reserve

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

Consolidated statement of cash flows

SEK million	Note	1 Jan – 31 Dec 2022 ¹
Operating activities		
Operating profit (EBIT)		1,746
Adjustment for non-cash items:		
Reverse depreciation, amortization and write-downs	16,17,18	1,487
Gain/loss from sale of non-current assets		-19
Interest paid		-1,464
Interest received		38
Other financial items		-216
Taxes paid		-258
Total cash flow from operating activities before changes in working capital		1,314
Changes in working capital		
Increase/decrease in trade receivables and other receivables		-284
Increase/decrease in inventory		-305
Increase/decrease in trade payables and other liabilities		309
Increase/decrease in other provisions		47
Total change in working capital		-233
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES		1,081
Investing activities		
Acquisition of intangible assets	17	-76
Purchase of property, plant and equipment	18	-287
Acquisition of subsidiaries and operations	32	-3,164
Sale of property, plant and equipment	18	39
Acquisition/divestment of financial assets		-2
Total cash flow from investing activities		-3,490
Financing activities		
Borrowings	25	6,680
Repayment of loans	25	-3,765
Capital raising costs paid		-104
Total cash flow from financing activities		2,812
CHANGE IN CASH AND CASH EQUIVALENTS		402
Cash and cash equivalents at the beginning of the year		1,592
Exchange differences in cash and cash equivalents		177
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	21	2,171

1) According to the Annual Accounts Act, a cash flow analysis must be prepared when certain size requirements regarding, among other things, revenue and assets are achieved two years in a row based on certified balance sheets and income statements. As the cash flow is an important part of understanding the development in Anticimex, a cash flow analysis has been submitted voluntarily for 2022, however none has been prepared for the comparative period 16 November 2021 to 31 December 2022.

Parent Company income statement

SEK million	Note	1 Jan – 31 Dec 2022	11 May – 31 Dec 2021
Operating income			
Other operating income	6	27	-
Total operating income		27	-
Operating expenses			
Employee benefit expenses	8	-57	0
Other external costs	10,11	-5	0
Total operating expenses		-62	0
Operating profit (EBITA)¹		-35	0
Items affecting comparability	12	-6	-
Operating Profit (EBIT)		-41	0
Profit/loss from financial items			
Financial income	13	-	-
Other financial charges	14	0	0
Profit/loss after financial items		-41	0
Group contribution received		15	-
Tax	15	-	-
Profit/loss of the year		-26	0

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

Parent Company statement of comprehensive income

SEK million	1 Jan – 31 Dec 2022	11 May – 31 Dec 2021
Profit/loss for the year	-26	0
Other comprehensive income	-	-
Total comprehensive income for the year, net after tax	-	-
Total comprehensive income for the year	-26	0

Parent Company balance sheet

SEK million	Note	31 December 2022	31 December 2021
ASSETS			
Financial assets			
Participations in Group companies	33	43,424	43,424
Other financial assets	19	15	0
Total financial assets		43,439	43,424
Current assets			
Receivables from Group companies		23	-
Prepaid expenses and accrued income	22	1	0
Other receivables		0	0
Cash and bank balances	23	1	0
Total current assets		25	1
TOTAL ASSETS		43,464	43,424
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	24	434	434
Total restricted equity		434	434
Unrestricted equity			
Premium reserve	24	42,989	42,989
Profit/loss brought forward		0	-
Profit/loss for the year		-26	0
Total unrestricted equity		42,963	42,989
Total equity		43,397	43,423
Non-current liabilities			
Provision for pensions	27	15	0
Total non-current liabilities		15	0
Current liabilities			
Liabilities to Group companies		27	1
Trade payables		0	-
Accrued expenses and deferred income	31	18	0
Other liabilities		7	0
Total current liabilities		52	1
TOTAL EQUITY AND LIABILITIES		43,464	43,424

Changes in Parent Company equity

SEK million	Note	Restricted equity	Unrestricted equity		Total equity
		Share capital	Share premium reserve	Profit/loss brought forward	
Opening balance, 11 May 2021		-	-	-	-
Changes in equity, 11 May – 31 December 2021					
Profit/loss of the year		-	-	0	0
Total comprehensive income for the year		-	-	0	0
New share issue		0	22,023	-	22,023
Issue in kind		434	20,967	-	21,401
Closing balance, 31 December 2021		434	42,989	0	43,423
Opening balance, 1 January 2022		434	42,989	0	43,423
Changes in equity, 1 January 2022– 31 December 2022					0
Profit/loss of the year		-	-	-26	-26
Total comprehensive income for the year		0	0	-26	-26
Closing balance, 31 December 2022		434	42,989	-26 313	43 397

Parent Company statement of cash flow

SEK million	Note	1 Jan – 31 Dec 2022 ¹
Operating activities		
Operating profit/loss		-35
Other financial charges		0
Total cash flow from operating activities before change in working capital		-35
Changes in working capital		
Increase/decrease in trade and other receivables		-30
Increase/decrease in trade payables and other liabilities		66
Total changes in working capital		36
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES		1
CHANGE IN CASH AND CASH EQUIVALENTS		1
Cash and cash equivalents at the beginning of the year		0
CASH AND CASH EQUIVALENTS AT YEAR END	23	1

1) According to the Annual Accounts Act, a cash flow analysis must be prepared when certain size requirements regarding, among other things, revenue and assets are achieved two years in a row based on certified balance sheets and income statements. As the cash flow is an important part of understanding the development in Anticimex, a cash flow analysis has been submitted voluntarily for 2022, however none has been prepared for the comparative period 11 May 2021 to 31 December 2022.

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 2022

None of the published standards and interpretations that are mandatory for the Group during the financial year 2022 have any impact on the Group's financial reports.

New and amended standards and interpretations that are not yet effective

The new or amended standards and interpretations that have been issued but are not yet effective for financial years beginning on or after 1 January 2022 have not yet been applied by the Group. Described below are those standards expected to have impact on the consolidated financial statements in the period they are applied for the first time.

Introduction of IFRS 17 Insurance contracts

Anticimex Group AB owns the subsidiary Anticimex Försäkring AB, which conducts insurance operations. Through this, IFRS 17 Insurance Contracts ("IFRS 17") becomes applicable to the group from 1 January 2023. When IFRS 17 comes into force, the temporary standard for insurance contracts, IFRS 4, ceases to apply at the same time. This means that the annual report for 2023 will contain comparative figures for 2022, prepared according to IFRS 17. During the transition, the company will recalculate the opening balances as of January 1, 2022 through a complete retrospective application of the new rules.

IFRS17 also entails new rules regarding presentation and disclosure requirements. As the company will apply the simplified model (Premium Allocation Approach "PAA"), the extended disclosure requirements are limited in scope, but a number of supplementary notes and information will be introduced in the annual report for 2023. Some changes will also take 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 their own lines in the income statement. It also means that insurance assets and insurance liabilities are broken out and presented on their own lines in the balance sheet.

The most significant changes to the accounting today are:

- IFRS17 involves a new valuation model where a simplified model (PAA) can be applied to contracts that are no longer than one year or where the group can demonstrate that there is no material difference to the main model (General Model Method "GMM") prescribed in the standard. According to IFRS 17, a company can use a simplified valuation model, so-called Premium Allocation Approach (PAA) under certain conditions. According to paragraph 53 of IFRS 17, PAA can be applied if the term 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 simplification method PAA is allowed to be used according

Note 2 cont.

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 that run over 5 and 10 years. In order to investigate whether there is a material difference between PAA and GMM, the company annually conducts a so-called "Eligibility test". Conducted eligibility test shows that the company can apply PAA to the entire insurance business as the use of a simplified model is not judged to deviate materially from a main model.

- The basic requirement in IFRS 17 is that if there is a time value in actuarial liabilities, discounting must take place and be calculated. However, the discounting does not need to be reported if the amounts are immaterial. Discounting does not need to be done for 1-year contracts. The company's calculations show that discounting will take place for certain reserves. The discounting for the opening balance amounts to SEK 4 million.
- 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. Under the PAA, in accordance with the IFRS17 regulations, these will be written off and earned linearly over time. Acquisition costs for other contracts are expensed as they arise.

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

- Insurance technical 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.

As mentioned above, the presentation in the group's financial accounts and certain information have changed. When the 2022 accounts are calculated according to this standard, the following accounts will change as follows:

SEK million	Presented accounts 2022	2022 accounts restated according to IFRS 17
Revenue	13,367	13,357
Operating profit (EBITA) ¹⁾	2,689	2,689
Financial net	-1,876	-1,848
This year's results	-527	-505
Assets	85,481	85,224
Equity	47,572	47,564
Liabilities	37,909	38,158
<i>of which technical liabilities</i>	<i>843</i>	<i>920</i>

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

A full presentation of the transition will take place in connection with the group's annual report in 2023.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity 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 recognized in profit or loss when they arise.

Deferred considerations, as well as any acquisition-related option liabilities, are valued based on 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 recognized 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 recognized as goodwill in the statement of financial position. If the difference is negative this is recognized 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 recognized 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

Note 2 cont.

sales. Revenue is recognized 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 recognized linear over the contract period corresponding to the obligation, as the customer is considered receiving and consuming the benefit of the services simultaneously. Hence, control is considered transferred over time.

For contracts without the guarantee component, revenues are recognized 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 recognized 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 recognized in the statement of financial position as other provisions and deferred income. Expected losses on service and insurance contracts are recognized immediately as an expense.

Sale of goods

Revenue from sale of goods is recognized 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 has the significant risks and rewards related to the ownership of the asset.
- The customer has accepted the asset.

Interest income

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

Acquisition-related costs

Anticimex recognizes 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. Transactions costs can be for completed and not completed acquisitions. Deferred considerations, as well as any acquisition-related option liabilities, are valued based on 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 costs 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 recognized 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 gener-

Note 2 cont.

ally 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 recognize 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 amortization 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 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.

