



2025

Annual report

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HÅNDVERKSGRUPPEN GROUP AS

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# Building the fastest growing surfacing contractor in Europe

With more than 4 700 craftspeople, we provide walling, painting, tiling, and flooring services that consistently exceed customer expectations.

**A**s a group, we create value by compounding and developing local winners within our industry – all with highly satisfied local customers, solid financial track record, and a strong company culture. In 2025, 11 well-established local craft companies became part of HG, and since 2020, we have included more than 160 companies in Norway, Sweden, Denmark, and Germany. New companies are mostly based on referrals by our companies, which forms the foundation for cultural affinity and smooth integration.

**We are proud craftspeople. We care. We act.**  
**We are local.**

Together, we foster strong local relationships while at the same time driving collaboration, knowledge

sharing, and resources within HG. Together, we leverage our network and toolkit to further accelerate value creation, including HG Academy, HG apprenticeship program, best practices, procurement agreements, organizational development, joint tendering, and knowledge base. All while maintaining each company's local identity and culture.

In essence, we take the next phase in our industry and build a resilient group with diversified services and customers, in Europe. It is truly inspiring to work with such a dedicated group of colleagues, and we are grateful that you all put trust in HG!

**Øyvind Emblem**  
CEO Håndverksgruppen



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# Stronger markets and higher efficiency

In 2025 almost all KPI's pointed in the right direction, thanks to improved operations, better cost management in our companies partly supported by improved market conditions.

**R**eported net revenue increased by 9.0 percent to NOK 7,406 million, adjusted reported EBITA increased 62.2 percent to NOK 326 million, the adjusted reported EBITA margin increased by 1.4 percentage points to 4.4 percent, and operating cash flow increased 31.4 percent to NOK 552 million.

## High M&A activity

During the year, 11 acquisitions were completed, with an annual combined net revenue of NOK 390 million, whereof six in Denmark, two in Norway, two in Germany, and one in Sweden. We continue to see the effect of the change in our M&A strategy concluded in Q4 2023 impacting positively our average acquired EBITA margin

to above 15 percent\* in 2025 from an already high level in 2024 (11 percent). We see opportunities to continue acquiring high-quality companies in all markets but focus in 2026 will be on Denmark and Germany.

## Efficiency and cost reduction giving effects

In the beginning of 2025, HG set a goal to have reduced our overhead run rate by NOK 20 million in the first quarter of 2026 compared to the first quarter of 2025. Already in the fourth quarter 2025, the target was exceeded, with a reduced overhead run rate of NOK 30 million. In the operations, we implemented measures during the year to improve efficiency in key areas such as improved purchasing agreements, adjusting

organisations, reduction of staff, optimizing the number of cars, and optimizing the size of warehouses and offices.

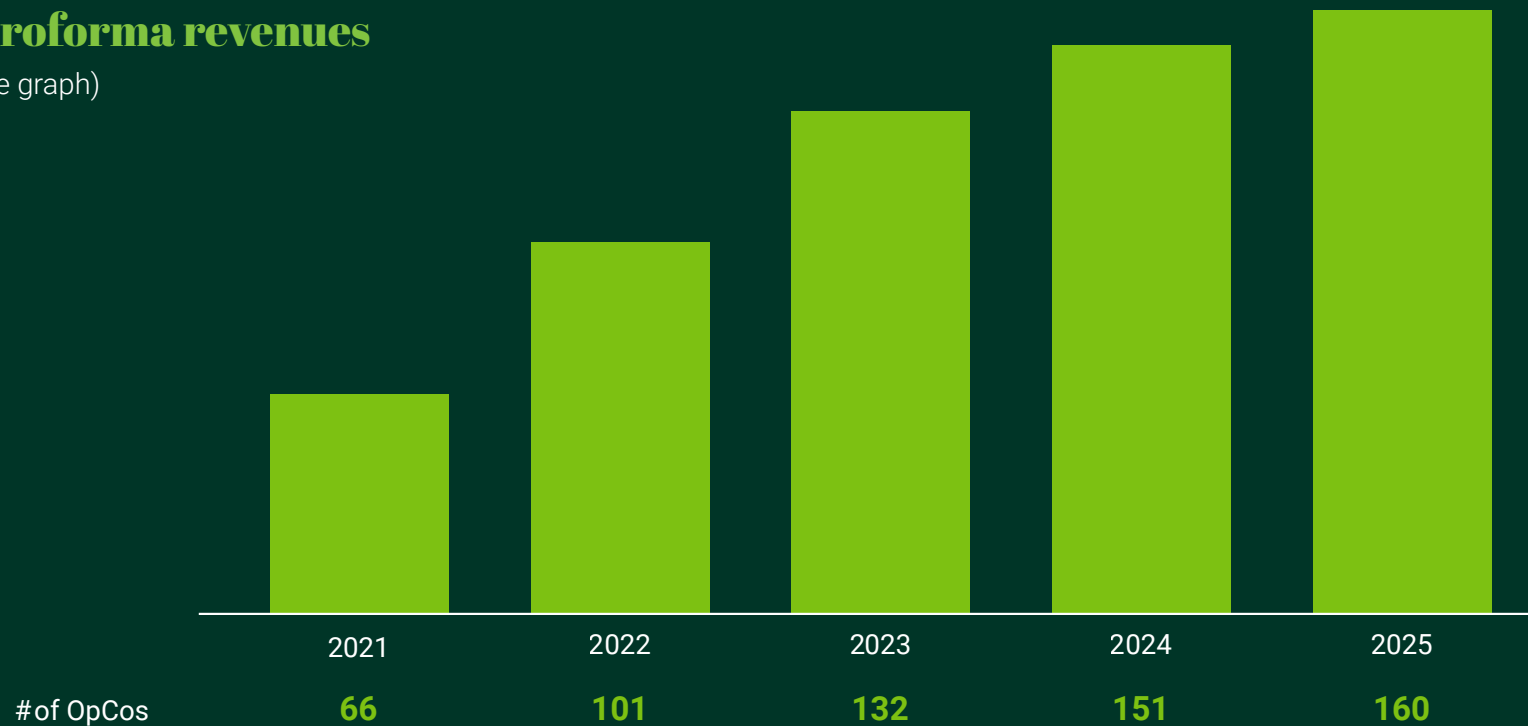
## New financing to support growth

An amended and extended loan agreement with HG's banking syndicate was signed in September and additional capital amounting to NOK 235 million was contributed from HG's owners in the latter part of 2025, with an additional NOK 136 million contributed in the first quarter of 2026. The new financial structure in combination with the improved profitability strengthened HG's financial position considerably and lays the foundation for continued acquisitions.

**We see opportunities to continue acquiring high-quality companies in all markets but focus in 2026 will be on Denmark and Germany.**

### LTM Proforma revenues

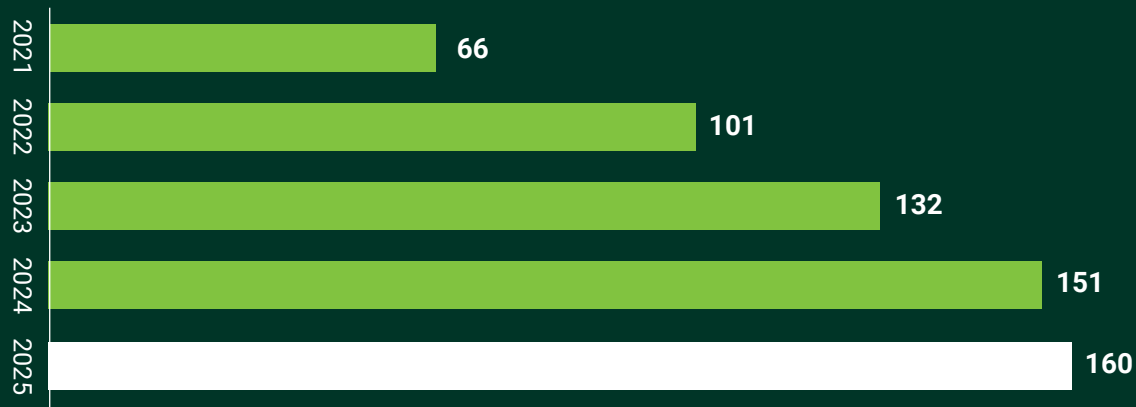
(illustrative graph)



# Highlights 2025

## Number of companies\*

Growth from 2021 to 2025



## Promoters making M&A easy

% of promoters and detractors



11

new companies\*  
joined HG

8.4%

share of apprentices  
in 2025

+6 kg

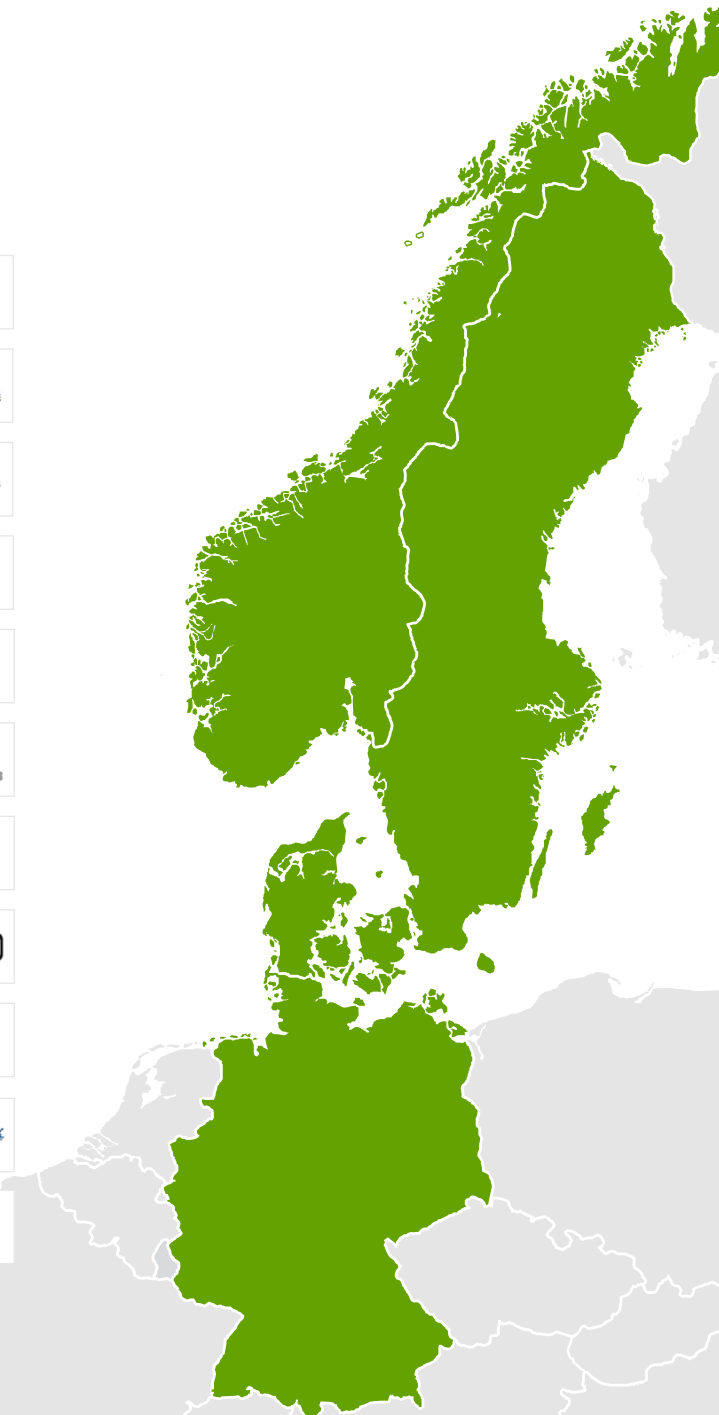
waste sent to  
incineration or  
landfill vs 2024

1

new company\*  
every 2nd week:  
Still true



# Our companies\* – The local winners!





# CEO Comments

During 2025, we improved profitability, driven by increased efficiency and a modest recovery in market sentiment.