	1 Jan – 31 December 2022		16 Nov– 31 Dec 2021	
	Closing rate	Average rate	Closing rate	Average rate
AUD	7.09	7.01	6.56	6.43
CHF	11.29	10.59	9.85	9.36
DKK	1.50	1.43	1.38	1.38
EUR	11.13	10.63	10.23	10.12
MYR	2.37	2.30	2.16	2.06
NOK	1.06	1.05	1.03	1.00
NZD	6.62	6.41	6.17	6.06
SGD	7.77	7.37	6.68	6.37
USD	10.44	10.12	9.04	8.56
GBP	12.58	12.47	-	-

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 per cent. 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 taken.

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 obliga-

Note 2 cont.

tions. 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. Any deviations that the review gives rise to, for example due to an employees 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 recognized in profit or loss except where the underlying transaction is recognized in other comprehensive income or directly in equity whereby the accompanying tax effect is also recognized 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 recognized 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 recognized 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 substantively 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 recognized 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 on the disposal or sale of property, plant and equipment is recognized in profit or loss.

Intangible assets

Goodwill and trademarks

Goodwill and trademarks are recognized 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 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 recognized at cost with deduction for accumulated amortization and any impairment. Amortization 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

Note 2 cont.

recognized 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 recognized as the sum of the expenditure from the date when the intangible asset first meets the criteria listed above. If an internally generated intangible assets cannot be recognized in the statement of financial position, development costs are recognized 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 amortization and any impairment in the same manner as separately acquired intangible assets.

Intangible assets resulting from acquisitions are recognized 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 recognized at cost with deduction for accumulated amortization and any impairment in the same way as separately acquired intangible assets. When calculating amortization, the following useful lives are applied:

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

Impairment

Impairment is recognized 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 recognized earlier is no longer considered necessary and is recognized in profit or loss. Testing of previous impairment is performed individually.

Inventory

Inventories are recognized 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:

- amortized 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 amortized 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 derecognized from the statement of financial position when the rights in the contract are realized, expire or the Company loses control over them. A financial liability is derecognized 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:

Amortized 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 amortized 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 recognized 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' cash flows 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

Note 2 cont.

Comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from equity to profit or loss and recognized 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 2022, the Group did not hold any financial assets classified in this category.

Fair value through profit or loss

The Group recognizes a loss reserve for expected credit losses on financial assets measured at amortized 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 recognized from initial recognition of the receivables, see note 21 for further details.

Impairment and expected loss

The Group recognizes a loss reserve for expected credit losses on financial assets measured at amortized 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 recognized from initial recognition of the receivables, see note 21 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 intention to settle on a net basis or to realize 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 amortized cost. Since bank deposits are payable on demand, amortized costs correspond to the nominal amount.

Trade receivables

Trade receivables are classified as amortized cost. Trade receivables are recognized 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 have 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 are a reasonable approximation of the loss rates for the accrued income.

Trade payables

Trade payables are classified as "Other liabilities" which means recognition at amortized cost. Trade payables are of short duration, so the liability is recognized 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 amortized cost using the effective interest method. Any differences between the loan amount, net after transaction costs, and repayments or amortizations 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 interest rate swaps and caps, are recognized 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 recognized 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 recognized as liabilities. Derivative instruments with a remaining maturity that exceeds 12 months are classified as non-current liabilities and instruments which 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 recognized in a similar manner as cash flow hedges. Gains or losses attributable to a hedging instrument are recognized 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 recognized in profit or loss. Accumulated gains and losses in the hedging reserve are reclassified at disposal of a foreign entity.

New share issue

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

Provisions

Provisions are recognized 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.

Provisions for insurance contracts

The share of insurance premiums received in respect of existing contracts which are attributable to outstanding risk at the reporting date are recognized as a provision for unearned premiums, among other provisions. Provisions for unearned premiums are usually calculated according to an estimate of expected payments throughout the agreed period of risk.

Adjustments are made to reflect any changes in risk frequency. Provisions for insurance claims are calculated based on estimates of reported claims and estimates of claims incurred but not yet reported.

Estimates of non-reported claims are based on historical statistics. The provision for insurance losses includes a provision for claims management costs.

Reinsurers share of the provisions for insurance contracts are accounted for on the basis of the reinsurers' share of unearned premiums and insurance claims on the basis of the terms of the reinsurance contracts

Liability adequacy test for technical provisions

At each balance sheet date, the Company tests whether the recognized insurance liabilities are adequate, by making current estimates of future cash flow under its insurance contracts. Estimates of future cash flow for claims, profits and direct and indirect claims management costs are used in the test. Any loss is recognized immediately in profit or loss by the relevant provision being increased.

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 recognized 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 recognized as a cost reduction in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

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 cases specified below:

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 recognized 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 recognizes 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 2022.

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.

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 2022, 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 recognized in Other Comprehensive Income.

Net investment hedge

	31 Dec 2022	31 Dec 2021
	EUR*	EUR*
Carrying amount (outstanding long-term borrowings SEK million)	6,404	5,886
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 recognized in OCI, SEK million	-519	-127
Change in value of hedged item used to determine hedge effectiveness, SEK million	519	127
Average rate for the year	10,6	10,1

* 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 below. 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.

	31 Dec 2022		
SEK million	Currency exposure	Equity impact at 5% change Net	Equity impact at 5% change Gross
AUD	7,170	247	359
NOK	2 414	121	121
EUR	11,940	277	597
USD	29,226	742	1,461
Other	3 989	199	199
Total	54,739	1,586	2,737

Note 3 cont.

	31 Dec 2021		
SEK million	Currency exposure	Equity impact at 5% change Net	Equity impact at 5% change Gross
AUD	6,009	197	300
NOK	2,401	120	120
EUR	11,434	277	572
USD	22,451	666	1,123
Other	3,720	186	186
Total	46,014	1,446	2,301

Interest rate risk

Interest rate risk is the risk to be 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 2022, 81 percent (94) of the long-term loans were hedged through interest rate derivatives. The average time to maturity for the hedging instruments was 35 months (41). The average time of hedged interest rates for the long-term loans amounted to 31 months (46), and the weighted average interest rate, including reference interest rates and margin, for the year was 5.55 percent (4.56).

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 98 million (185), broken down as follows:

- SEK: SEK 18 million (35)
- EUR: SEK 55 million (59)
- AUD: SEK 19 million (14)
- USD: SEK 6 million (77)

Financial derivative instruments

The Group uses financial derivative instruments to manage interest rate exposure. The risk is managed by interest rate caps. The interest rate caps limit the floating interest rate so that the interest rate cannot exceed a set interest rate. The instrument is classified as cash flow hedges if considered effective. This type of instrument is never used for speculation purposes.

At 31 December 2022 the nominal amount for outstanding interest rate derivatives amounted to SEK 22,992 million (24,462). The Group's most significant floating interests are linked to STIBOR, EURIBOR, USDLIBOR and BBSY (AUD). Derivative instruments are recognized as financial assets or liabilities.

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

SEK million	31 Dec 2022	31 Dec 2021
Financial assets with fixed interest period		
Within 1 year	355	82
Between 1 and 5 years	502	896
More than 5 years	-	-
Total financial assets	857	979
Financial liabilities with fixed interest period		
Within 1 year	5,801	2,321
Between 1 and 5 years	23,637	21,130
More than 5 years	-	-
Total financial liabilities	29,438	23,451
Of which interest rate caps	22,992	24,462

Note 3 cont.

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 2022 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. The 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 3,719 million as at 31 December 2022 (4,711). The liquidity reserve were above the minimum limit throughout 2022. 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 obtaining 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's creditworthiness and credit capacity. In addition, access to further financing depends on lenders' view of Anticimex's 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 2022, the Group increased its long term debt with USD 200 million and at the end of 2022 the Group had committed credit facilities of SEK 31 451 million (27 050), of which SEK 28 459 million (22 696) were utilised. The average time to debt maturity was 71 months (84).

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

Contractual undiscounted cash flows, Group

31 Dec 2022

SEK million	0–3 months	3–12 months	1–5 years	More than 5 years	Total
Financial assets					
Derivatives	53	155	399	-	607
Financial assets	117	246	538	-	901
Trade receivables	1,465	-	-	-	1,465
Cash and cash equivalents	2,171	-	-	-	2,171
Total financial assets	3,806	401	937	-	5,144
Financial liabilities					
Derivatives	-	-	-	-	-
Bank loans	595	1,837	9,459	30,045	41,936
Lease liabilities	79	240	568	14	901
Deferred considerations	556	192	309	-	1,057
Trade payables	448	-	-	-	448
Total financial liabilities	1,678	2,269	10,336	30,059	44,342

Note 3 cont.

Contractual undiscounted cash flows, Group

31 Dec 2021

SEK million	0–3 months	3–12 months	1–5 years	More than 5 years	Total
Financial assets					
Derivatives	–	–	–	–	–
Financial assets	1	84	817	–	901
Trade receivables	1,167	–	–	–	1,167
Cash and cash equivalents	1,592	–	–	–	1,592
Total financial assets	2,759	84	817	–	3,660
Financial liabilities					
Derivatives	11	11	–	–	21
Bank loans	275	837	4,693	24,250	30,055
Lease liabilities	72	216	482	25	795
Deferred considerations	–	–	872	–	872
Trade payables	391	–	–	–	391
Total financial liabilities	748	1,064	6,046	24,275	32,135

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 2022	31 Dec 2021
Financial assets		
Fair value through profit or loss		
Interest derivatives ¹	23	93
Fair value through Other Comprehensive income		
Interest derivatives ¹	720	-
Amortized cost		
Treasury bills and bonds	857	896
Other long-term receivables	69	49
Trade receivables	1,465	1,167
Cash and cash equivalents	2,171	1,592
Total financial assets	5,305	3,797
Financial liabilities		
Fair value through profit or loss		
Deferred considerations ²	1,057	872
Interest derivatives ¹	-	20
Fair value through Other Comprehensive income		
Used for hedging (Net investment hedging) ¹	6,405	5,886
Other financial liabilities measured at amortized cost		
Trade payables	448	391
Lease liabilities	971	745
Bank loans	21,270	16,181
Total financial liabilities	30,151	24,094

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 amortized cost. Fair value of derivatives (interest rate caps) 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 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 76 169 million (66 677).