**Øyvind Emblem**  
CEO

**N**et revenue for the Group increased by 9.0 percent to NOK 7,406 million. Adjusted EBITA rose by 62.2 percent to NOK 326 million, corresponding to an adjusted EBITA margin of 4.4 percent (3.0). Cash flow from operating activities increased by NOK 131 million to NOK 552 million.

Market activity varied significantly across our regions. We experienced growing demand in Sweden towards the end of the year, continued strong demand in Denmark, and weaker conditions in Norway and, to some extent, Germany. In Sweden, the market for construction and renovation of offices and commercial properties recovered, easing price pressure. Growth in Denmark was primarily driven by new-build and renovation in commercial segments, with additional support from residential demand. In Norway, project approvals increased toward year-end; however, recovery remains gradual due to persistently high interest rates.

In Germany, market conditions remained challenging throughout the year.

## **Efficiency and cost measures delivering results**

At the beginning of 2025, we initiated a series of actions to reduce costs and enhance operational efficiency. By the fourth quarter, we had reduced our overhead run-rate by NOK 30 million compared to the first quarter of 2024.

Across our operations, we implemented targeted initiatives, including improved purchasing agreements, organizational adjustments, workforce reductions, fleet optimization, and better utilization of warehouses and office space. We also strengthened our purchasing agreements across the group, with particularly significant improvements secured in Sweden.

Our ambition is clear: by the end of 2026, fewer than five companies should report an EBITA margin below 5



percent, compared to more than 30 at the end of 2025. This will be driven by continued corrective actions and disciplined execution of the initiatives already underway, supported by improving market conditions.

In Sweden, financial performance improvements translated into higher sales and margins already in 2025, with reported EBITA increasing by NOK 32 million (+52%) year-on-year. We expect the full effect of these measures in 2026. Denmark delivered strong performance, with robust sales growth, improved margins, and a reported EBITA increase of NOK 61 million (+137%), driven by both organic growth and acquisitions of high-margin niche companies. Norway reported slightly lower sales and margins, with reported EBITA decreasing by NOK 12 million (-5%) year-on-year. While most companies performed well given the market conditions, we remain focused on improving profitability in underperforming units.

Looking ahead, we see significant potential for further improvement across all markets. By leveraging our toolkit and shared initiatives, we will maintain a strong focus on performance and act decisively to address gaps as they arise.

**Continued high level of self-financed M&A activity**

Our strategy of building a group of high-performing, high-margin companies is supported by strong, trust-based relationships with founders and leaders. Approximately 80 percent of new companies joining are sourced through referrals within the HG network. Our ambition is to include only companies that rank among the top 20 percent in their respective markets.

In 2025, we completed eleven acquisitions with combined annual net revenue of NOK 390 million: six in Denmark, two in Norway, two in Germany, and one in Sweden. We now comprise more than 160 companies across our markets.

Following a period of accelerated, debt-financed growth, we are now executing a more balanced approach as most of the value creation potential going forward is in our existing companies. We will continue to exploit attractive M&A opportunities especially in Denmark and Germany, while targeting to be fully self-financing our acquisitions by end of 2026 / start of 2027. This shift has already resulted in an improved leverage during 2025.

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Approximately  
**80%**  
of new companies joining are sourced through referrals within the HG network.

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**9%**  
Net revenue growth for the Group.

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## **In 2025, we laid a solid foundation for scaling our operations as market conditions gradually improve and pricing pressure eases.**

### **Strong financial position supports continued growth**

Our operating cash conversion\* remained strong at 104 percent in 2025. To further strengthen our platform for continued M&A-driven growth, we amended and extended our loan agreement with our banking syndicate in September. In addition, NOK 371 million of new capital was contributed by our owners in the latter part of 2025 and first quarter of 2026. This solid financial foundation positions us well to continue our growth journey.

### **Sustainable companies creates long-term value**

We are committed to taking a leading role in our industry by creating positive impact for people, society, and the environment. Our focus is on reducing environmental footprint, ensuring a safe and including working environment for our employees, and promoting sustainable practices across our companies.

In 2025, we emphasized Code of Conduct training

for all craftspeople to ensure consistent quality and responsible business practices. We measure Scope 1 and 2 emissions, and 100 percent of relevant entities are ISO 14001 certified as part of our efforts to reduce carbon emissions. Additionally, apprentices represent more than 8 percent of our workforce, an important element of our ESG strategy and a key driver of future growth.

### **A culture built on craftsmanship and collaboration**

Craftsmanship and collaboration are at the core of HG. Each company operates as a strong local market leader, maintaining its brand, workforce, and customer relationships, while benefiting from shared knowledge and resources across the Group.

HG's role is to support these companies by leveraging their expertise, promoting best practices, and enabling coordination at scale. Our value creation toolkit reinforces performance of our best-of-the-best companies, who share knowledge, best practice, and

resources to jointly enhance group performance and ensure resilience. Collaboration is also fostered through regular interactions, including regional workshops, the Annual General Managers' Meeting, and quarterly shareholder meetings.

### **Positioned for scalable growth**

In 2025, we laid a solid foundation for scaling our operations as market conditions gradually improve and pricing pressure eases. Our work to improve operational profitability continues. With our toolkit and proven decentralized model, we are well-positioned to outperform the market, expand margins, and capitalize on improving market conditions. We remain firmly on track toward our ambition of becoming the leading surface treatment company in Northern Europe.

Finally, I would like to thank all our employees, partners, and stakeholders for their dedication and contributions to another successful year.

\* Operating cash flow is defined as EBITA less capital expenditures (capex) and changes in net working capital.

# Suddenly a boss

What happens when a practicing craftsperson suddenly has to direct  
– and has neither the words nor the tools for it?

**I**t was after the summer vacation, two years into his employment. Markus walked into the workshop like he always had – the faint smell of paint, the buckets stacked next to the door, the light seeping in from the side, making the paint dust visible in the air.

He looked towards the board. In the old days, there were tags there. One for each craftsperson, one for each assignment. You found your own, read the address, packed the car. There was no tag for him.

For a brief second, he thought what he assumes most people would have thought: have I been fired? He didn't dwell on that for long. It was also a bit exciting. He went

in to the general manager, Tue, and asked straight out what he was supposed to do. The answer was a hospital project. And fifteen craftspeople to be managed.

– This management thing really just snuck up on me, Markus says now, many years later, from the office he has gradually slid into.

## Executing, suddenly directing

At R2 Farver, one of the companies in Håndverksgruppen, Markus has gone from painting apprentice to a journeyman to a manager without anyone ever sitting down and saying that now, «now you are a manager.» The promotions came like the hospital project did: as an empty space on the board, as a question of who





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**There could be situations where I wasn't satisfied with the work others had done. In the beginning, I just did it over again.**

could manage fifteen craftspeople, as an office chair with no name on it. The difficult part wasn't numbers. It was delegation.

– Delegating didn't come naturally to me. After all, I've always been the one doing the work.

He was good at doing. Not at asking others to do. The difference is bigger than it sounds.

– There could be situations where I wasn't satisfied with the work others had done. In the beginning, I just did it over again, without saying anything first.

It took a couple of years to get used to. His boss, Tue, taught him quietly and calmly, Markus says – they became a great team. But even with a patient boss, it gnawed at him: how do you tell a grown professional



## You're dealing with craftspeople, and everyone is not the same, so you have to be adaptable enough to have a conversation that meets each individual where they are.

that something has to be redone? How do you give instructions without becoming a boss in the worst sense of the word?

### People are not the same

Somewhere along the way, it began to dawn on him that the recipe didn't exist. Or rather: that there wasn't just one recipe.

– You're dealing with craftspeople, and everyone is not the same, so you have to be adaptable enough to have a conversation that meets each individual where they are.

It sounds obvious. It isn't, when you are standing there on a Tuesday morning with a group of painters on a site and you notice that something isn't right.

– I've had a few times where there are 5–6 painters on site and the chemistry isn't there. Then you have to do something about it.



And the painting apprentice who has just become a journeyman and is going out to the construction sites alone – that person needs something completely different from the experienced painter with twenty years behind them.

– It was difficult for her, and so I had to help her get started – stand a bit more on the sidelines to help and give advice.

The realization was uncomfortable and simple: he didn't have the language for this. He had hands, experience, respect in the industry. But not the words for the conversation that lay ahead of him every single week.

### The tools came from the course

Industry figures say that there will be a shortage of around 90,000 craftspeople in the coming years. Very few of the new managers in the trade receive training before they are sitting in the boss's chair. Markus is one



of them. The HG School's course «Tomorrow's Leader» became the answer he didn't know he was looking for.

– It was the leadership course that gave me an insight into what possibilities exist. When plan A is not good enough.

The course wasn't a series of lectures. It was a little bit of theory and mostly role-playing.

– We had Danny as a teacher. He created some role-plays we had to go through. About different situations, about what to do, and what you can be exposed to.

The role-plays were the way to practice. The tools had names. The DISC profile gave him a vocabulary for personality differences – who needs boundaries before starting, who needs to talk while they work, who wants to see that the boss believes in them before they trust themselves. Situational leadership is about the fact that the same manager has to meet the same employee differently, depending on where they are in the task right now. And the motivation curve describes exactly that – where the individual lies from start to finished work, so that you know when to «push» and when to let people work in peace.

The most crucial thing for Markus wasn't the personality profiles. He knew his own well enough. It was the motivation curve.

– Employees are very motivated when they are given a task. And further along, where they might not be able to stand by their work, that's where they lose their spark. And then we can find the motivation again – where we can just lift them up a bit, with those tools.

And the extra work – the construction industry's eternal pain point, where you have to claim every hour that falls outside the contract. That was where the role-play hit hardest.

– Then I have to stick to facts instead of feelings. 100 percent. That is something I have learned, and it is a part of the role-play we have had through this process.

### **Better equipped to meet demands from his own boss**

The tools also work upwards. When Markus's own boss expects something that isn't possible, he now has something to lean on.

– Since I am somewhat more certain about my tasks, I am actually quite sure that I can stand by it even more.





## Well, they basically said that it's really nice to see that I'm a bit more structured, and that outwardly I seem a bit more calm and settled when assigning tasks.

– It gives me an even greater confidence that I can say no to something, because I am equipped for it. Then I can easily go in and say to my boss: this, this is the best we can provide.

The employees have noticed the difference. Not in grand words – they are painters, not HR people – but in a passing remark or two.

– I actually received a comment that they could tell I had grown quite a bit more with the tasks.

– Well, they basically said that it's really nice to see that I'm a bit more structured, and that outwardly I seem a bit more calm and settled when assigning tasks.

### Course participants help each other afterwards

The HG School gave him something more than role-plays. It gave him someone to call. The other day the phone rang. It was someone from another company in the group, someone he had sat with during the course, who was facing a personnel issue and needed someone



to think out loud with. Markus listened, shared what he himself had learned, and hung up.

Other days he is the one dialing the number of a colleague from the course. An issue he doesn't quite know how to tackle. A question about how a colleague in a completely different trade would have handled it.

He looks out the window of his office. That's not where he saw himself when he stood with a paintbrush in his hand. And yet – when asked if he has become a different person because of this, he shakes his head.

– I haven't changed because of that, just because I sit here.

What he has changed, is his focus. Now he looks ahead in time.

– Before, I only discovered problems when they landed on my desk. By then it was already too late. Now I see them before they arise.

## OUR STRATEGY AND M&amp;A STRATEGY

# We are proud craftspeople leading the way

There are strong market dynamics driving consolidation in the surfacing market. Customers are raising the bar – demanding higher quality, stronger ESG credentials, digitalisation, and better documentation. For a standalone smaller company, this creates real challenges. For a company that is part of HG, it creates opportunity.

**W**e compound high-performing local winners across the highly fragmented European surfacing market, applying a proven playbook tested across more than 160 companies. We call this the HG Model – a structured approach to identifying the right companies, onboarding them effectively, and then drive value creation over time after a successful integration.

Together, we leverage our network, competency and scale to develop value over time step by step. Together, we are proud craftspeople leading the way!