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 2022 all terms and conditions were met.

Note 3 cont.

Deferred considerations

SEK million	2022	2021
Opening balance	872	-
Increase through business combinations	621	886
Payments	-493	-38
Revaluations*	-24	-
Translation differences	80	23
Closing balance	1,057	872

*Revaluations recognized 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
Opening balance 16 november 2021	-	-	-
Change in fair value of hedging instrument recognized in OCI	-	-127	-127
Reclassified from OCI to profit or loss	-	-	-
Deferred tax	-	22	22
Closing balance 31 december 2021	-	-105	-105
Change in fair value of hedging instrument recognized in OCI	626	-519	107
Reclassified from OCI to profit or loss	2	-	2
Deferred tax	-128	107	-21
Closing balance 31 december 2022	500	-517	-17

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's 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's 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.

A sensitivity analysis of how a change of 10 percent in the claims incurred affects the result before income taxes and equity in the insurance company is presented in the table below. The sensitivity analysis are calculated based on a full 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
2021	10	-313	20	-27	117	-1	527
2022	10	-366	6	-33	147	-8	572

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 decision 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's 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

Note 5 cont.

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 is 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 2022 the provision for deferred considerations amounts to SEK 1,057 million (872).

Measurement of loss carryforwards

The Group reports deferred tax assets relating to loss carryforwards on 31 December 2022 amounting to SEK 147 million (85). 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 Sweden (see also Note 15).

In addition, the Group had tax loss carryforwards amounting to SEK 2,427 million (3,899) for which no deferred tax asset has been recognized. The reason for not recognising these losses is that the entities are in tax loss making positions.

Accounting of 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 exposures 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 Other provisions.

Leasing

Anticimex' lease agreements are mainly attributable to buildings and vehicles. As of 31 December 2022 they are accounted for as right-of-use assets (included in non-current assets), which amounts to SEK 939 million (723), long-term lease liabilities of SEK 637 million (476) and current lease liabilities of SEK 334 million (269). 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 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 options 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 2022	16 Nov–31 Dec 2021
Contracts	10,054	1,013
Jobs	3,204	339
Product sales and other	110	19
Total revenue	13,367	1,371
<i>Revenue recognition – over time</i>	<i>6,332</i>	<i>639</i>
<i>Revenue recognition – at point in time</i>	<i>5,415</i>	<i>547</i>
<i>Revenue recognition – insurance premiums</i>	<i>1,618</i>	<i>184</i>

* Insurance premiums are not recognized in accordance with IFRS 15.

Insurance premiums earned, net after reinsurance, Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Premiums written	1,709	119
Premiums ceded to reinsurance	-33	0
Change in provision for unearned premiums and unexpired risks	-57	69
Reinsurers share of change in provision for unearned premiums and unexpired risks	-1	-4
Total premiums earned, net after reinsurance	1,618	184

Other operating income, type of revenue, Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Sale of other fixed assets	8	2
Other operating income	14	1
Total other operating income	22	3

Type of revenue, parent company

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Other operating income	27	-
Total other operating income	27	-

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

NOTE 7Revenue by significant geographical market¹

	Total sales from external customers ² 2022	Non-current assets ³ 2022	Total sales from external customers ² 2021	Non-current assets ³ 2021
Sweden	2,863	23,533	335	26,063
USA	5,101	30,432	430	22,611
Australia	1,594	7,639	169	6,463
Other	3,809	17,951	436	15,671
Total Group	13,367	79,555	1,370	70,808
Non-current assets not listed by country ³		983		396
Total non-current assets	13,367	80,538	1,370	71,204

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 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**

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

Average number of employees

	2022		2021	
	Number of employees	of whom men	Number of employees	of whom men
Parent Company				
Sweden	1	1	-	-
Total in Parent Company*	1	1	-	-
Subsidiaries				
Sweden	1,404	982	1,397	955
Finland	150	110	140	105
Norway	379	270	354	256
Denmark	158	108	153	107
Netherlands	178	149	186	152
Germany	383	303	380	299
Belgium	267	211	260	208
Austria	72	57	64	52
Switzerland	76	61	79	64
Spain	578	406	570	401
Italy	473	386	514	420
Portugal	146	117	131	106
France	147	111	129	101
Australia	1,174	709	1,156	665
New Zealand	29	22	37	25
Singapore	494	423	467	398
Malaysia	184	134	174	129
USA	3,503	2,730	2,883	2,261
Colombia	217	157	197	139
Cambodia	94	77	104	87
United Kingdom	103	79	-	-
Total in subsidiaries	10,209	7,602	9,375	6,930
Total in Group	10,210	7,603	9,375	6,930

* The employment of the Group CEO was moved to Anticimex Group AB in February 2022. The average number of employees in the parent company is therefore zero for the period 16 November to 31 December 2021.

Note 8 cont.

Salaries and other remuneration**1 Jan–31 Dec 2022**

SEK thousand	Salaries and other remuneration, Board, MD & VP	Salaries and other remuneration, other employees	Social security costs	of which pension costs
Parent Company				
Sweden	16,099	-	8,714	1,968
Total in Parent Company*	16,099	-	8,714	1,968
Subsidiaries				
Sweden	31,315	671,483	319,765	75,581
Finland	3,381	68,329	13,928	11,418
Norway	2,162	229,800	51,794	10,770
Denmark	4,810	101,846	14,398	11,346
Germany	4,826	166,896	39,040	-
Netherlands	2,307	86,425	21,954	7,091
Belgium	3,222	139,159	30,098	-
Switzerland	3,242	76,559	13,085	5,880
Spain	2,732	167,503	54,308	-
Italy	5,869	160,826	47,789	10,706
Australia	6,613	594,500	88,945	54,916
Singapore	7,182	133,704	18,709	-
US	50,886	1,932,158	163,541	33,845
Other	8,658	200,429	47,790	4,606
Total in subsidiaries	137,205	4,729,617	925,144	226,159
Total in Group	153,304	4,729,617	933,858	228,127

* 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 the former CEO Jarl Dahlfors and 10 months of Staffan Pehrson that joined Anticimex on 7 March 2022.

Note 8 cont.

Salaries and other remuneration

16 Nov–31 Dec 2021

SEK thousand	Salaries and other remuneration, Board, MD & VP	Salaries and other remuneration, other employees	Social security costs	of which pension costs
Parent Company				
Sweden	259	–	33	–
Total in Parent Company*	259	–	33	–
Subsidiaries				
Sweden	5,160	88,055	38,957	9,213
Finland	381	7,868	1,308	1,172
Norway	242	22,929	6,158	1,196
Denmark	608	13,589	1,568	1,422
Germany	335	16,800	4,701	–
Netherlands	320	10,119	2,283	807
Belgium	122	13,878	5,738	–
Switzerland	254	7,166	1,662	267
Spain	837	20,604	7,259	–
Italy	821	18,794	5,342	1,217
Australia	1,440	59,792	8,349	5,352
Singapore	939	8,190	1,139	–
US	4,029	163,329	14,997	1,569
Other	1,361	20,079	5,960	–
Total in subsidiaries	16,845	471,190	105,417	22,214
Total in Group	17,104	471,190	105,450	22,214

* The CEO was employed in Anticimex Group AB in February 2022, therefore remuneration for the CEO in the Parent Company as per for 2021 is zero. CEO's remuneration for full year 2021 is included in Sweden in the above numbers.

Pension costs

Of the Group's total pension costs SEK 8,612 (954) thousand refers to the Group's MD, Board of Directors and other senior executives.

Remuneration to other employees

Remuneration to Board, MD & 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)¹ improvements of the local unit of the employee. The remuneration is paid out in cash after the year it was earned. In 2022 variable remuneration to other employees amounted to SEK 176,559 (19,031) thousand. 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; Operating profit (EBITA)¹ improvement and SMART sales. To qualify for these bonuses, branch targets for Operating profit (EBITA)¹ improvement and Smart sales targets must be met in 3 out of 4 years. The amount earned equals 30% of basic salary and will be accrued annually. In 2022, SEK 15 million plus social charges have been accrued for related to this program.

1) Earnings before interest, tax, amortizations 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 (259) thousand distributed per Chairman and Board member as presented in table below. The Chairman of the Board received salary for the period March through June to support the new CEO in his onboarding, including variable remuneration equal to 100 percent of base salary. Total remuneration paid to the chairman in 2022 was SEK 8 415 thousand including 2 months as CEO, 4 months of onboarding the new CEO and 4 months of Direcots' fees.

Other Board members have not received any 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 6,600 (931) thousand annually. As the CEO joined Anticimex in March he received SEK 5,500 thousand for the period 7 March to 31 December. In addition, the CEO may receive variable compensation maximised to 100 percent of basic salary. During 2022 CEO received the maximum amount for variable compensation of SEK 5,500 (931) thousand. 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 Com-

pany 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 2022, compensation paid to the CEO in the below table relates to Jarl Dahlfors for 2 months and Staffan Pehrson for 10 months. The salary (fixed and variable) received by the Chairman of the Board for onboarding the new CEO between March and June has been reported separately in the Parent company under other senior executives.

Remuneration to Board, CEO and other Senior Executives

SEK thousands	1 Jan–31 Dec 2022				16 Nov–31 Dec 2021			
	Board	CEO	Other senior executives	Total	Board	CEO	Other senior executives	Total
Parent Company								
Basic salary	-	6,129	2,515	8,643	-	-	-	-
Variable compensation	-	6,129	2,515	8,643	-	-	-	-
Other benefits	-	8	30	38	-	-	-	-
Pension costs	-	1,852	754	2,606	-	-	-	-
Directors Fees	2,264	-	-	2,264	259	-	-	259
Total in Parent Company*	2,264	14,177	5,814	22,194	259	-	-	259
Subsidiaries								
Basic salary	-	629	32,352	32,981	-	931	3,249	4,180
Variable compensation	-	629	16,475	17,103	-	931	1,381	2,312
Other benefits	-	8	2,619	2,626	-	11	156	167
Pension costs	-	202	5,804	6,006	-	284	669	954
Directors Fees	180	-	-	180	20	-	-	20
Total in subsidiaries	180	1,467	57,520	58,897	20	2,158	5,455	7,633
Total in Group	2,444	15,583	63,064	81,091	279	2,158	5,455	7,891

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

Note 8 cont.

Other senior executives refers to the 9 (9) people who together with the CEO constituted the Executive Group management in 2022. Out of these, one (one) is a woman.

Other benefits constitute housing for expatriates and car allowance.

Directors' fees, distributed per Chairman and Board member

SEK thousands	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Parent Company		
Jarl Dahlfors	872	-
Alf Göransson	-	-
Dick Seger	265	32
Carl Johan Renström	-	-
Carolina Klint	265	32
Catherine Halligan	143	-
Per Franzén	-	-
Siew Boi Tan	530	65
Gunnar Asp*	189	129
Total in Parent Company	2,264	259
Subsidiaries		
Jan Onselius	180	20
Total in subsidiaries	180	20
Total in Group	2,444	278

* 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.

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

	Number of shares 31 Dec 2022	Number of shares 31 Dec 2021
Jarl Dahlfors, Chairman of the Board	4,849,122	4,921,787
Alf Göransson	-	-
Dick Seger	243,000	243,000
Carl Johan Renström	-	-
Carolina Klint	22,113	22,113
Catherine Halligan	9,303	-
Per Franzén	-	-
Siew Boi Tan	190,000	190,000
Total Board	5,313,538	5,376,900
Staffan Pehrson, CEO	196,831	-
Other senior executives	4,697,313	4,637,802
Total Number of shares	10,207,682	10,014,702

NOTE 9**Government grants****Government grants recognized in the income statement**

SEK million	1 jan–31 Dec 2022	16 Nov–31 Dec 2021
Employee related costs	4	0
Other	22	1
Total	26	1

Received grants for payroll tax, sick pay and other employee related costs has been recognized 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	2022		2021	
	PwC	Other	PwC	Other
PwC				
Audit assignment	-16	-1	-3	0
Whereof Parent Company auditors	-3	-1	-1	-
Audit-related activities in addition to audit assignment	-1	-	0	-
Whereof Parent Company auditors	0	-	0	-
Tax advice	-4	-1	0	-
Whereof Parent Company auditors	-	0	0	-
Other services	0	-5	0	-
Whereof Parent Company auditors	-	0	0	-
Total audit fees and fees for other assignments	-21	-7	-3	0

During 2022, the Parent Company has paid SEK 0 million (1,5) in audit fees.

NOTE 11

Other external costs

Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Claims incurred	-327	-29
Subcontractors	-293	-38
External services	-594	-59
Vehicle expenses	-606	-61
Costs of premises	-149	-15
Other	-1,117	-119
Total other external costs	-3,086	-322

Claims incurred, for own account, Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Claims paid before reinsurers' share	-263	-26
Claims management costs	-17	-2
Reinsurers' share of claims paid	13	0
Change in provision for claims outstanding	-60	-1
Total claims incurred, for own account	-327	-29

Other external costs, Parent company

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Consultancy fees	0	-
Other	-5	-
Total other external costs	-5	-

NOTE 12

Acquisition-related costs and amortizations, and items affecting comparability

Amortization 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.

Note 12 cont.

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Amortization of acquisition-related intangible assets	-838	-81
Acquisition-related cost		
Transaction costs	-47	-120
Restructuring and integration costs	-40	-3
Revaluation of deferred considerations	24	0
Total acquisition-related cost	-63	-123
Items affecting comparability		
Restructuring existing business	0	-
Incentive program	-19	-
Legal claims	-24	-
Other	1	-
Total items affecting comparability	-42	-
Total acquisition-related costs and amortizations, and items affecting comparability	-944	-204

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

The split of amortization 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 2022	16 Nov–31 Dec 2021
Net sales	-	-1
Other operating income	-	-
Total operating income	-	-1
Raw materials and consumables	0	0
Employee benefit expenses	-34	-3
Depreciation, amortization and write downs	10	0
Other external costs	-81	-120
Operating profit (EBITA)¹	-105	-123
Amortization of acquisition-related intangible assets	-839	-81
Operating income (EBIT)	-944	-204
Financial income	-	-
Financial expenses	-	-
Profit/loss before tax	-944	-204
Tax	-	-
Profit/loss for the year	-944	-204

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

The SEK 6 million in 2022 of acquisition-related costs in the parent company consists of consultancy fees.

NOTE 13**Financial income****Group**

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Interest income	39	1
Interest income derivatives	6	-
Exchange gains	708	20
Other financial income	7	-
Total financial income	760	21

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

NOTE 14**Financial expenses****Group**

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Interest expenses, loans	-1,464	-155
Interest expenses, leasing	-39	-3
Interest expenses derivatives	-27	-2
Investment return transferred to the technical account	-13	0
Other financial expenses	-42	-34
Capitalised bank fees	-115	0
Exchange losses	-937	-
Total financial expenses	-2,637	-195

The parent company has SEK 0 million (0) in interest expenses and SEK 0 million (0) in exchange losses.

NOTE 15**Tax****Income tax recognized in profit or loss, Group**

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Current tax cost (-)/income (+)	-229	21
Adjustment of current tax attributable to previous years	-6	-
Deferred tax expense/income relating to temporary differences	-161	42
Total recognized tax income/expense	-396	63

Income tax recognized in profit or loss, Parent Company

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Deferred tax expense/income relating to temporary differences	0	-
Total recognized tax income/expense	0	-

Income tax in Sweden is calculated at 20.6 per cent 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 2022	16 Nov–31 Dec 2021
Tax income/expense for the year	-396	63
Profit/Loss for the year before tax	-131	-129
Tax calculated using Swedish tax rate, 20.6%	27	27
Tax effect of non-deductible expenses	-170	-42
Tax effect of non-taxable income	8	0
Effect of different tax rates in subsidiaries' various jurisdictions	-22	0
Capitalisation of deferred tax assets on previously unrecognized loss carry forwards	26	11
Capitalisation of deferred tax asset on costs for raising capital accounted for in equity	-59	59
Increase/decrease in loss carry forward without corresponding capitalisation of deferred tax	-176	4
Effect of changed tax rate	-1	0
Other	-17	4
Total tax income/expense for the year	-384	63
Adjustment of tax attributable to previous years	-12	-
Recognized tax income/expense for the year	-396	63

Reconciliation of effective tax, Parent Company

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Tax income/expense for the year	0	-
Profit/Loss for the year before tax	-26	-
Tax calculated using Swedish tax rate, 20.6 %	5	-
Non deductible costs	-5	-
Increase/decrease in loss carry forward without corresponding capitalisation of deferred tax	-	-
Recognized tax income/expense for the year	0	-

Effective tax rate in the Group amounted to 303 % (49).

Note 15 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 contingen- cy reserve	Unutilised tax loss carry forwards	Other temporary differ- ences	Total Deferred tax 2022
Opening Balance Deferred Tax Asset 1 Jan 2022	42	55	9	15	47	-	85	0	253
Change due to acquisitions	-	-	-	-	1	-	-	-	1
Recognized in profit and loss	2	-30	-2	-2	-2	-	-52	-	-87
Change reported in Other Compre- hensive Income	-	-	-	-10	-	-	-	-	-10
Exchange rate effect	3	4	1	1	3	-	2	-	14
Closing balance Deferred Tax Asset 31 Dec 2022	47	29	8	4	48	-	35	0	171
Opening Balance Deferred Tax Liability 1 Jan 2022	2,767	42	1	0	62	48	0	-23	2,897
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 / Reclassifications	217	67	-9	-8	-70	-	-270	86	13
Exchange rate effect	72	5	0	0	7	-	-3	1	82
Closing Balance Deferred Tax Liability 31 Dec 2022	3,169	60	-9	-11	7	48	-112	183	3,336
Net Deferred Tax 31 Dec 2022	-3,209	-31	17	15	41	-48	147	-183	-3,164

Note 15 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 contingen- cy reserve	Unutilised tax loss carry forwards	Other temporary differ- ences	Total Deferred tax 2021
Opening Balance Deferred Tax Asset 16 Nov 2021	-	-	-	-	-	-	-	-	-
Change due to acquisitions	43	54	7	14	50	-	8	1	176
Recognized in profit and loss	-1	-	1	-	-3	-	77	-1	72
Change reported in Other Compre- hensive Income	-	-	-	1	-	-	-	-	1
Exchange rate effect	1	1	1	-	0	-	0	1	5
Closing balance Deferred Tax Asset 31 Dec 2021	42	55	9	15	47	0	85	0	253
Opening Balance Deferred Tax Liability 16 Nov 2021	-	-	-	-	-	-	-	-	-
Change due to acquisitions	2,772	39	1	-	58	48	4	-38	2,883
Recognized in profit and loss	-11	1	0	-	-	-	-	13	3
Change reported in Other Compre- hensive Income	-	-	-	-	-	-	-	3	3
Other changes	-	-	-	-	-	0	-	-	0
Exchange rate effect	3	2	0	-	4	0	1	0	9
Closing Balance Deferred Tax Liability 31 Dec 2021	2,763	42	1	-	62	48	4	-23	2,897
Net Deferred Tax 31 Dec 2021	-2,721	13	8	15	-15	-48	81	23	-2,644

Note 15 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 147 million (85). In addition, the Group had tax loss carryforwards amounting to SEK 2,427 million (3,899) for which no deferred tax asset has been recognized. The majority is primarily related to the U.S. operations, where amortizations on acquisition related intangible assets are tax deductible. None of the unrecognized tax loss carryforwards have limitations as to when in time they need to be used.