## The HG Model – a mutual commitment

The HG Model puts the local company at the centre. It defines what companies get from being part of HG, and what HG expects in return.

As part of HG, local companies get access to a network of peers, a practical value creation toolkit built for their daily operations, shared best practices and training through the HG Academy. Regional managers work closely with each company – coaching, challenging and connecting them to the right support at the right time.

In return, HG expects each company to continue to be

a winner in their local market, to follow HG standards and to continue to improve their value creation, and to actively contribute to the local community and environment.

This mutual commitment is what drives performance. We do not run our companies from a headquarter – we empower local decision-making, trust local expertise, and measure ourselves on the results we create together.

Our values reflect this: **We care. We are local. We act.**



**Empowering our companies to reach their full potential**

We always strive towards making our companies even more robust – continuously strengthening their business foundations to fully capture the synergies of being part of HG. To address this, we drive value creation through targeted, individually tailored Company Development Plans – prioritising the companies with the highest potential across the group. By end of 2026, all companies will have a structured development plan in place that includes integrating initiatives across business foundations, margin expansion, cash optimisation and sales growth.

Governance is key to delivery. Monthly Operating Reviews, Portfolio Performance Reviews and deep-dives ensure that progress is systematically followed up at every level – from local company to group, while still maintaining local ownership and autonomy.

**Our value creating Toolkit accelerates performance**

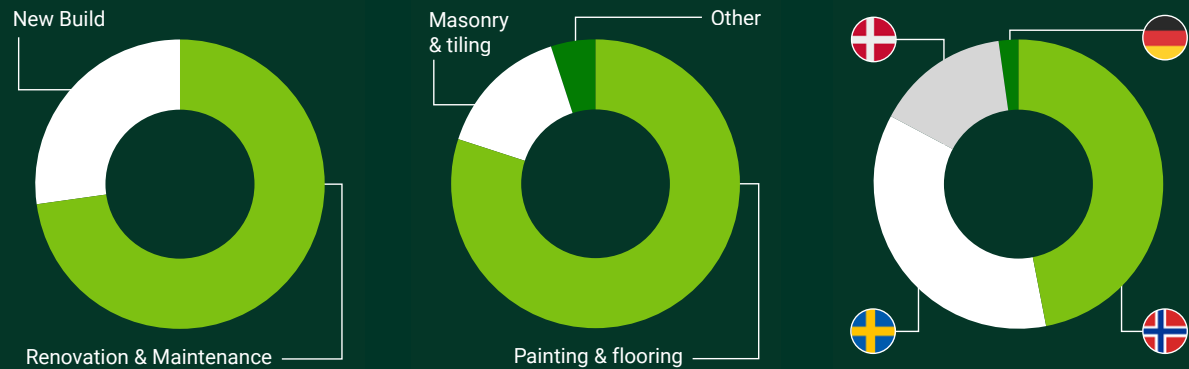
Our toolkit reinforces performance across our companies by enabling knowledge sharing, best practice, and resource collaboration. The work is led by our regional managers, who carry full P&L responsibility and ensure each company gets the most relevant support at any given time.

Since HG was formed, ~800 professionals have completed training at the HG Academy – building skills in pricing, project management, leadership and culture. Through initiatives like the Greenhouse Program, we are nurturing emerging talent and preparing the next generation of General Managers. Our apprenticeship program supports a long-term goal of 12% of our workforce comprising apprentices.

The General Manager Toolkit provides practical support in project management, contracting, pricing, sales, regulatory compliance and joint purchasing – giving every GM a stronger foundation to lead from.

**Diversified services, geography and customer segments ensures resilience**

The combination of local, national and geographic expansion, combined with a mix of offerings, improves consistency of revenues and supports staff recruitment and retention.





We are also exploiting group-wide procurement scale. By leveraging our combined purchasing volume across the Nordics, we are negotiating framework agreements and driving savings that increase EBITA directly at the local company level. Procurement savings are among the first and most significant value creation element implemented after a company joins HG.

Beyond procurement, co-tendering enables improved financial terms – such as securing higher hourly rates through collaboration between multiple companies within the group – and resource-sharing optimises outcomes through collaborative personnel exchange, contributing to successful and timely project delivery. And, naturally, we share sustainability objectives and tools.

### **Our culture is key to success**

HG's culture celebrates craftsmanship, collaboration and local heritage. We recognize our people as the



## HG's customers

HG provides a wide range of surface treatment services to primarily B2B customers across various sizes – including insurance providers, public sector entities, retail businesses, housing cooperatives, rental companies, hotels and contractors – as well as to individuals. We focus on small and medium-sized projects, enabling higher customer diversification and lower risk.

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**77% of HG shareholders actively use at least one group service every month, with regional collaboration being the most valued. Of those who joined at founding in 2020, 65% are strong promoters today - a testament to what HG actually delivers in the long term.**

cornerstone of our success. We only target companies that are among the strongest 20% in their markets – companies with proven track records, strong local brands and loyal customer relationships. When they join HG, they keep all of that. What they gain is the strength of a group behind them.

We trust each other's independent decision-making. HG's role is to support, connect and challenge – not to control. Succession planning and the development of strong management teams are central to how we safeguard the longevity of each local company and reduce dependency on individual leaders.

### Sustainability from Day One

Since HG was founded, sustainability has been integrated into every aspect of our business. This includes ISO certification of our companies, mapping of scope 1 and 2 emissions, code of conduct training, and a strong commitment to recruiting and developing apprentices. Our local companies are now able to take meaningful steps towards a more sustainable future that they may not have been able to achieve on their own.

We see increasing appetite from customers to deliver on the ESG agenda – giving us a competitive advantage



“  
**Companies are attracted to HG not only for financial gain, but for the opportunity to build something lasting. We align incentives through an 80/20 rollover model – 80% upfront cash and 20% in HG shares.**

in winning larger national agreements and deepening partnerships with insurance companies. This has contributed to our Net Promoter Score of 69\*. You can read more about our Sustainability strategy at page 46 in the report.

**Our M&A model is efficient and built on referrals**  
80% of our companies are sourced from referrals from the existing HG network. On average, a new company has joined every other week since our inception. Strategic M&A remains a core growth driver. We are strengthening sourcing and conversion in Germany, continuing to build on an existing platform in Denmark, and assessing entry into a fifth country – balancing M&A growth and organisational readiness to onboard new companies.

Our thorough selection process ensures that incoming companies resonate with HG's purpose and culture and integrate easily. 90% of joining companies recommend HG to others – a testament to the strength of our cultural bonds. A value-creating development plan is launched within six months of closing, ensuring each new company is set up to improve from day one.

Companies are attracted to HG not only for financial gain, but for the opportunity to build something lasting. We align incentives through an 80/20 rollover model – 80% upfront cash and 20% in HG shares. Transactions are completed within an average of four months. Onboarding is structured and prioritises continuity of daily operations, with an immediate focus on financial reporting, ethics training and cultural integration.

**Companies must have:**

- A good cultural fit with a focus on collaboration
- Motivated managers willing to stay long-term after joining
- Revenue mainly delivered by own employees
- Stable revenue and profit levels over time and EBITA margin of at least 9%
- Share of renovation revenue greater than 50%
- A good reputation in their local market with satisfied customers

\* Refers to NPS in 2023.



# Structural tailwinds support long-term growth for compounders in stable markets.

**C**urrently, our more than 160 companies offer services in Norway, Sweden, Denmark and Germany. Although the geographical markets have different outlooks, trends, and competitive landscapes, they share several key dynamics and structural attributes.

Most of the revenue in surfacing is derived from refurbishment and small to medium-sized B2B customers, with a stable underlying growth. Market growth has historically been driven by resilience in refurbishment, housing shortage, aging housing stock, attention to ESG, and professionalisation of the industry.



## Market fragmentation

The surface treatment solutions market is highly fragmented and primarily comprises many small local companies. The fragmentation of the market provides opportunities for compounders. There is an increasing demand from customers in terms of quality of services, ESG, digitalisation and transparency, as well as increased economies of scale that may further drive consolidation in the market.



## Resilience in refurbishment

Over the course of several decades, the refurbishment segment has proven to be more stable than the new build segment. This is explained by the fact that some refurbishment projects cannot be postponed due to regulations, the risk of additional damages if refurbishment is not carried out, and the relatively low cost of refurbishment projects in relation to overall building project costs.



## Aging buildings

Our markets have a large and growing stock of aging buildings in need of surface treatment and renovation. The increased attention to ESG is accelerating the need for refurbishment in the aging housing stock. In Germany alone, the gap between the current renovation rate and what is needed to meet climate targets is significant – creating substantial long-term demand for professional surface treatment services. Across our markets, tightening environmental regulations, including requirements for energy renovation and stricter procurement standards, are accelerating demand for professional, certified operators and creating a structural tailwind for companies like HG.



## Less undeclared work

Historically, there has been a share of undeclared work in the industry. The market has the last decade seen a diminishing trend of undeclared work which is just accelerating due to several reasons, including social unacceptance and increasing governmental efforts. This drives customers towards professional, trustworthy players in the market – and benefits established operators with strong reputations and documented compliance.



## Housing shortage

There is a European-wide housing shortage, which has been further worsened by a decline in new build activity in recent years. In Sweden, more than 40% of municipalities continue to report a housing shortage, according to Boverket (2025). In Germany, the apartment deficit has grown to an estimated 1.4 million units, according to the Pestel Institut (2025). With interest rates stabilising across the Nordics and Europe, there are early signs of a gradual recovery in construction activity – which, combined with the persistent housing shortage, supports a positive medium-term outlook for the industry.



## Shortage of skilled labour

The surface treatment solutions market is experiencing a structural shortage of skilled labour across all of HG's markets. In Sweden alone, one quarter of the construction workforce is expected to retire by 2030, while vocational enrollment dropped 15% between 2015 and 2024 (Mordor Intelligence, 2026). Across Europe, a long-standing reliance on labour from Eastern Europe is also under pressure, as economic development in those countries makes working closer to home increasingly attractive.

While the labour shortage places a constraint on overall market growth, it creates a structural advantage for established players. Companies with strong employer brands, stable teams and attractive working conditions face significantly less competition for both projects and people. This dynamic directly reinforces HG's strategic priorities: our focus on culture, apprenticeships and people development is not only the right thing to do – it is a long-term competitive advantage that is becoming more valuable as the labour market tightens. Our long-term goal of 12% apprentices in our workforce is a direct response to this structural challenge, investing in the next generation of craftspeople across all our markets.



## Regulatory compliance and sustainability

Quality assurance, regulatory compliance and sustainability are driving the need for digitalisation and innovation. Despite technological improvements in this area, the overall risk of major digital disruption to the core craft services remains low. Players with scale, strong employer brands and structured compliance frameworks are increasingly well positioned to capture the shift towards more professionalised and sustainable operations – a shift that is accelerating across all of HG's markets.

# The most ambitious job is the one you can't do alone

Martin Frank sat with the timeline in his head.

**T**wo luxury chalets in Lech, across the border in Austria. A spa zone with a sound healing room, a salt room, a sauna, a gym, and a full personal staff on site. The scope of the work was immense, and the window was just seven weeks. The client's only real flexibility was the name on the invoice.

– It has to be finished on December 6, when the ski season starts. Period. No matter what.

Ritter und Frank, Martin's company near Stuttgart, has been in the painting and plastering trade since 1868. Seventeen employees. A full order book already. The architect had called him directly because Ritter und

Frank is known for one specific thing.

– We got this request because of the acoustics, really.

The work involved an overall concept where the ceilings and wall surfaces needed to be designed within a unified visual framework. Acoustic ceilings are a narrow craft. You trowel a soft material across a surface that has to absorb sound, yet still look like flawless architecture. The ceilings provide an excellent acoustic effect, while the wall surfaces are characterized by outstanding water vapor permeability – they breathe – alongside their high-end aesthetics. In a spa zone, the tolerance for a visible seam is zero. Ritter und Frank has spent







## Both crews would work on the same site. Painters and plasterers together. On the same scaffolding, finishing the same ceilings, alongside Martin's. Two companies. One crew. One deadline.

years building that capability. The specialty opened the door. The problem was capacity.