NOTE 16

Goodwill and trademarks

Group

SEK million	Goodwill	Trademark
Opening accumulated costs 16 Nov 2021	-	-
Business combinations	52,884	6,783
Translation differences	1,176	3
Opening accumulated costs 1 Jan 2022	54,061	6,786
Business combinations	3,068	-
Reclassification	-19	-
Translation differences	5,077	13
Closing accumulated costs 31 Dec 2022	62,188	6,799
Opening accumulated impairment 1 Jan 2022	-	-
Impairment	0	-
Translation differences	0	-
Closing accumulated impairment 31 Dec 2022	0	-
Opening carrying amount, 16 Nov 2021	-	-
Opening carrying amount, 1 Jan 2022	54,061	6,786
Closing carrying amount, 31 Dec 2022	62,188	6,799

On 16th of November 2021, Anticimex New TopHolding Group was acquired by EQT Future Fund. As a consequence, due to change of control, this has resulted in the forming of a new Group. As part of that, a new Purchase Price Allocation has been performed, resulting in substantial fair values related to identifiable intangible assets such as customer relationships, technology and trademarks, along with goodwill.

The trademark recognized 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 amortized.

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 values are listed in the table below.

Note 16 cont.

Specification of goodwill and trademark, Group

SEK million	2022		2021	
	Goodwill	Trademark	Goodwill	Trademark
Sweden	12,981	-	12,756	-
Norway	2,040	-	1,978	-
Denmark	230	-	240	-
Finland	830	-	843	-
United Kingdom	167	-	-	-
Germany	1,777	-	1,571	-
Netherlands	1,032	-	1,054	-
Belgium	1,410	-	1,440	-
Austria	161	-	159	-
Switzerland	732	-	710	-
Italy	2,175	-	1,983	-
Spain	1,822	-	1,765	-
Portugal	392	-	363	-
France	405	-	558	-
Australia	6,793	-	5,739	-
New Zealand	117	-	146	-
Singapore	1,496	-	1,496	-
Malaysia	200	-	282	-
Cambodia	16	-	32	-
USA	27,380	-	20,848	-
Colombia	31	-	100	-
Group/Unallocated	-	6,799	-	6,786
Total carrying amount goodwill	62,188	6,799	54,061	6,786

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 2023 (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 2022 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 as per October 2022.

Assumptions

The multiples used in the calculation of recoverable amount ranges between 11,1 to 29,5 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 and reducing budgeted cash flows with -10 percent. The conducted analysis shows no indication of impairment in either of the cash generating units.

NOTE 17

Other intangible assets

Group

SEK million	Customer relationships	Computer software	Technology	Other	Total
Opening accumulated costs, 16 Nov 2021	-	-	-	-	-
Increase through business combinations	7,109	89	385	135	7,719
Purchases	-	0	-	7	7
Translation differences	125	-5	0	4	124
Opening accumulated costs, 1 Jan 2022	7,235	84	385	146	7,850
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
Closing accumulated costs, 31 Dec 2022	8,360	113	386	190	9,049
Opening accumulated amortization, 16 Nov 2021	-	-	-	-	-
Amortization for the year	-72	-5	-5	-3	-85
Translation differences	-2	3	0	0	1
Opening accumulated amortization, 1 Jan 2022	-74	-2	-5	-3	-84
Increase through business combinations	-	0	-	0	0
Reclassification, sale and disposals	0	-5	-	0	-5
Amortization for the year	-784	-20	-54	-27	-885
Translation differences	-24	0	0	-1	-25
Closing accumulated amortization, 31 Dec 2022	-882	-27	-59	-31	-999
Opening accumulated write down, 1 Jan 2022	-	-	-	-	-
Write downs	-	-3	-	-	-3
Translation differences	-	0	-	-	0
Closing accumulated write down, 31 Dec 2022	-	-3	-	-	-3
Opening carrying amount, 16 Nov 2021	-	-	-	-	-
Opening carrying amount, 1 Jan 2022	7,160	82	381	143	7,766
Closing carrying amount, 31 Dec 2022	7,478	83	327	159	8,047

Other intangible assets in the Group consists 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 18**Property, plant and equipment****Group**

SEK million	Land and buildings	Machines and other technical equipment	Equipment, tools and installations	Total
Opening accumulated costs, 16 Nov 2021	-	-	-	-
Increase through business combinations	35	115	415	565
Purchases	0	1	22	24
Sales, disposals and reclassifications	-	-1	1	-1
Translation differences	-1	-1	2	0
Opening accumulated costs, 1 Jan 2022	34	114	439	588
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
Closing accumulated costs, 31 Dec 2022	63	208	619	890
Opening accumulated depreciation, 16 Nov 2021	-	-	-	-
Depreciation for the year	0	-4	-19	-23
Sales, disposals and reclassifications	-	5	6	11
Translation differences	0	0	0	0
Opening accumulated depreciation, 1 Jan 2022	0	1	-13	-12
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
Closing accumulated depreciation, 31 Dec 2022	-22	-47	-99	-168
Opening accumulated write downs, 1 Jan 2022	-	-	-	-
This year's write downs	-	-2	0	-2
Sales, disposals and reclassifications	-	-	1	1
Translation differences	-	0	0	0
Closing accumulated write downs 31 Dec 2022	-	-2	1	-1
Opening carrying amount, 16 Nov 2021	-	-	-	-
Opening carrying amount, 1 Jan 2022	34	115	426	575
Closing carrying amount, 31 Dec 2022	41	159	522	722

NOTE 19

Other financial assets

Group

SEK million	31 Dec 2022	31 Dec 2021
Non-current financial assets		
Treasury bills and bonds	857	896
Derivatives	743	93
Other financial assets	69	49
Total other financial assets	1,669	1,038

Financial assets consist of Swedish treasury bills and municipal bonds for a value of SEK 561 million (585) and corporate bonds issued by banks and financial institutions for a value of SEK 243 million (259). The investment portfolio also consists of one treasury bill issued by the Norwegian government of a total value of SEK 53 million (52). 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 invest-

ments 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 swaps and interest rate caps 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.

NOTE 20

Inventory

Group

SEK million	31 Dec 2022	31 Dec 2021
Raw materials and consumables	301	225
Finished products and goods for resale	324	75
Obsolescence	-8	-3
Total inventories	617	298

NOTE 21**Accounts receivable, contract assets and liabilities****Group**

SEK million	31 Dec 2022	31 Dec 2021
Accounts receivable	1,639	1,294
Accrued income	28	23
Bad debt provision	-174	-127
Total accounts receivable and contract assets	1,493	1,190
Advanced payments from customers	45	44
Deferred revenue	1,614	1,307
Total contract liabilities	1,659	1,351

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 measure 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 in 2022.

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 recognized as per 1 January 2022 have been carried out as per closing of 2022.

All contract liabilities recognized as per 31 December 2022 for not yet serviced performance obligations are expected to be carried out before 31 December 2023. Deferred revenue for performance obligations that is expected to be satisfied during 2023 amount to SEK 1,614 million (1,307).

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 21 cont.

Change in bad debt provision

	2022	2021
SEK million	Bad debt provision	Bad debt provision
Opening balance 1 January	-127	-
Increase/decrease in provision, recorded in Profit and Loss	-87	-10
Increase through acquisitions	-10	-120
Accounts receivable written off during the year	16	2
Amounts reversed, not used	48	6
Translation difference	-14	-4
Closing balance 31 December	-174	-127

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 2022 was determined as follows for both trade receivables and contract assets:

Bad debt provision

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
Bad debt provision	-9	-14	-53	-98	-174

31 Dec 2021	Not past due	Past due 1-90 days	Past due 91-180 days	Past due >180 days	Total
<i>Expected credit loss level</i>	-1,9%	-1,4%	-45,2%	-101,6%	-9,6%
Accounts receivable reported amount, gross	768	382	69	74	1 294
Accrued income reported amount, gross	23	-	-	-	23
Bad debt provision	-15	-5	-31	-75	-127

NOTE 22**Prepaid expenses and accrued income****Group**

SEK million	31 Dec 2022	31 Dec 2021
Prepaid insurance	51	38
Other prepaid expenses	162	130
Accrued income	28	27
Total prepaid expenses and accrued income	241	196

NOTE 23**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 701 million (532) 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 24**Share capital****Parent Company**

SEK million	Share capital
Opening balance 16 November 2021	-
New share issue	434
Closing balance 31 December 2021	434
Closing balance 31 December 2022	434

	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
Closing balance 31 December 2022	434,235,565	434,235,565	434

The number of outstanding shares as per 31 December 2022 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 previous paid amounts on the preference shares. To the extent not paid, preferred interest for the preference shares shall be capitalised annually in arrears. Total outstanding amount related to preference shares as of 31 December 2022 was 426,141,529 SEK (385,458,523.40). After distributions to preference shares as described above, all ordinary shares have equal rights to distributions.

NOTE 25**Financial liabilities****Group**

SEK million	31 Dec 2022	31 Dec 2021
Non-current financial liabilities		
Bank loans	27,505	21,993
Lease liabilities	637	476
Deferred considerations	309	287
Total non-current financial liabilities	28,451	22,756
Current financial liabilities		
Current portion of bank loans	170	74
Current portion of lease liabilities	334	269
Current portion of deferred considerations	748	585
Current portion of derivatives	-	32
Total current financial liabilities	1,252	960
Total financial liabilities	29,703	23,715

Bank loans are secured by the Group's chattel mortgages and pledged shares (note 30). The Group's exposure related to borrowing interest rate fluctuations is partly hedged through interest rate swaps and CAPS (note 3).

The bank loans are raised in SEK, EUR, AUD and USD. 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 recognized in Other comprehensive income.

The Group's external financing is dependent on a number of terms and conditions being met. At 31 December 2022 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 recognized 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 2022	31 Dec 2021
Liabilities due for payment:		
Within one year from balance sheet date (current borrowing)	1,252	960
Between 1 and 2 years after balance sheet date	505	559
Between 2 and 5 years after balance sheet date	435	492
More than 5 years after balance sheet date	27,511	21,704
Total	29,703	23,715

Note 25 cont.

Changes in financial liabilities

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	-	-154	-	27,984
Current financial liabilities	617	-388	356	105	-	90	-32	748
Lease liabilities	745	-338	-	75	489	-	-	971
Total liabilities from financing activities	23,715	2,372	598	2,626	489	-64	-32	29,703

SEK million	16 Nov 2021	Cash flows	Acquisition	Foreign exchange movement	New lease liabilities	Reclassification	Other	31 Dec 2021
Non-current financial liabilities	19,841	2,053	18	441	-	-	-	22,353
Current financial liabilities	399	-38	241	20	-	-	-5	617
Lease liabilities	709	-38	-	1	73	-	-	745
Total liabilities from financing activities	20,949	1,978	259	462	73	0	-5	23,715

NOTE 26**Leasing****Amounts recognized in the balance sheet**

SEK million	31 Dec 2022	31 Dec 2021
Right-of-use assets		
Vehicles	564	392
Premises	375	331
Total	939	723

Additions to the right-of-use assets during 2022 were SEK 155 million (48).

SEK million	31 Dec 2022	31 Dec 2021
Lease liabilities		
Non-current	637	476
Current	334	269
Total	971	745

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 2022	16 Nov–31 Dec 2021
Depreciation charge of right-of-use assets		
Vehicles	-203	-22
Premises	-141	-17
Total depreciation	-344	-39
Interest expense (included in line item financial expenses)	-39	-3
Expense relating to short-term and low value leases (included in line item Other external costs)	-53	-7
Total amounts recognized in the statement of profit or loss relating to leases	-436	-48

Total cash outflow for leases in 2022 amounted to SEK 429 million (38).

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

NOTE 27**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 2022, Alecta's surplus in the form of the collective funding ratio amounted to 172 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 231 million (22) for the period.

Defined benefit pension plans

The Group has defined benefit pension plans in Sweden, Italy and Switzerland. As per 31 December 2022 they amount to SEK 56 million (74) in Sweden, SEK 16 million (17) in Italy and SEK 14 million (35) 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 2022. 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 recognized with the same amount.

Key actuarial assumptions

	31 Dec 2022, %	31 Dec 2021, %
Discount rate	2.0-4.0	0.26-1.7
Expected inflation	1.8-2.5	0.75-2.1

The weighted discount rate for the defined benefit plans for the full year amount to 3.6 percent (1.1) and the weighted expected inflation rate amounts to 2.1 percent (1.6). The table

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

Pension cost recognized in profit or loss, Group

SEK million	1 Jan - 31 Dec 2022		16 Nov-31 Dec 2021	
	Defined benefit plans	Other pension plans	Defined benefit plans	Other pension plans
Current service cost	8	4	0	0
Interest expense	1	-	-	-
Other	-	-	-	-
Total amount recognized in profit or loss	9	4	0	0

The total cost recognized 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 recognized SEK 2,6 million (0) in cost during 2022 related to other pension plans.

Note 27 cont.

Actuarial gains/losses recognized in other comprehensive income, Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Actuarial gains (-) and losses (+) recognized during the year	-47	-2
Total amount recognized in Other Comprehensive Income	-47	-2

Amount recognized in statement of financial position, Group

SEK million	31 Dec 2021	31 Dec 2021
Present value of defined funded obligation	195	200
Fair value of managed assets	-181	-165
Surplus (-)/deficit (+) in the defined benefit funded obligation	14	35
Present value of defined benefit unfunded obligation	73	90
Total net liability/asset attributable to benefit obligation	87	125
Other pension plans	40	36
Total pension provision	127	161

The defined benefit plans managed assets consists of equities amounting to SEK 65 million (57), bonds of SEK 74 million (68), real estate of SEK 37 million (31) and other alternative investments of SEK 5 million (9).

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 15 million (0) as per December 2022.

Changes in present value of managed assets, Group

SEK million	1 Jan–31 Dec 2022		16 Nov–31 Dec 2021	
	Defined benefit plans – managed assets	Other pension plans	Defined benefit plans – managed assets	Other pension plans
Interest income	165	36	160	34
Return on plan assets excluding interest income	0	-	0	-
Plan participants contribution	-21	-	-2	-
Company contributions	4	-	0	-
Benefits paid through pension assets	4	4	0	0
Other	4	-1	0	0
Translation difference	0	1	-	1
Closing fair value of assets	25	-	6	-
Closing fair value of assets	181	40	165	36

Note 27 cont.

Changes in present value of defined benefit obligation, Group

SEK thousand	1 Jan–31 Dec 2022		16 Nov–31 Dec 2021	
	Defined benefit plans - obligation	Other pension plans	Defined benefit plans - obligation	Other pension plans
Opening obligation	290	36	280	34
Interest cost	2	–	0	–
Current service cost	7	4	0	0
Actuarial gain/loss due to experience	13	–	-2	–
Actuarial gain/loss due to demographic assumptions	-1	–	-1	–
Actuarial gain/loss due to changes in financial assumptions	-80	–	5	–
Pension payments	-5	-1	0	0
Benefits paid through pension assets	4	–	0	–
Other changes	6	1	0	1
Translation differences	32	–	8	–
Closing obligation	268	40	290	36
Closing net obligation	87	0	125	0

Next year's expected payments from defined benefit obligations amount to SEK 10 million (9). The average duration of the obligation is 12 years in Sweden (15), 17 years in Switzerland (20) and 8 years in Italy (8).

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

Sensitivity analysis

SEK million	1 Jan–31 Dec 2022	1 Jan–31 Dec 2021
Discount rate, increase with 0.5 percentage points	-4,1	-8,3
Discount rate, decrease with 0.5 percentage points	4,6	9,0
Inflation, increase with 0.5 percentage points	3,6	5,7
Inflation, decrease with 0.5 percentage points	-3,3	-5,1

NOTE 28**Other provisions****Group**

SEK million	31 Dec 2022		31 Dec 2021	
	Current other provisions	Non-current other provisions	Current other provisions	Non-current other provisions
Provision for unearned premiums and unexpired risks ¹	363	247	310	236
Provision for claims outstanding ²	234	-	172	-
Total insurance technical provisions	596	247	481	236
Other provisions ³	19	57	17	77
Total other provisions	616	304	499	312

1) Of the total provision for unearned premiums and unexpired risks above, reinsurers share constitutes SEK -14 million (-14)

2) Of the total provision for claims outstanding above, reinsurers share constitutes SEK -9 million (-16)

3) Mainly consist of long service leave provision in Australia.

Change in other provisions, Group

SEK million	Provision for claims outstanding	Provision for unearned premiums and unexpired risks	Other provisions	Total change in other provisions
Opening provisions, 16 Nov 2021	-	-	-	-
Increase through acquisitions	168	593	317	1 079
Provisions during the year	21	18	11	50
Provisions utilised during the year	-17	-65	-1	-83
Reversed, not used	-	-	0	0
Other changes	0	-	2	2
Reclassifications	-	-	-236	-236
Closing provisions, 31 Dec 2021	172	546	94	811
Increase through acquisitions	-	-	0	0
Provisions during the year	311	484	19	814
Provisions utilised during the year	-251	-426	-28	-704
Reversed, not used	-	-	-4	-4
Other changes	2	6	-5	3
Reclassifications	-	-	-	-
Closing provisions, 31 Dec 2022	234	610	77	920

Provision for claims outstanding

Provision for claims outstanding relates to the expected future payments of claims incurred, including claims not yet reported to the Company. In addition to claim payments the provision also includes all costs of claim settlements. The provision for claims outstanding is determined both by individual claim assessments and by the use of statistical methods. The tables on the following pages show the historical claims development and use of provisions. These are the basis for the best assessment of future outcomes, but is associated with an inherent uncertainty due to the nature of the insurance business.

Provision for unearned premiums and unexpired risks

Provision for unearned premiums and unexpired risks relates to the portion of the premium not yet earned. For insurance contracts with a period length of one year the unearned premium is determined on a pro rata temporis basis, i.e. proportional to the passage of time. For insurance contracts with a period length greater than one year, the unearned premium is determined using non-linear curves proportional to the timing of expected costs. If the provision for unearned premium is deemed insufficient a provision for unexpired risk is added to ensure that the total provision is sufficient to cover all future costs.

Note 28 cont.

Specification of change in provision for claims outstanding, Group

SEK million	1 Jan–31 Dec 2022	16 Nov–31 Dec 2021
Opening provision for claims, net	172	-
Increase through acquisitions	0	168
Payments during the year relating to current year	-145	-12
Payments during the year relating to previous years	-105	-5
Changes in claims for damages for the year attributable to the current year	304	24
Changes in claims for damages for the year attributable to previous years	7	-3
Closing provision for claims	233	172

Claims development, Group 2022

SEK million	Claim year											
	<2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Estimated accumulated claims:												
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											
Current estimation of accumulated claims	384	72	120	108	120	123	124	167	224	286	322	
Accumulated payments	384	72	120	108	119	122	122	159	208	247	156	
Provision recognized in balance sheet	0	0	0	0	0	2	2	8	16	39	166	234
Total provision for claims*												234

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

Note 28 cont.