– The scale of the project was massive, and we were supposed to finish it in seven weeks. Even with all my own people, we would not have made it.

Lech am Arlberg, where the chalet stood, was Martin's own ski region – where he had come since he was a boy, where he still went every winter. He knew the town. He knew what a finished luxury chalet would require, and what was involved in getting it there. He also knew how to find the hands. So Martin picked up the phone.

### Two companies. One crew. One deadline.

The person he called was Jochen Baur. An old friend, another craftsman, twenty years in each other's phonebooks. Long before the ski chalet, they were the

kind of friends who took each other's calls when a job got too big for one crew.

– So I asked around, and I got three of Jochen's people, sometimes four when we needed them.

Both crews would work on the same site. Painters and plasterers together. On the same scaffolding, finishing the same ceilings, alongside Martin's. Two companies. One crew. One deadline.

– We have been a group of friends for a long time, these companies. Beck, Übelacker, Ritter und Frank, Baur.

### The day they couldn't start

Nothing on this job ran smoothly from end to end. Martin says so himself – from day one to finish: stress, lying awake at night, moments where you wonder whether everything will hold together.





Ritter  
Frank

farbra  
kompetent und

One such moment: the crew arrived on site, ten painters from Ritter und Frank, ready to begin. They couldn't. The surfaces were not ready for his painters. Ten people on the clock, nowhere to start. On a normal job, that is a delay. On a seven-week job to a ski-lift deadline, it is the beginning of a disaster.

Martin rearranged. Other trades on the chalet took their turn; his own painters shifted to whatever surfaces were ready; the project moved sideways until the walls caught up. That is how it went for seven weeks. A plan continually re-executed around whatever had just gone wrong.

### Why most craftspeople hesitate

Two things keep craft companies from sharing projects, even when the work is there for the taking. The first is the owner's calculation.

— On my own, I would have had to turn this job down — and it was a project with a good margin in it.

The choice was not between a big profit and a smaller one. It was between a major premium order and no order at all. Sharing the site did not dilute the success of the project. Premium jobs demand speed and scale. By pooling resources, they could deliver more work, in less time, than any 17-person company could book alone.





Put the question to him plainly – when two companies share a project like this: Is one plus one really still two, or something more like three?

– Yes, yes. Absolutely.

### Why now

When the construction market is slow, and order books are getting thinner, the pressure is on to say yes to every call. Even the ones that seem too big or too fast. In times like these, a strong network is your competitive edge. It allows you to take on premium, demanding jobs that you could never staff alone, while other companies have to turn them down.

In Lech, that network delivered. The ceiling went up, the spa opened on time, and on December 6, the first guests checked in to a flawless luxury chalet. On the last two days of the job, Martin was on site himself. In the evenings, both crews sat together. The uncertainty from the first days was gone. What was left was a finished ceiling in a place he had known since he was a boy, delivered by a crew that had just proven it could be done.

Ask him how a 17-person family company from Germany delivered a massive luxury finish project in seven weeks,

and he does not describe a strategy. He describes a reflex – call the right friend.

– For a project or a problem there is always a solution. Always.

There is already another request on his desk this year with the same shape: high spec, tight window, across a border. He expects to handle it the same way, with the same phone call. In a market where work is getting harder to come by, Martin is one of the craftspeople who can still take the work that arrives.

– In times like these, it is good to know we can still pull off work like this.



## PAINTING

# Paint it black

Or any other color! The tradition of painting houses reaches back as far as the 11th Century. But the story of painting actually goes back further. There's evidence showing that early humans started applying paint to surfaces to brighten up the spaces they lived in more than 40 000 years ago.

**H**åndverksgruppen's skilled painters work both indoors and outdoors, with small and large buildings, and are highly competent when it comes to renovation, rehabilitation, new constructions and insurance cases.

## From Norwegian stave churches to complexes

As far as painting goes, renovation and rehabilitation projects cover everything from medieval stave churches and old buildings to large-scale renovations of business buildings, single-family homes, apartment complexes and renovation of façades.

A crucial part of the rehabilitation job is to carefully assess the condition of a building and to make a plan of

what kind of groundwork needs to be done. Our painters are adept at using traditional painting techniques such as gilding, glazing, patination and linseed oil paint to give the surfaces a specific touch. Of course, they are experienced in using contemporary painting techniques as well..

## Keeping up with the paint's drying time

When working on new buildings that have large surfaces that need to be ready at the same time, there are demands that must be met. Håndverksgruppen's painters are equipped with the latest technology and fast-working methods, making sure we're done before the paint is dry and the deadlines are met.

We know how important it is to coordinate the painters'

work with other disciplines involved in a project. That's necessary to achieve good progress and seamless implementation in new building projects. Our local painting companies have a high level of expertise, making sure the customers get the color and paint type they need. And what groundwork is needed before the final touches.

“  
**Håndverksgruppen's painters  
are equipped with the latest  
technology and fast-working  
methods.**

”



## FLOORING

# Floors for all walks of life

Whether you're standing in your children's kindergarten, are on your way to an important meeting or you've just touched down at the airport after a round-the-world-trip, your feet will be planted on the floor. Floors are an essential part of our lives, literally providing a foundation for all of us to stand on.

**T**he companies of Håndverksgruppen lay floors for major contractors and smaller private customers. Making sure the flooring options meet our client's needs. For significant undertakings like renovation of hospitals, it's vital that the floors are maintenance-free, clean and comfortable to walk on – every single day.

Our skilled workers provide tailored advice and recommendations that are suited to the customer's desired function, preferences and cleaning needs before we price the work. That way, they make sure the floors are just like they're supposed to be. Something you can rely on. By choosing Håndverksgruppen, the customers will have access to a large selection of different floors for

different purposes, including parquet, linoleum, laminate, carpets and epoxy.

## Streamlined Floor Selection for Rehabilitation

Choosing the right floor can be tricky. When it comes to renovating a room, our craftspeople receive an inquiry from the customer and listens to their wishes and needs. No matter if the task at hand is a large open-planned office building that needs to be renovated, or helping a family renovating their first home.

At Håndverksgruppen, we act as consultants for our customers. In other words: It's about finding the flooring products that actually suit both the room and the customer. Our craftspeople provide end-to-end flooring

solutions that encompass everything from the customer's vision to the finished floor, ready for immediate use. At Håndverksgruppen, we know that flooring is not just about the price. For us, it is all about demonstrating good service, quality, breadth of knowledge about floors and flooring – and last but not least: Timely execution.

“

**At Håndverksgruppen,  
we act as consultants for  
our customers.**

”



## MASONRY

# Bricks laid to last

Masonry is a timeless craft that has stood the test of time. With historical roots and traditions that date back centuries, masonry is also a very versatile discipline at a workplace. Thus, masons work in a variety of settings, both indoors and outdoors, on both large construction sites and in private homes.

**A**t Håndverksgruppen, our masons are experts in rehabilitation, new construction, and insurance claims for buildings of all sizes, from small homes to massive institutions. No matter what type of building we're talking about, it all starts with a foundation wall. From there, our skilled workers can construct anything from fireplaces and chimneys to walls and natural stone features.

## Taking care of our historical buildings

Our masons have a passion for preserving the many beautiful and historical buildings in the Nordics. As a result of the toll of time, the lime used in the cement at the time of construction has begun to crack. The signs are easy to spot in the foundation, walls and façades.

Much of the rehabilitation work done by Håndverksgruppen addresses just this. We carefully refurbish the façades and foundations of both old apartment buildings, and renovate large, historic buildings. To make sure they'll last for another hundred years.

We know the importance of matching materials and techniques used in the original construction. As with all old buildings, not least due to underground movements, there will always be a need for rehabilitation at some point. And a need to do it properly.

## Starting from the ground up

A strong foundation is key to every building, no matter its size. Håndverksgruppen's masons have the expertise to

make sure it is level and sound, in line with the architect's goals—and ready for further construction. Our workers are experienced in laying brick basements, partitions and more, both in private and public buildings. Regardless of the building type, the common denominator is that we start with the bottom. From there, the only way is up!

“

**Our masons have a passion for preserving the many beautiful and historical buildings in the Nordics.**

”



## TILING

# Grids for everyday life

Who's going to tile the floors you walk on every day? Tiling is a key part of the masonry profession, and Håndverksgruppen's masons have extensive experience with both membranes and tiling.

**F**rom bathrooms and wetrooms to kitchens, stairs and other common areas, whether the project is large or small, we believe that tiles are the perfect way to add both style and simplicity to any space.

Our masons work with both large and small clients, ranging from the private individuals to large apartment buildings, making sure maintenance is simple and the touch is modern.

## Turning old bathrooms into new ones

We help our clients select the best tiles for their needs and manage the project from start to finish. If the project

management is done smoothly, a bathroom can be rehabilitated in as little as two weeks. At Håndverksgruppen we believe in clear communication and timely material ordering to make sure that every project runs according to plan.

## Tiling done in good time

In new builds, Håndverksgruppen works as both a sub-contractor for contractors and as the main contractor for private individuals, laying membranes and tiles in all types of public and private buildings. Our masons help the client choose the perfect tiles and materials, ensuring that every project is delivered on time – and with the highest level of quality.

With good project management, we coordinate the delivery of goods to the right place and time, executing each job professionally and efficiently to create satisfied customers.



**Our masons help the client choose the perfect tiles and materials, ensuring that every project is delivered on time...**





MADE IN ITALY

## SUSTAINABILITY AT HG

# A better world, one surface at a time

In today's changing environment, sustainability is both a responsibility and an opportunity.

**A**t Håndverksgruppen (HG), our work in the crafts sector, which includes tiling, masonry, flooring and painting, is grounded in a long-term commitment to environmental, social and governance (ESG) principles.

## **Built on Experience, Driven by Purpose**

The crafts industry has historically depended on human and natural resources without always taking long-term sustainability impact into account. We acknowledge that context and are working systematically to do better, both by putting our people first and improving the way we use materials and energy.

The fragmented nature of our industry has often seen smaller, local companies face pressure to focus on immediate business performance over long-term sustainability. As part of HG, local companies gain access to a network, tools and support that make it easier to take a longer view. We set clear expectations, share good practice, and help our companies make sustainable practices a natural part of daily operations.

This approach has become a strength for us, both in attracting new companies to the group and in building trust with customers. Our sustainability efforts are increasingly seen as a competitive advantage, especially in larger national contracts where sustainability

performance is a formally weighted selection criterion.

## **Leadership and governance**

Sustainability is anchored in HG's leadership and governance structure. The Board of Directors provides strategic oversight and approves our sustainability-related policies and targets on an annual basis, including our Sustainability Policy, which is reviewed and renewed every year. The Group Management Team (GMT) sets our group-wide strategy, goals and initiatives, integrating them into the commercial strategy and key decision-making processes. At group level, the Sustainability Manager works closely with the GMT to advance the sustainability agenda



– implementing our sustainability initiatives, tracking and reporting on performance, and ensuring readiness for evolving regulatory requirements.

Each country has a dedicated Managing Director, who plays a key role in translating group-level goals into local action. Country HR Managers own the social sustainability agenda locally, while Regional Managers and General Managers of our local companies are responsible for implementation on the ground. This structure ensures that sustainability is embedded at every level of the organization, from the boardroom to the worksite.

### **Our Sustainability Strategy**

At HG, our sustainability work is grounded in the realities of our business. We are a people company, and we know that our long-term success depends on how we care for people, use resources and manage risk. The foundation of our approach is our Double Materiality Assessment (DMA), which we conduct in line with the Corporate Sustainability Reporting



Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). We completed our first full DMA in 2024, supported by PwC, and updated it in 2025 using a structured top-down approach. The DMA looks at sustainability from two perspectives: the impact we have on people and the environment, and the sustainability-related risks and opportunities that affect our financial performance. Together, these form the basis of what we report on and where we direct our efforts.