Claims development, Group 2021

SEK million	Claim year											Total
	< 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Estimated accumulated claims:												
at the end of the claim year	154	44	33	133	138	160	160	143	174	224	281	
1 year later	229	73	77	136	125	129	137	131	168	223		
2 years later	279	79	79	129	118	122	132	129	165			
3 years later	307	67	77	126	113	124	126	124				
4 years later	311	70	73	121	110	120	124					
5 years later	319	68	72	121	108	121						
6 years later	318	67	72	121	108							
7 years later	318	68	72	120								
8 years later	317	67	72									
9 years later	317	67										
10 years later	317											
Current estimation of accumulated claims	317	67	72	120	108	121	124	124	165	223	281	
Accumulated payments	317	67	72	120	108	119	121	120	157	201	147	
Provision recognized in balance sheet	-	-	-	0	1	2	3	4	8	21	133	172
Total provision for claims*												172

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

NOTE 29

Accrued expenses and deferred income

Group

SEK million	31 Dec 2022	31 Dec 2021
Accrued holiday pay	250	215
Accrued social security contributions	310	292
Accrued pension costs	1	6
Other accrued personnel costs	166	148
Other accrued expenses	276	266
Accrued interest	196	129
Prepaid service contracts	1,614	1,351
Deferred income	4	3
Total accrued expenses and deferred income	2,817	2,409

NOTE 30

Pledged assets and contingent liabilities

Group

SEK million	31 Dec 2022	31 Dec 2021
Pledged assets		
Total pledges taken out under SFA*	80,977	68,946
Total pledged assets	80,977	68,946
Contingent liabilities		
Guarantees and commitments	52	49
Total contingent liabilities	52	49

* 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

EQT Future, registered in Luxembourg, owns 47.6 (47.8) percent of Anticimex Group AB's shares as per 31 December 2022 and has control over the Group. The remaining 52.4 (52.1) 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). Parent Company in the largest group of which Anticimex Group AB is a part, is Super-Star TopCo S Á R L, registered in Luxembourg.

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 con-

sulting services and IFS licence. Transactions with IFS during the financial year amounts to approximately SEK 12 million (1). 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, 47 acquisitions have been completed, where the acquisition of Corky's Pest Control was the most substantial. In total, the acquisitions rendered a goodwill of SEK 3,068 million, where the above mentioned acquisition accounted for SEK 662 million of this goodwill. The 5 most significant acquisitions during 2022 are specified in the table below. One is the entry to the UK market through the acqui-

sition of Pestokill. The other 4 acquisitions specified are all in the US. De övriga 42 förvärven är gjorda i USA (10), Australien (16), Österrike (1), Finland (1), Frankrike (2), Tyskland (2), Italien (1), Portugal (2), Singapore (3) and Spanien (4). The purchase price allocation 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.

Recognized amount per acquisition date for acquired identifiable assets, Group

							Total acquisitions 2022
SEK thousand	Corky's Pest Control	Pestokill	Cavanaugh	Preventive Pest Control	Eastside Extermina- tors	Other	Acquired fair value
Non-current assets							
Customer relationships	165	52	37	49	64	198	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
Current assets							
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
Non-current liabilities							
Deferred tax liability	-	-14	-	-	-	-220	-234
Current liabilities							
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
Identifiable assets and liabilities, net	160	86	26	46	67	-91	294
Goodwill through acquisition	661	166	147	197	257	1,640	3,068
Total consideration	821	252	173	243	324	1,549	3,362
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
Net cash flow at business combination	734	139	160	219	170	1,739	3,161

Note 32 cont.

Recognized amount per acquisition date for acquired identifiable assets, Group

SEK thousand	EQT Future Fund	Other	Total acquisitions 2021
			Acquired fair value
Non-current assets			
Customer relationships	6,744	366	7,110
Trademark	6,783	-	6,783
Technology	385	-	385
Other intangible assets	224	-	224
Property, plant and equipment	1,209	42	1,251
Other long-term receivables	943	-	943
Deferred tax asset	176	-	176
Current assets			
Inventory	267	2	269
Trade receivables	1,171	12	1,183
Other current receivables and prepaid expenses/accrued income	941	-	941
Cash and cash equivalents	1,395	-	1,395
Non-current liabilities			
Deferred tax liability	-2,883	0	-2,883
Interest bearing liabilities	-16,181	-	-16,181
Provisions	-481	-	-481
Current liabilities			
Trade payables	-349	-	-349
Corporate tax liability	-86	-	-86
Financial liabilities	-722	-	-722
Provisions	-538	-	-538
Other current liabilities and accrued expenses/deferred income	-2,741	-39	-2,780
Identifiable assets and liabilities, net	-3,743	383	-3,360
Goodwill through acquisition	51,494	1,391	52,885
Total consideration	47,751	1,774	49,524
Minus deferred consideration/payment in kind (- = not paid)	-21,401	-259	-21,660
Minus acquired cash and cash equivalent	-1,395	-	-1,395
Net cash flow at business combination	24,955	1,515	26,470

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 635 million (263). Total deferred consideration recognized for acquisitions made during the current year, less potential payments of deferred considerations relating to acquisitions for the current year, amounts to SEK 621 million (259). The line "Minus deferred consideration/payment in kind" in the table above shows the net of new, adjusted and paid out deferred consid-

Note 32 cont.

erations, both relating to acquisitions during the current year and previous years.

Fair value of acquired receivables (primarily trade receivables) amounts to SEK 63 million (1,183). Contractual gross amount is SEK 63 million (1,183) 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 company's employees including a well-functioning organization. These advantages are not recognized separately from goodwill since they do not meet the criteria for recognition of identifiable intangible assets. The part of goodwill recognized that is tax deductible amounts to SEK 12 billion (9). Information about acquisition costs can be found in note 12.

Acquisition's impact on consolidated earnings

Approximately SEK 520 million of the Group's revenue is attributable to acquisition of business combinations in 2022 and they have contributed with approximately SEK 120 million to the consolidated operating profit (EBIT). If consolidated as

of January 1, 2022, the acquisitions would have contributed approximately with SEK 1,190 million to the Group's revenue and approximately SEK 250 million 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 four acquisitions have been made (Euskal Falcon in Spain, EcoChoice Termite & Pest Control in the US, Elbe-Weser-SBK in Germany and Southeastern Termite and Pest in the US. The total purchase price amounts to SEK 139 million with an estimated annual revenue of approximately SEK 65 million and corresponding operating profit (EBIT) at SEK 15 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 2022**

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2022 Carrying amount	31 Dec 2021 Carrying amount
Anticimex Global AB	559316-9005	Stockholm	434,235,565	100%		43,423,562	43,423,562
Anticimex New TopHolding AB	559126-5938	Stockholm	15,652,080,721	100%			
Anticimex TopHolding AB	556855-7259	Stockholm	78,375,033	100%			
Anticimex International AS	998159598	Norway	30,000	100%			
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%			
aktiv Taubenabwehr und Schädlingbekämpfung GmbH	HRB 736186	Germany	26,000	100%			
Anticimex B.V	20035416	Holland	11,344	100%			
Anticimex operations BV	855397226	Holland	1,000	100%			
Anticimex AS	923856781	Norway	2,750	100%			
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	506	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%			
BIOSANISYSTEM S.R.L	09973300156	Italy	60,000	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%			
MONTAÑESA DE DESINFECCION S.L.	B39551015	Spain	3,010	100%			
STOP PLAGUES S.L.U	B17786708	Spain	148	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.

Note 33 cont.

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2022 Carrying amount	31 Dec 2021 Carrying amount
CONTROL NATURAL DE PLAS-GAS MEDITERRANEAN S.L.U	B30844054	Spain	3,006	100%			
GRUPO SEDESA CONSULTING	B04896866	Spain	16,202	100%			
FUNCADION ANTICIMEX	G022996635	Spain	-	100%			
Anticimex Portugal Lda	507583698	Portugal	2	100%**			
Pest kil - Controlo integrado de plagas Lda	512081050	Portugal	3	100%			
DESILIDER CONTROLO E ELIMINIAÇÃO DE PRAGAS, LDA	506982904	Portugal	1	100%			
Anticimex France Holding SAS	89841289788	France	1,000	100%			
Anticimex France SAS	528209653	France	150	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%			
Aphysio Alsace	792.781.981	France	150	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%			
Anticimex Holding UK Ltd.	14258499	United Kingdom	1	100%			
Horizon Environment Services Ltd.	2705606	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 International Pty Ltd	160684944	Australia	100	100%			
Termguard Asia SDN BHD	683357-U	Malaysia	2	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 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.

Note 33 cont.

Name	Reg. No.	Registered	No. of shares	Share of capital %	Shares pledged (note 30)	31 Dec 2022 Carrying amount	31 Dec 2021 Carrying amount
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 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	0893515	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	81-4852167	U.S.	n.a.***	100%	Pledged		
Homeshield Pest Control Inc	20-8381113	U.S.	n.a.***	100%			
Pestban LLC	57-0443700	U.S.	n.a.***	100%			
Destiny Holdings LLC	85-3309882	U.S.	n.a.***	100%			
Pro Pacific PestControl Inc	85-3932426	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	n.a.***	100%			
						43,423,562	43,423,562

* 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 four acquisitions have been made (Euskal Falcon in Spain, EcoChoice Termite & Pest Control in the US, Elbe-Weser-SBK in Germany and Southeastern Termite and Pest in the US. The total purchase price amounts to SEK 139 million with an estimated annual revenue of approximately SEK 65 million and corresponding operating profit (EBIT) at SEK 15 million. None of these acquisitions are deemed to have a significant effect on the Group's financial statements.

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

The following amounts are available to the Annual General Meeting:

SEK	
Unrestricted equity	42,988,926,918
Loss for the year	-25,914,650
Total	42,963,012,268

The Board's proposed disposition of earnings:

SEK	
To be carried forward	42,963,012,268
Total	42,963,012,268

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 2022. 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 21, 2023.
The income statement and balance sheet will be presented to the Annual General Meeting for adoption in May 2023.

Stockholm April 21, 2023

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

Staffan Pehrson
CEO

Our Audit Report was submitted on April 21, 2023

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 2022" 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 2022 except for the Proforma information on page 34. The annual accounts and consolidated accounts of the company are included on pages 32 - 100 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 2022 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 2022 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 105-121. 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 determine 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. 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 Directors and the CEO and President of Anticimex Group AB for the financial year 2022 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 Directors 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 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.

Responsibilities of the Board of Directors 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.

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. This description is part of the auditor's report.

Stockholm April 21, 2023
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 headquarter 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 is 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 follow the Code principle of "comply or explain" and has two areas to explain for 2022.

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 105.

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 2022, Anticimex had 281 shareholders. 47.6 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 52.4 percent of the Company’s shares are owned by institutional investors (47.1 percent) and employees and senior executives (5.3 percent).

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 24 share capital for how dividends on preference shares are calculated. Provided that registration for participation on 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 2022

In 2022, the Annual General Meeting was held on May 19th at the company’s premises on Hälsingegatan 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.

Furthermore, two Extraordinary General Meetings have been held: i) March 9th to elect Jarl Dahlfors as new member and Chairman of the Board and remove Gunnar Asp and ii) September 30th electing Catherine Halligan as a new member of the Board.

Annual General Meeting 2023

The Annual General Meeting 2023 will be held on May 19th 2023 at the company’s premises on Hälsingegatan 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’s 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 114–117). 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 & Independence

The composition has during 2022 consisted of eight board members without deputies. The Board’s composition is especially composed with regard to the Anticimex’s 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 2022 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. Presentation of the Board is to be found on pages 116-117.

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 2022

The Board held seven regular meetings in 2022, 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, cybersecurity, 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 three other locations in the Group outside of the Anticimex headquarters. For additional information, see table "The work of the Board in 2022" on page 117.

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 2022.

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 2022.

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 monitors 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 2022 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 2022.

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 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 fulfill 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 112-115.

External Auditor

The Company's auditors are appointed by the Annual General Meeting. At the Annual General Meeting on May 20th 2022, 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), Pandox AB (publ), Röko AB and Nordstjernan 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 countries and markets with different prerequisites, cultures, and varying degree 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's 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 112-115.

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
• M&A execution and integration • Digital Transformation • Sustainability	• Business continuity • Employee • IT and information security	• Business environment • Macroeconomic and geopolitical instability	• Financial market mitigation • Misstatement in financial reporting • Compliance and Regulatory • Insurance & Warranty business

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's 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 16 for further information on Anticimex SMART.

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 page 22-25 for a detailed description.

Operational risks

Business continuity

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, cyber 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's potential to reach long-term objectives depends on our ability to attract and retain skilled employees at all levels. Anticimex' technicians are instrumental to ensure 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 Platform 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's markets. Any actions in relation to pricing and service by our competitors could adversely impact Anticimex's 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's 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's 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 mitigation

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's 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 112-115.

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 112-115.

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 exist 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's 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's 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.

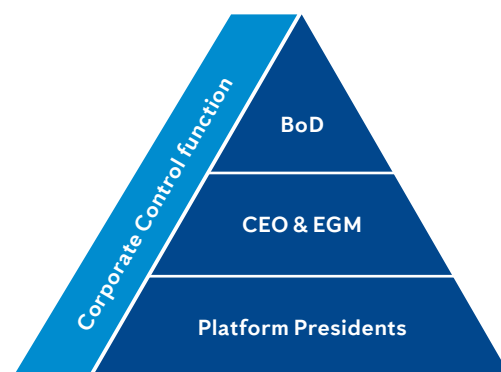
To facilitate Anticimex's decentralised model, the Company has established a rigorous framework for rules, responsibilities, processes and routines for monitoring performance, internal control and risk management. Primary objective is to effectively protect shareholders and other parties' interests, set a good platform for the employees and creating prerequisites for a safe expansion of Anticimex's operations. Furthermore, the Code of Conduct which is strictly linked to Anticimex's values - Trust. Innovation. Passion. - forms a vital part of Anticimex's governance framework. Anticimex's 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's 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's 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 management 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's 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

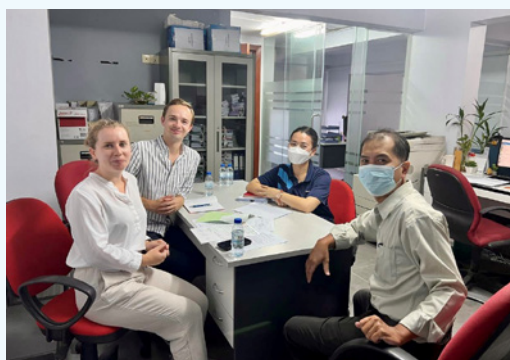
The self-assessments are verified through internal control reviews carried out by the Corporate Control function through site visits. All the Group's Platforms are subject to the internal control reviews, regardless of size. A Finance Manager (i.e. Platform CFO) from another Platform than the one subject 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 is 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 at 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 set 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 2022, the focus has continued on developing new and existing processes and controls linked to financial reporting.

Board of Directors



Jarl Dahlfors

Chairman

Committee: Remuneration Committee

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, Member of the Board of IVC Evidensia Ltd, Guardian Pest Control China, Melker Schörling AB

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

Independent of Company: Yes

Independent of owners: No

Shares in Anticimex (including related parties): Yes

Meeting attendance: 6/6



Per Franzén

Board member

Committee: 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

Previously: Morgan Stanley, London 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: 6/6



Alf Göransson

Board member

Committee: -

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: 6/6



Catherine Halligan

Board member

Committee: -

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

Born: 1964

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

Previously: Held 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: 2/2



Carolina Klint

Board member

Committee: Audit Committee

Education: Law, Uppsala University, University of Leeds

Born: 1975

Other assignments: Managing Director and Risk Management Leader Europe at Marsh. Member of the Board of Marsh AB, Marsh AS Norway, and Business Insurance Foundation

Previously: 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: 6/6



Carl Johan Renström

Board member

Committee: Audit Committee

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

Born: 1981

Other assignments: Partner EQT

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: 5/6



Dick Seger

Board member

Committee: -

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: 5/6



Siew Boi Tan

Board member

Committee: 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 (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

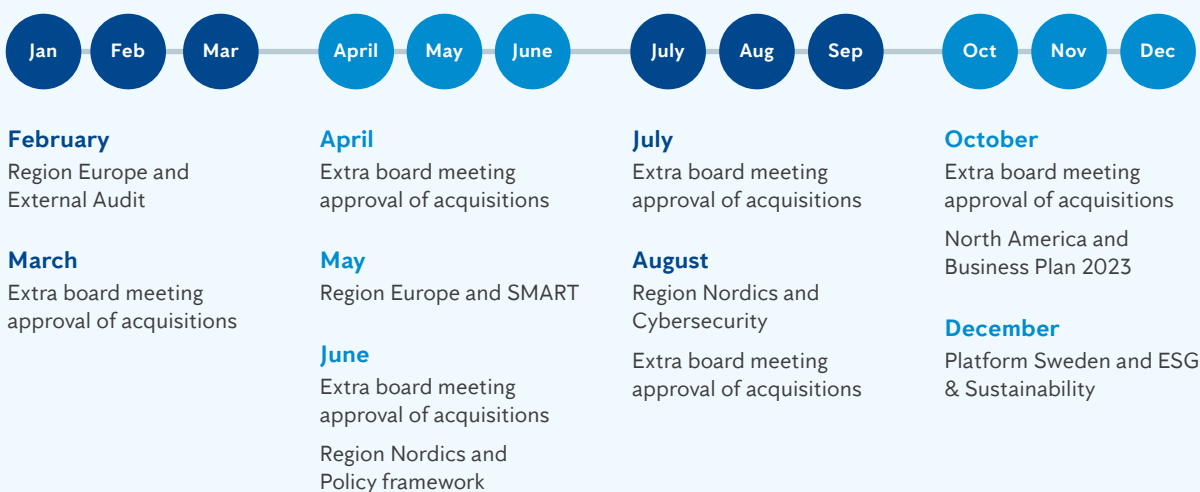
Independent of Company: Yes

Independent of owners: Yes

Shares in Anticimex (including related parties): Yes

Meeting attendance: 6/6

The work of the Board in 2022



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



Staffan Pehrson

CEO and President

Employed at Anticimex: 2022

Education and professional experience: M.Sc. Systems Engineering, Case Western Reserve University, USA. M.Sc in Engineering Physics, Uppsala University, Sweden. Executive MBA, Stockholm School of Economics, Sweden. President & CEO of Nefab Group and various senior leadership positions within the Ericsson Group.

Born: 1968

Current Board assignments and similar: Lindab Group



Tomas Björksiöö

CFO

Employed at Anticimex: 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

Employed at Anticimex: 2009

Education and professional experience: MsBA Economics, University of Stockholm, Managing Director Anticimex Norway

Born: 1975

Current Board assignments and similar: –



Ebba Bonde

COO

Employed at Anticimex: 2015

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: Uniwat AB



Thomas Hilde

President Region Continental Europe

Employed at Anticimex: 1993

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: –



Tony Hurst

President Region Asia

Employed at Anticimex: 2004

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

Employed at Anticimex: 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

Employed at Anticimex: 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

Employed at Anticimex: 2019

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: –



Jussi Ylinen

President Region Pacific

Employed at Anticimex: 2015

Education and professional experience: M.Sc. Civil Engineering, Helsinki University of Technology, Finland. Previous experiences include various management positions within Nokia Networks.

Born: 1967

Current Board assignments and similar: –

Stockholm April 21, 2023

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

Staffan Pehrson
CEO

The auditor's examination of the corporate governance statement

To the Annual General Meeting in Anticimex Group AB, corporate identity number 559316-9039

This is a literal translation of the Swedish original report.

Assignment and responsibilities

The Board of Directors and the President that is responsible for that the corporate governance statement on pages 105-121 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 21, 2023
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson
Authorized 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 2022 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 21, 2023
PricewaterhouseCoopers AB

Patrik Adolfson
Authorised Public Accountant

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