Our 2025 DMA confirmed six material topics listed below, encompassing 14 material sub-topics. These are:

- **E1 – Climate Change** (Climate change mitigation and Energy)
- **E2 – Pollution** (Microplastics)
- **E5 – Resource Use and Circular Economy** (Waste)
- **S1 – Own Workforce** (Working conditions, Health and safety, Training and skills development, Diversity and equal treatment, and Social dialogue)
- **S2 – Workers in the Value Chain** (Working conditions, Health and safety, Other labor-related human rights)



- **G1 – Business Conduct** (Corporate Culture, Management of relationships with suppliers)

These topics align closely with the priorities we have held since the beginning of our sustainability journey. The 2025 DMA sharpened our understanding of where the greatest impacts, risks and opportunities lie and reinforced the importance of keeping these topics closely linked with our business strategy. Our sustainability work is organized around three pillars, each supported by specific goals, strategic initiatives and targets:

- **Empowered People & Safe Workplaces** – caring for, developing and protecting our workforce
- **Responsible Environmental Operations** – reducing our ecological footprint across climate, waste and microplastics
- **Strong Governance & Transparency** – acting ethically and transparently throughout our operations and value chain

We expand on each of these below.

“  
**Our General Managers are at the heart of how HG operates – they are the leaders who embed our values, drive performance and build the culture of their local companies. Succession planning and leadership development are therefore high on the agenda.**

### **Empowered People & Safe Workplaces**

Our people are the heart of our business. As a crafts-based group with operations across four countries and close to 4 700 employees, our long-term success depends on skilled hands, strong teams and safe, fair workplaces. Since the beginning, we have worked to build a culture based on respect, inclusion and continuous learning, which is shaped by local needs, but is united by shared values. The 2025 DMA confirmed that our own workforce is among HG's most material topics. Specifically, five sub-topics within S1 all meet our materiality threshold, as listed above. This reflects both the significant positive impact we can have on our people, and the real risks we must manage. It reinforces our belief that focusing on

people is not only the right thing to do, but is also central to how we create lasting value as a business.

#### **Developing our people**

Investing in our people's development is a strategic priority across the entire group. Our General Managers are at the heart of how HG operates – they are the leaders who embed our values, drive performance and build the culture of their local companies. Succession planning and leadership development are therefore high on the agenda.

In 2025, significant effort went into strengthening the HR function across the countries, with new HR managers brought in place in Norway and Denmark,

creating a stronger foundation for more systematic people development going forward. The HG Academy, our internal training platform, remains a key lever for this, offering courses across core areas of learning and leadership, delivered in flexible formats that match the realities of our local companies. We expect to increase its reach and utilization in the coming year. Apprenticeships are another important investment in the future. During 2025, we continued to work with local schools and communities to attract new talent, as we work towards our long-term target of 12% by 2030.

#### **Health, safety and well-being**

The safety of our employees is one of our most fundamental responsibilities. Our work involves real



Where are we at today and what are our targets?

**8.4% > 12%**

Share of apprentices of total employees by 2030.

**45% > 60%**

Key employee Net Promoter Score (eNPS) by 2030.

**11 > 6**

Lost Time Injury Frequency Rate (LTIFR) by 2030.



**We maintain a zero-tolerance policy for discrimination, harassment and bullying, and have in place robust channels and policies that enable our employees to report misconduct, and every reported case is taken seriously.**

hazards, and our ambition is clear: everyone should come home from work safe and sound, every day. We track this through our Lost Time Injury Frequency Rate (LTIFR), which was 10.9 in 2025. While this represents a small increase compared to the prior year, it reflects the continued attention safety culture requires, and we remain firmly committed to our long-term target of 6 by 2030. With HR teams now in place across our countries, safety has been embedded more systematically into monthly operating review meetings, where accidents are reviewed in detail and mitigating actions and prevention measures are discussed. This creates structured feedback loops and is an important step in building the consistent safety culture we are working towards.

Beyond physical safety, the mental well-being and psychological safety of our employees is equally

important to us. We conduct engagement surveys annually for our employees at group and country levels. Bi-annually we conduct a satisfaction survey for our most significant shareholders, reinvested shareholders and General Managers. We encourage General Managers to conduct similar surveys for their local staff and provide templates to facilitate this. These surveys help us understand how our people are feeling and surface issues that might not otherwise be visible through day-to-day operations.

**Inclusion and equal opportunities**

For us, inclusion means something specific and practical: every person who works for HG should feel safe, respected and genuinely part of the team, regardless of where they come from, or what their background is. In an industry that has historically not

always been welcoming or open, this is something we take seriously and work on deliberately. Our value “We care” drives this commitment, not as a statement, but as a daily expectation of how our people treat one another. We maintain a zero-tolerance policy for discrimination, harassment and bullying, and have in place robust channels and policies that enable our employees to report misconduct, and every reported case is taken seriously. Diversity, in the traditional sense, remains an industry-wide challenge, and our workforce reflects the demographics of a sector that is still predominantly male. We believe that creating genuinely inclusive workplaces is the foundation from which a more diverse workforce can grow over time. The case study below is a good example of what this can look like in practice.



## Case Study: Opening the door to work

Risanger & Sønn, a painting company based in Haugesund, Norway, that has been part of HG since 2020, has built something genuinely special: a workforce culture that makes room for people who might otherwise struggle to find their place in working life. The company's approach is built on a simple but powerful philosophy. As General Manager Sjur Risanger puts it: "A person who wants to but cannot, we make room for. A person who can but doesn't want to, we don't get much out of." Willingness and attitude matter more than a polished CV. The result is a team that is skilled, committed and genuinely diverse, including craftspeople who came to Norway as refugees, others who have faced barriers to employment, and people who simply need someone to give them a chance.

One of those people is Krystyna Donchenko, who fled Ukraine and found her footing as a painter at Risanger & Sønn. Her story, and the company's approach to inclusion, was featured in research by SINTEF on how to bring more people into employment and caught the attention of both national media and policymakers. In January 2025, Risanger & Sønn was awarded Haugesund municipality's Integration Prize, in recognition of their outstanding work in giving people a real change, while also setting high expectations and showing genuine care.

This is what inclusion looks like in practice: not a program or a policy, but a culture. And it is exactly the kind of local leadership we are proud to have within HG.

## Responsible Environmental Operations

Taking responsibility for our environmental impact is a natural part of how we do business. Much of our work is about maintaining and upgrading existing buildings, which helps extend their lifespans and reduce the need for new materials. The 2025 DMA confirmed the three environmental topics that are most material for HG: climate change (including GHG emissions and energy dependency), microplastics and waste. These affect both our operational impact on the world around us and our exposure to financial risks and opportunities as the economy transitions towards lower-carbon and more resource-efficient models.

### Climate and energy

Our most significant direct environmental impact comes from GHG emissions, primarily from diesel vehicles our craftspeople use to travel to and from project sites. This is captured as Scope 1 in our carbon inventory. We also report Scope 2 emissions and are continuing to develop the quality and coverage of our Scope 3 reporting, which covers emissions embedded in our purchased materials and goods, waste generation and business travel. In 2025, our total reported GHG





## A group-level decarbonization plan is in development to formalize our pathway towards our long-term ambition of Net Zero by 2050.

emissions were 65,149 tCO<sub>2</sub>e, a reduction from 71,008 tCO<sub>2</sub>e in 2024, reflecting both continued fleet transition and meaningful improvements in the accuracy of our Scope 3 data. EVs accounted for 20% of our car fleet at year-end 2025, up from 17% in 2024, and we are targeting 25% in 2026 as part of our pathway to 100% by 2040. A group-level decarbonization plan is in development to formalize our pathway towards our long-term ambition of Net Zero by 2050.

### Waste and microplastics

Our operations generate approximately 4 million kg of waste annually across project sites, from surfacing activities, material off-cuts and packaging. Reducing

waste and optimizing how it is stored and handled is both environmentally important and increasingly relevant commercially. Across the group, local companies continue to extend the life of tools and materials, introducing simple but effective cleaning and reuse routines, including by utilizing paint brush cleaning stations. These machines also directly address our other material environmental topic: microplastics. Vehicle tire wear and paint residue from washing are our two main sources of secondary microplastics emissions – particles that accumulate in waterways and ecosystems and do not biodegrade. Regulatory attention to microplastics is growing across the EU, making proactive action both environmentally responsible and commercially prudent.

\*As an overall when combining incineration and landfill. Individually, there has been a 7% increase in kg waste sent to incineration, and a 7% decrease in kg waste sent to landfill.

Where are we at today and what are our targets?

# Net Zero

65,100 tCO<sub>2</sub>e>Net Zero Carbon emissions achieved by 2050.

# 20% > 100%

Share of Electric Vehicles (EVs) in the car fleet by 2040.

# -6% > 20%

Reduction in waste sent to incineration or landfill by 2030\*

## Strong Governance & Transparency

Good governance isn't just about policies and procedures. It's about how we act, how we lead, and how we create trust, both internally and externally. With around 160 local companies under the HG umbrella, a strong and shared culture is key to doing things the right way. The 2025 DMA confirmed two material governance topics: corporate culture and management of relationships with suppliers. The construction and surfacing industry has historically been exposed to corruption, bribery and occupational crime, and this aligns well with how we see our responsibility. Ethical behavior, trust in leadership, and transparency across the supply chain are core to how we want HG to operate, now and in the future.

## Ethical culture and Code of Conduct

We require all our employees to complete training in our Code of Conduct, which sets out the ethical expectations that apply to everyone in the group. It is reviewed and approved by the Board of Directors annually. Local general managers play a particularly important role in upholding this standard in practice. They are expected to lead by example, embed the values of the Code in everyday decisions, and attest annually that their



teams have completed the required training. Central to our speak-up culture is our Whistleblowing channel, which is available to all employees, suppliers and other stakeholders, providing a safe and confidential route to raising concerns.

### **Supplier management and value chain transparency**

Our supply chain is complex, spanning raw materials extraction, manufacturing and logistics. While most of our direct suppliers operate in the Nordics, their value chains extend across global markets, to areas where labor and human rights risks are known to be elevated. All of our key suppliers are required to sign or align with our Supplier Code of Conduct, which covers labor and human rights, fair working conditions, environmental responsibility and ethical business practices.

Our supply chain risk management is conducted in line with the Norwegian Transparency Act (Åpenhetsloven), under which we publicly report our supplier due diligence efforts annually. The regulatory environment in this area is developing, and we are committed to maintaining and building on our standards as expectations evolve.

### **Crafting a Responsible Future**

Over the course of 2025, we have continued to deepen and mature our sustainability work across the group, building on the progress of previous years with greater structure, sharper data and clearer accountability. We are proud of the craft-based culture we come from, and we want to demonstrate that quality and responsibility go hand in hand. Sustainability is not something we layer on top of the business; it's an essential part of how we work and the decisions made every day. That includes the craftsperson who sorts waste and washes their paintbrushes correctly, the general manager who ensures their team lives the Code of Conduct, and the HR team that invests in developing the next generation of leaders and craftspeople. The environment around us is constantly changing. Customer expectations are rising, regulatory requirements are expanding, and the industry itself must evolve. We intend to lead that evolution, and whilst there is more to do, we are not standing still. With every step we take, our mission remains clear: to build a stronger, more resilient business. One that values our people, takes care of our planet and acts with integrity in every decision.

**We are proud craftspeople leading the way.**

## **Where are we at today and what are our goals?**

# 100%

of key suppliers sign or align with Supplier Code of Conduct through 2030.

# 100%

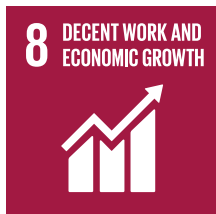
of employees completing annual Code of Conduct training through 2030

# Hard numbers and facts

We have assessed our operations against the 17 Sustainable Development Goals (SDGs) and have concluded that our work contributes directly to 5 UN SDGs, listed below. Action is prioritized in these key areas, to further strengthen positive impacts and eliminate or minimize negative impacts:



Increase the number of youth and adults who have relevant vocational skills for future employment by employing apprentices and supporting them on the way to craft certification (target 4.4).



Reduce the number of unemployed youth through our apprenticeship programs (target 8.6), while preventing shadow work and promote labor rights and safe working environments across our operations and supply chain (target 8.8).



Contribute to upgrading our own operations and the broader surface treatment industry to become more sustainable, through increased resource efficiency, transition to clean energy in our vehicle fleet, and the use of lower-impact methods and materials in our daily work (target 9.4).



Promote sustainable consumption through waste reduction, reuse and recycling across our project sites (target 12.5), and support sustainable procurement practices through our Supplier Code of Conduct and supply chain due diligence (target 12.7).



Reduce our carbon footprint through the transition to electric vehicles, improved energy efficiency and better data on our full Scope 1, 2 and 3 carbon emissions, building awareness and capacity for climate action across our local companies and value chain (target 13.3).



The way we measure our progress and areas of impact:

FOCUS AREA	KPIs	LONG TERM TARGET
<b>1. EMPOWERED PEOPLE &amp; SAFE WORKPLACES</b>	1a. Key employees net promoter score (Key eNPS) 1b. Lost time injury frequency rate (LTIFR) 1c. Share of apprentices	1a. Key eNPS of 60 by 2030 1b. LTIFR of 6 by 2030 1c. 12% apprentices by 2030
<b>2. RESPONSIBLE ENVIRONMENTAL OPERATIONS</b>	2a. tCO2e absolute emissions 2b. % of EVs in the car fleet 2c. % reduction in kg waste sent to incineration or landfill	2a. Net-Zero by 2050 2b. 100% EVs by 2040 2c. 20% reduction in kg waste sent to incineration or landfill by 2030
<b>3. STRONG GOVERNANCE &amp; TRANSPARENCY</b>	3a. Code of Conduct (CoC) training attendance 3b. % of critical suppliers who have signed Supplier Code of Conduct (SCoC)	3a. 100% of staff undergo regular CoC training** 3b. Maintain 100% SCoC signing rate for critical suppliers through 2030***

PERFORMANCE 2025	ANNUAL TARGET 2026
<p>1a. Key eNPS of 45</p> <p>1b. LTIFR of 10.9</p> <p>1c. 8.4% apprentices</p>	<p>1a. Key eNPS of 50</p> <p>1b. LTIFR of 9.5</p> <p>1c. 9% apprentices</p>
<p>2a. 65,149 tCO2e absolute emissions</p> <p>2b. 19.9% EVs in the car fleet</p> <p>2c. 6% increase in kg vs 2024*</p>	<p>2a. Draft and start implementing decarbonization plan</p> <p>2a. Pilot project with a selection of OpCos to establish best practice decarbonization initiatives</p> <p>2b. 25% EVs in the car fleet</p> <p>2c. Pilot project with a selection of OpCos to establish best practice on waste reduction and optimization</p>
<p>3a. New concept for CoC training implemented during 2025. Tracking to start in 2026</p> <p>3b. New threshold for “critical suppliers” implemented during 2025. Tracking to start in 2026</p>	<p>3a. 100% of employees having undergone CoC training</p> <p>3b. 100% of critical suppliers signed the SCoC</p> <p>3b. Conduct spot checks on selected suppliers</p>

\* As an overall when combining incineration and landfill. Individually, there has been a 7% increase in kg waste sent to incineration, and a 7% decrease in kg waste sent to landfill.

\*\* HG will provide annual training on the CoC to all Group and service office staff. Given HG’s decentralized model, service offices provide CoC training to all GMs, who in turn are accountable for ensuring, and confirming annually, that their staff have received training.

\*\*\* As defined by HG’s Supplier Code of Conduct. Each service office is responsible for their own threshold of what constitutes a critical supplier. If a supplier has their own Code of Conduct, which sufficiently covers the requirements within HG’s SCoC, they are considered to have signed it.

# Call the customer. Send the email. Never say no.

In Trollhättan, Paintab has made "never settle" a working method. Here are the moves that keep the order book full when the market shrinks.

**A** cracked pane in a window on a municipal building. Rotten wood in a frame that no one has asked them to look at. The painter from Paintab stops, takes a picture, sends a message to the office. By the end of the day, the customer knows about it. By then, Mårten has already called a carpenter. And a glazier.

- We fix everything and the whole picture, says Mårten Mårtensson, general manager of Paintab.
- Why does that free up time for the client?
- He knows that if he contacts us, we'll solve

the whole thing. He doesn't have to coordinate the carpenter himself. We take the invoice from them, add our percentage, and he gets one invoice line in his accounting system.

It's the small moves. Those are the ones Mårten points to when others in the HG League ask how 22 painters can do 1,500 jobs a year in a town where industrial customers are closing and framework agreements can fall through.

- How can you have such high turnover when you are so few people?





The question came up in Svalbard, during the HG League gathering, after Paintab had won the award for «Performance Improver». The answer is not a single solution. It is an entire working method, repeated every week, even when the order book is full.

### **The rule that must not be broken**

The first tip is also the hardest. It's about what you answer when a framework agreement customer calls on a Monday morning and needs something you don't really have the people for.

- We never say no, but we make sure to solve it. If we don't have enough of our own people, we use subcontractors so that we get it done.
- What happens if you say no once?
- Then they pick number two on the list of people they can call. And that makes it easier for them to call number two again the next time. That's how you lose a customer – little by little.

The result is a mechanism, not a feeling. There shouldn't be any reason to call anyone else.

- We put ourselves outside the competition. That's because we have such good trust with them.



## No project manager. No site manager. We sit in the office, but are also out helping. It's not like 'us and them' — we do this together.

### It's about communicating all the time

Paintab works a lot with framework agreements. Fixed prices. And small projects. Over time, almost imperceptibly, the customer can start to believe that something is included, which isn't actually the case.

- A small email to the customer about where we are with the work can be enough – and then you often get rid of those problems.

- What can go wrong if you don't clarify expectations?

- Then they can dig into the paragraphs about what is included. But if you are clear all the time and provide ongoing information, a lot of the dissatisfaction disappears.

The same goes for the quote. Paintab spells out what is included and what is not, before the job starts. What pops up along the way – a rotten facade, a broken window – falls outside the quote and is reported immediately.

- We usually hear from several people that we are good at being clear. Or «ordning och reda» (order and clarity), as they say in Sweden. Fast invoicing. Documents in place. Not because it looks good, but because that's where the competitors drop out.

- A lot of smaller firms are at least very bad at administrative things.

### No one between Mårten and the wall

The hierarchy among the 22 painters is deliberately low. No project manager. No site manager.

- We sit in the office, but are also out helping. It's not like 'us and them' – we do this together.

- How do you know they feel that way?

- You hear it from the customers. They tell us how the painters behave out there. Just because you're a painter, you're not just a painter – it's about having the right competence in the right place.





Paintab does almost no new builds. It's a conscious choice, and it's connected to who they hire. A service painter works in an office building while people are sitting and working next door. They have to be able to knock, explain what they are going to do, move a chair back afterwards. They have to be able to talk.

– If you're going to be a service painter, so much more is required – you have to talk to the people around you.

It's a different job than standing on scaffolding in a finished building with no people. Paintab has built the entire team around the first type. That makes them less suited for new builds – and better suited for what clients actually demand again and again.

– We also try to think a lot about not talking too much about work during break time. Then we'd rather talk about what they have going on at home, their free time, and things like that. They have other things to think about. That is not a corporate phrase. That is how a flat organization stays flat when it grows.

### **When the agreement falls through**

Trollhättan has seen it before. A large customer disappears overnight. Paintab has stood in the middle of it several times.

– It can happen at any time that agreements end, and then you have to find another way.

– How do you find new markets?

– You go out and introduce yourself. More often. You can be frank with the regular customers. I say it straight out: 'Right now we have very little to do. Do you have any work you know needs to be done?' Often they do.

Telling the customer that you need work might sound weak. Towards a client who already trusts you, it is just honest.

### **HG as reinforcement, not the engine**

Paintab joined HG in 2021. Much of what is described above was in place before then.

– It has definitely been an advantage to join HG. It's a strength to have them behind you.

But regarding the league victory itself, he is pragmatic. The award is a confirmation that the working method functions – and a reminder that it must continue to function.

– You can never settle. Things can happen. We can lose agreements and everything.



# Masterclass: 10 practical approaches from Paintab

## 1 Never say no to a regular customer

If you say no once, the client has an alibi for number two on the agreement. Loyalty crumbles in small pieces.

## 2 Solve the whole picture when you discover something

A cracked pane, rotten wood, a green roof – report it the same day and bring in the carpenter or glazier yourself. Then you get more work in the same project.

## 3 Write the quote so clearly that no one can misunderstand

What is included. What is not. What pops up along the way falls outside the quote and is reported immediately.

## 4 Send the little status email before they ask

Three sentences on Wednesday afternoon: what is done, what remains, when you are finished. It costs

nothing and prevents small questions from becoming big complaints.

## 5 Keep the documents in order and invoice quickly

Customers point to «order and clarity» when explaining why they choose you again. This is where smaller companies drop out.

## 6 Eat lunch together – but don't talk about work

Talk about family, home, free time. Let that half-hour be a break from production. That is how you keep engagement up.

## 7 Match the person to the customer

The service painter in an office building must be able to knock and talk. Just because someone can hold a brush, they are not the right person for the assignment.

## 8 Meet the framework agreement requirements before they arrive

Fossil-free fleet. Quality system. Documentable routines. The one who has prepared can bid on agreements; others are out before the quote is delivered.

## 9 Call the regular customers when it is quiet

«Right now we have very little to do – do you have any work you know needs to be done?» Towards a client who trusts you, it is just honest. Often they have a project that had been waiting.

## 10 Never settle

A full order book today is an agreement that can fall through tomorrow. Industries close. Contracts are renegotiated. The discipline above is the only thing that repeats itself.

# Meet Our Management Team

As a leader in the surface treatment industry, Håndverksgruppen is led by a competent management team that sets our strategic course.

While they provide essential leadership, the true foundation of our success lies with the local HG companies. Their exceptional skills and steadfast dedication are crucial to the success of our business.



**Øyvind Emblem**

CEO

**Born:** 1970

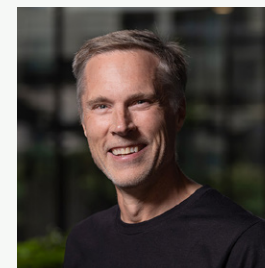
**Employed by HG since:** 2020

**Nationality:** Norwegian

**Education:** Master Mechanical Engineering, NTNU, Norway. Master Business & Administration, HEC, France.

**Current engagements:** Member of the Board of Directors at Installatørgruppen.

**Previous engagements/experience:** MD Norway & EVP Ramirent. MD Michelin Benelux. MD Michelin South Korea. Production Manager, ODIM Hitec. Management Consultant, McKinsey & Co.



**Christian Hanke**

CFO

**Born:** 1968

**Employed by HG since:** 2024

**Nationality:** Swedish

**Education:** Bachelor's degree in business administration from Uppsala University. Certified Public Accountant in the state of Massachusetts.

**Current engagements:** None

**Previous engagements/experience:** Auditor at PwC. Manager Financial Reporting at Stratus Technologies. VP Controller at American Express. VP Financial Controller at Nasdaq. VP Corporate Controller and interim CFO at Autoliv. CFO at Oatly Group.



## Elisabeth Rustad-Nilssen

CBDO

**Born:** 1988

**Employed by HG since:** 2021

**Nationality:** Norwegian

**Education:** Master Auditing & Accounting from Norwegian Business School. BSc (Honours) Financial Economics from University of St Andrews.

**Current engagements:**

Board Member of MOVA Group AS

**Previous engagements/experience:** Investment Director, FSN Capital Partners. Senior Associate, PwC Deals. Senior Associate, PwC Assurance.



## Trond Sigurd Tørdal

Board Member and  
M&A Director

**Born:** 1964

**Employed by HG since:** 2020

**Nationality:** Norwegian

**Education:** Entrepreneur

**Current engagements:** T. Tørdal Invest AS, CEO and Chairman of the Board. PSG3 AS, Chairman of the Board. Peon Bodø AS, member of the Board.

**Previous engagements/experience:** Boreus Eiendom AS, member of the Board. Burøyveien 12 AS, Chairman of the Board. 4 Kløveren Elendom AS, Chairman of the Board. Ørnedet Bodø AS, Chairman of the Board.



## Gjermund Söder Vegge

MD Norway

**Born:** 1971

**Employed by HG since:** 2020

**Nationality:** Norwegian

**Education:** Master of Business and Economics, BI Norwegian Business School

**Current engagements:** None

**Previous engagements/experience:** Group CFO Håndverksgruppen. Group CFO Umoe Restaurants. CFO Statoil Norge (aka CircleK Norway). Retail Operations / Chief COCO operations Statoil Norway COCO. Management Consultant PA Consulting Group, GM retail operations.



## Frederik Stage Olsen

MD Denmark

**Born:** 1983

**Employed by HG since:** 2023

**Nationality:** Danish

**Education:** Cand. Merc, International Marketing and Management, Copenhagen Business School.

**Current engagements:** None

**Previous engagements/experience:** CCO, Elis Denmark. Country Manager, Berendsen. Plant manager, Berendsen. Business Line Commercial Terms and Pricing Manager, Berendsen. Operational manager, Berendsen.



## Jonas Parkvall

MD Sweden

**Born:** 1978

**Employed by HG since:** 2026

**Nationality:** Swedish

**Education:** Master of Science (M.Sc.) in Business Administration and Management, Umeå University.

**Current engagements:** None

**Previous engagements/experience:** Operations Director, Compass Group Sweden. Head of Staff Operations, Nobina Sverige AB. Contract Director & Head of Food & Beverage Sweden, Coor. Head of Soft FM, MTR Corporation. Multiple senior leadership roles within Sodexo. Management Consultant, Ernst & Young. Financial Consultant / Owner, Parkvall Consulting.



## Sascha Gellrich

MD Germany

**Born:** 1981

**Employed by HG since:** 2026

**Nationality:** German

**Education:** Bachelor of Arts in International Business, University of Westminster, London. Bachelor in Business Administration, ESEI International Business School Barcelona.

**Current engagements:** None

**Previous engagements/experience:** COO, CWS Hygiene International, Senior leadership roles, CWS Hygiene International, Senior roles, Rentokil Initial, Consultant, PwC.



## ESTABLISHMENT AND GOVERNANCE

# We're built to last

HG first saw the light of day back in 2012, when 14 Norwegian companies joined forces as a membership organisation. The 14 companies wanted to benefit from joint purchasing agreements and to win national framework deals.

**F**ast forward seven years to 2019, and HG's member companies were ready for the next step – to become an integrated group. Out of 43 member companies, 30 banded together with FSN Capital V\* to form the new HG in July 2020.

The original members of HG found FSN Capital V to be the perfect supporter for their existing companies, with a culture and approach that aligned perfectly with their own. Together, they could work towards a common vision for the future of the industry. Today, about half of the shares are owned by HG's employees and former business owners – craftspeople and entrepreneurs who believe in what we are building together – with the rest held by FSN Capital V.

At the heart of what we do is our people. That's why

former owners of craft businesses who join us reinvest into HG, meaning that the number of co-owners who invest increases every time a new company becomes part of the group. Additionally, the key individuals at each business are invited to invest in our holding company as part of HG's Management Incentive Program. With more than 800 co-owners who are also employees, we are focused on building and consolidating the strength of our business – as a team of proud craftspeople.

## Board of Directors

Leading our Board of Directors is Per W. Sjöstrand, a seasoned chairperson and founder of Instalco, with extensive experience from building decentralised service businesses across the Nordics.

Our Board comprises a diverse group with a wide range

of complementary skills and experience. This includes in-depth market knowledge of all the countries in which we operate. Their collective background includes significant entrepreneurial experience, insight from running decentralised businesses, and international expertise – well suited to support HG's continued growth across the Nordics and beyond. In addition, our Board has extensive experience of IPOs and listings, particularly through our association with FSN Capital V.

The Board of Directors is responsible for hiring the CEO, approving the corporate strategy and budget, in addition to ensuring solid management and control.

\* FSN Capital GP V Limited acting in its capacity as general partner for and on behalf of each of FSN Capital V L.P., FSN Capital V (B) L.P. and FSN Capital V Invest L.P.



# Board of directors' report 2025

Wall Topco AS is a holding company and is the ultimate parent company of Håndverksgruppen Group AS.

All operations are carried out in Håndverksgruppen Group AS (HG) and its subsidiaries.

## **Nature and place of residence of the business**

Wall Topco including HG and its subsidiaries (the "group"), performs all types of surface treatment services - painting, flooring, masonry and tiling – and is a leader in its field in Northern Europe. HG carries out everything from medium sized turnkey contracts to mainly smaller, individual assignments with the emphasis on rehabilitation work (often called rehabilitation and maintenance or R&M) in the business-to-business segment (B2B). The group is less exposed to the new build sector, although some of our companies, in particular around metropolitan areas, traditionally have been more exposed. Management estimates that R&M accounts for approximately 70% of the group's total revenue.

The group was established in July 2020 with 30 Norwegian craft businesses. Since then, until the end of 2025,

a further 129 craft businesses have been incorporated in Norway, Sweden, Denmark, and Germany.

The group's operations in Norway, Sweden and Denmark are spread across the countries enabling us to deliver on national or regional agreements. HG's first two craft businesses in Germany were included into the group in 2023 and until the end of 2025 a total of seven craft businesses have joined us in Germany. Five of these are located in the south of Germany and two in the north. The group's head office is in Oslo and each country has a service office that supports, coordinates, and follows up operations per country which are also HG's main segments.

## **Financial performance**

Overall, the group reported a strong top-line growth in

2025 driven by M&A that contributed positively with 9.6 percentage points to the overall growth, adjusted for currency effects. Organic growth or like-for-like growth was affected by a challenging market and was slightly negative in the period. Macro-economic conditions remained challenging resulting in reduced activity in the new build market in Sweden, but also Norway has experienced lower activity during the year. Although the general trend is reduced activity in the new build market, which primarily impacts some of our companies around Stockholm and Oslo, there are large local variations and thus also impact HG's companies differently. Our Danish operations are not affected and reports solid performance in a stable market. The companies have continued their good cooperation on projects and sharing of best practice across the companies, which improves our resilience in the current challenging market.



From the left: Thomas Schwenke, Trond Sigurd Tørdal, Per Sjöstrand, Marina Lønning, Erik Nelson and Eirik Hjeltnes Wabø.  
Not present: Christina Hegg, Maria Grøner, Dirk Brouwers

The consolidated financial statements are prepared and based on International Financial Reporting Standards (IFRS®) as endorsed by the European Union (EU) and effective at 31 December 2025.

### **Consolidated profit and loss statement**

#### **Revenue from contracts with customers**

Revenue from contracts with customers increased 9.0 percent to NOK 7,406 million, compared to NOK 6,796 million in 2024. Acquisitions contributed 9.7 percentage points to the overall growth, while organic net revenue decreased by 0.7 percentage points.

Adjusted for currency effects, organic net revenue decreased by 2.2 percentage points and acquired revenue contributed with 9.6 percentage points to the overall growth. The impact of currency fluctuations was a positive 1.6 percentage points. Organic net revenue in constant currency increased in Denmark but decreased in Sweden and Norway.

#### **Operating expenses**

Operating expenses amounted to NOK 7,166 million (NOK 6,709 million) or 96.8 (98.7) per cent as a share of

revenue from contracts with customers. The increase of NOK 458 million was primarily driven by the additions of new companies joining the group. Acquisition related costs impacted the year with NOK 15 million (NOK 27 million).

#### **Depreciation, amortisation, and impairment**

Depreciation and amortization of tangible and intangible assets amounted to NOK 300 million in 2025, compared with NOK 250 million in 2024. The increase was primarily due to acquisitions of new companies joining the group.

#### **Operating result**

Operating result was NOK 255 million, compared to NOK 106 million in 2024. Denmark and Sweden reported a year over year increase of NOK 55 and 29 million respectively, while Norway reported a year over year decline of NOK 15 million. Sweden's improvement was partially a result of contract asset impairments recognized as an expense amounting to approximately NOK 20 million in the fourth quarter of 2024 compared to no such expense in 2025. Denmark continues to experience stable market conditions and strong performance

across our portfolio of Danish companies, including the positive contribution from new companies acquired during 2024 and 2025. Both Sweden and Denmark were also affected positively by lower acquisition related transaction costs in 2025 of NOK 10 million. Segment Other, which include our German operations and Group functions, improved operating result by NOK 80 million year over year. The year over year improvement is primarily a result of lower consultancy costs related to a strategic project incurred during financial year 2024, a reduction amounting to NOK 37 million, a loss related to discontinuation of a non-core business in the second quarter of 2024 of NOK 22 million as well as general cost reductions in our Group functions.

#### **Financial items**

Net financial items were negative and amounted to NOK 193 million in 2025, compared to negative NOK 164 million in 2024. The increase in net finance expenses are mainly related to higher interest-bearing debt on average during 2025 including higher leasing debt as a consequence of adding more companies to the HG network.

**Profit (-loss)**

Profit (-loss) before tax amounted to NOK 63 million in 2025 compared to NOK -57 million in 2024, an improvement of NOK 120 million. The improvement is driven by higher operating result, partially offset by higher net financial expenses. Income tax expenses (-benefit) amounted to NOK 27 million, compared to NOK -4 million previous year. Net profit (-loss) for the year amounted to NOK 35 in 2025 (NOK -53 million)

The group did not carry out research and development during the year.

**Financial position and liquidity**

Total interest-bearing debt (liabilities to credit institutions and lease liabilities) was NOK 2,963 million as of 31 December 2025, of which NOK 544 million matures in 2026. Cash equivalents was NOK 764 million as of 31 December 2025, in addition to NOK 540 million in undrawn credit facilities. Based on the above the group's liquidity position is deemed sufficient to fund its growth and operations and is regularly assessed by the treasury function.

Total assets were NOK 6,002 million as of 31 December



2025 (NOK 5,280 million). Total equity amounted to NOK 1,473 million 31 December 2025 (NOK 1,138 million), corresponding to an equity ratio of 25 per cent (22 per cent). The increase in equity is primarily due to the capital contribution of NOK 235 million mentioned below.

As per December 31, 2024, the Group was in breach with two covenants in its loan agreement, related to leverage and interest cover ratio. An amended and extended loan agreement was signed with the banking syndicate in September 2025. The amended terms include an extension of the facility period by 18 months from the original termination date of January 1, 2027 and revised covenant thresholds.

As a part of the new loan agreement, additional capital amounting to NOK 235 million was contributed in September.

**Cash flow and investments**

Cash flow from operating activities amounted to NOK 552 million in 2025 (NOK 421 million), an increase of NOK 132 million mainly as a result of higher operating result.

Cash flow from investing activities amounted to NOK -206 million in 2025 (NOK -335 million) primarily related to acquisition of subsidiaries for both periods.

Cash flow from financing activities in the period amounted to NOK -27 million in 2025 (NOK -97 million). Cash flow used in financing activities in the period decreased primarily due to increased proceeds from interest bearing debt of NOK 141 million and increased proceeds from equity of NOK 222 million. This was partly offset by increased repayment of interest-bearing debt of NOK 205 million, higher interest expenses and other financial expenses paid, as well as higher lease payments as a consequence of more companies in the Group.

### Own shares

The company does not hold any own shares.

### Future development

HG works to build a leading, nationwide offering to our customers, and we want to be known for quality, sus-

tainability and responsibility. HG will continue to grow within the existing core business; painting, flooring, masonry and tiling, and working to improve the standards for quality and efficiency in the industry and at the same time move the industry in a more sustainable direction.

The group has the ambition to lead the way in sustainability and has established a sustainability strategy and carried out measures such as the implementation of ethical guidelines with zero tolerance against corruption, harassment of any type, and bribery. People, the environment and responsible management are priority areas for HG's sustainability strategy, and these have been chosen based on their importance to HG and that we can make a difference and show the way for the entire industry.

Growth will primarily come from including new, solid craft businesses with a strong local and regional market position, and new companies will increasingly be included, primarily in Denmark and Germany. HG Sweden, and to an even greater extent HG Norway, has solid national coverage, but we will also continue

to include companies going forward in these markets. Norway remains the largest segment with Sweden as our second mature market, where the priority has shifted to further develop best practice supporting the local companies to grow and continuously improve financial performance. HG included six new craft companies in Denmark during 2025 and ten during 2024. Two new high-quality crafts businesses were included in Germany in 2025 compared to three in 2024.

The Swedish team was strengthened with a new general manager Q1 2026, which will lead the Swedish segment through the important period ahead.

### Market risk and uncertainties

The Group is exposed to risk related to changes in economic conditions in our markets that affect future cash flows due to changes in pricing or demand for our services.

A turbulent geopolitical climate, war in Ukraine and Gaza, including a historical high interest rate environment have had an effect on the economy in general in



## “ **The Group is exposed to risk related to changes in economic conditions in our markets that affect future cash flows due to changes in pricing or demand for our services.**

each of our respective markets. The high-interest rate environment has primarily impacted the new build construction markets in Norway and Sweden. The construction sector has in these two countries experienced historically low new build activity. The geopolitical environment became more complex in the first quarter of 2026, as the war in Iran generated region-wide ripple effects and immediate increases in energy prices. It is unclear what the net effect of these developments will be on the economy over the course of 2026. At the same time a number of countries within EU, including Germany, is planning for significant investments in defense and infrastructure, which would have the opposite effect on economic activity driving growth.

HG is mainly exposed to the R&M market with professional customers (B2B), which historically has a more stable development. The intensity of competition increased during 2024 and 2025, especially in Sweden

but also in Norway, with less contracts to bid on with the most significant impact within new build. At the same time HG's craft companies have extensive experience delivering in good as well as challenging times. Swedish Riksbank cut its prime rate a number of times during 2024 and 2025, and interest rates in Sweden is now at a level which is more constructive for new build activity. Interest rates in Norway are relatively higher, and rate cuts are proceeding more slowly, with inflation remaining high. The market in Sweden is expected to improve incrementally during 2026, while the Norwegian market is more uncertain.

The Group is exposed to risks related to the availability of relevant labor, as a proportion of the workforce has switched to other professions during a period of market downturn and/or moved to other countries. Recruitment into relevant professions has also declined. This risk may increase if the market for our services grows.

### **Financial risk**

Through its activities, the group is exposed to various types of financial risks. Financial risks refer to fluctuations in the group's earnings and cash flow as a result of changes in exchange rates, interest rates, refinancing and credit risks. The objective is to mitigate the financial risk to the greatest extent possible. For more information on financial risk management see the notes to our financial statements.

### **Interest rate and currency risk**

The company is exposed to changes in interest rates, as the company has floating interest rate debt. Furthermore, changes in the level of interest rates can affect investment opportunities in future periods.

Foreign currency exchange risk arises when individual group entities enter into transactions denominated in a currency other than their functional currency. The



transactions of the operating entities are denominated in the local currency, thus there is little or no currency exposure from operating activities. Translation exposure arises when foreign subsidiaries' results and net assets are translated into Norwegian kroner. For the group translation risks arise for the subsidiaries in Sweden, Denmark and Germany. Assets and liabilities in foreign currency are translated at the closing rate.

The group has currency exposure related to financing as the parent is funding the subsidiaries in their local currency, thus movements of SEK/NOK, DKK/NOK and EUR/NOK exchange rates impact the profit and loss statements within finance, net. The currency exposure from the financing of the subsidiary in Sweden is reduced as part of the external financing of the parent is in SEK. In the first quarter of 2026 we amended our Syndicated Financing Agreement as well as our PIK facility to convert some of our existing facilities from a NOK based facility to to DKK and EUR based facilities to better align with our cash-flows in these currencies. The Company is currently not using financial derivatives to hedge any currency risk.

#### **Credit risk**

The risk of loss on receivables is assessed as low for the group. The turnover is spread over a large number

of mainly medium and small projects and customers, hence individual projects or individual customers will not have a significant impact on the group. Developments in market conditions are followed closely to capture any structural changes. The group limits the exposure to credit risk with upfront payments and continuous invoicing and collection.

### **Liquidity risk**

Liquidity risk is the risk that the group may encounter difficulty in meeting its obligations associated with financial liabilities including financial covenants as stipulated by our loan agreement. The objective is for the group to be able to meet its financial commitments in upswings as well as downturns without significant unforeseen costs.

The company considers the liquidity position in the company to be good and we continue to focus on working capital optimization, especially through faster invoicing and reduction of the credit period.

### **Going concern**

It is confirmed that the prerequisites for going concern are present. The assumption is based on profit and



cash flow forecasts for 2026 and the group's long-term strategic forecasts for the years ahead. The group is in a healthy economic and financial position.

**The parent company and disposition of the year's profit**

Wall Topco is the parent company of the group and is located in Oslo, Norway. Total assets were NOK 936 million and total equity amounted to NOK 709 million as of 31 December 2025, corresponding to an equity ratio of 76 per cent. The board of directors determined that Wall Topco had adequate equity and liquidity at year end 2025.

The board proposes the following disposition of the annual loss in Wall Topco AS:

**Other equity NOK -0,4 million**

**Total allocated NOK -0,4 million**

The proposal is based on the owners' assessment of the company's capital structure.

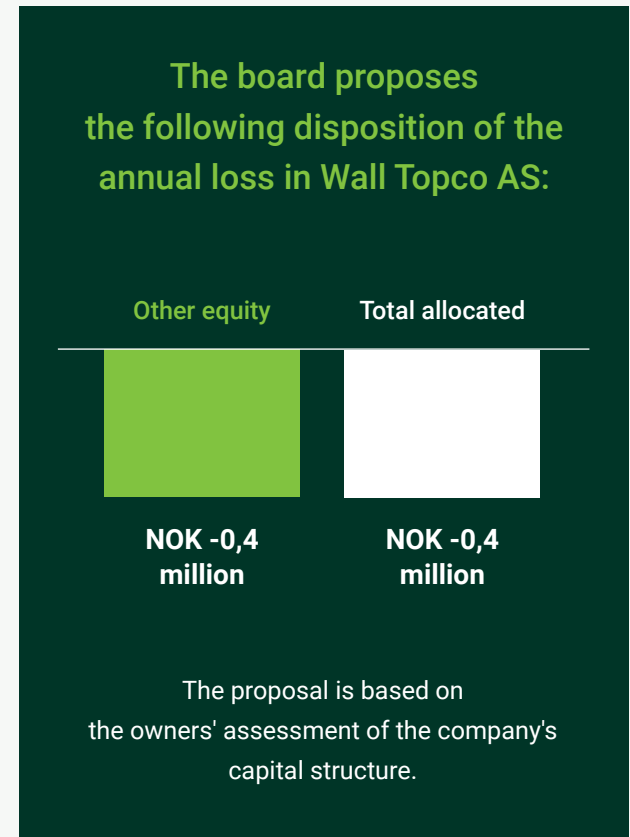
**Board liability insurance**

Insurance has been taken out for the members of the board and the general manager (board liability insurance) for their possible liability towards the company and third parties.

**Work environment**

Sickness absence in the group was 6.3% of total working days in 2025 compared to 7.6% in 2024.

Work with health and safety is a high priority at HG. We are committed to creating a safe and healthy work environment through a strong safety culture for our employees, so that every employee gets home safe - every day. That's why we have continued our focus on occupational health and safety through ongoing engagement on safety in all our companies. Safety is everyone's responsibility, and our goal is to avoid accidents, injuries and illness caused by the working environment. In the field of safety, this means avoiding work-related





**Work with health and safety is a high priority at HG. We are committed to creating a safe and healthy work environment through a strong safety culture for our employees, so that every employee gets home safe - every day.**

accidents that result in serious injuries and absenteeism, and HG's companies report monthly on injuries that lead to sick leave and regularly share examples of incidents to raise awareness of safety.

When it comes to health, we strive for employees to have an ergonomically correct working situation and to avoid health-damaging stress through contact with chemicals, noise or dust. We also recognize that a healthy working environment goes beyond the physical. We strive to ensure a psychologically safe workplace through manageable workloads, clear role expectations, adequate support, and constructive handling of conflicts and emotional demands. Our continuous improvement initiatives relate to ergonomics/posture, use of safe job analysis (SJA), working at heights, cutting injuries, driving safety, protective equipment and

chemicals. To ensure compliance with routines and the use of correct equipment, awareness work takes place across several channels including the HG school, craftspeople meetings and general manager meetings, to name a few. During 2025, a total of 112 injuries, predominantly minor injuries such as cuts and bruises, have been registered which have resulted in one day of absence or more (i.e. Lost-Time Incidents ("LTIs")). This resulted in an LTIFR (LTI frequency rate) of 10.9. Reducing our LTIFR is a key priority in our Sustainability Strategy, with a long-term target of 6 by 2030.

Development of employees and talent development is also a high priority in the HG companies. We offer training for employees through the HG school and strive to retain our experienced and competent employees. Diversity is important to preserve a good working envi-

ronment, and we believe that diversity in terms of background, skills and gender is important for our success. The group works actively to follow up the requirements as a result of the extended activity obligation under the Equality and Discrimination Act, both by training all employees in HG's ethical guidelines and performing ongoing working environment surveys. We also want to take care of the future development of the professionals in our companies. Therefore, we have a strong focus on apprentices and aim to have an apprenticeship share of 12% by 2030. In 2025, the share of apprentices was 8.4%.

The culture in HG is characterized by strong cohesion within the individual company and between managers in the various subsidiaries. The culture in craft companies that wish to become part of HG is carefully assessed before they are incorporated as part of HG.



### **Equality and discrimination**

HG aims to be a workplace where there is no discrimination due to ethnicity, gender, beliefs or orientation. Promoting equality and inclusion is a defined focus area in HG's Sustainability Strategy, and we work actively to foster a diverse and inclusive workplace for all employees. As an integral part of our leadership programs at HG school, we train our leaders in "inclusive leadership". This applies, for example, to matters relating to pay, advancement, recruitment and general development opportunities. Of the group's board of directors eight board members, there are three women and five men, and of the eight who make up the group management, one is a woman. Of the group's employees, there are 24% women and 76% men.

The group's work to promote equality and combat discrimination is an integral part of everyday life in several areas. In our recruitment campaigns, we try to attract employees from different backgrounds by highlighting aspects of the craft profession that may not have been known to the general public. We use both women and men, young and old in our recruitment campaigns to show that the craft is suitable for everyone. The recruitment material for apprentices is fronted by one of our

female apprentices. All employees undergo training in the group's ethical guidelines as part of the onboarding program, an online whistleblower channel has been set up, the working environment is regularly measured and all managers complete courses in "everyday management" to name a few. Training material and information campaigns have been prepared to increase awareness and competence to counter discrimination and to contribute to increased equality and diversity. At the HG school, equality, diversity, and discrimination are central themes. We have a good overview of salary formation at head office, as well as among our regional managers and General Managers in our subsidiaries and ensure with an annual process that this is not discriminatory. Salary formation in the subsidiaries is local and is determined by the individual General Manager in line with local needs and our ethical guidelines.

### Environment and climate

HG is the Nordic region's leading group within surface treatment, and we are committed to being equally leading when it comes to environmental responsibility.



We recognize that our operations have a real impact on the environment, and in a world where demands on sustainability are only increasing, we take that responsibility seriously. Whether painting, bricklaying, wallpapering, or installing floors and tiles, we strive to deliver high-quality results in a way that is sustainable – for our customers, our communities, and the planet.

HG has since 2021 reported on Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Over the following years, we progressively expanded our carbon inventory to include the most relevant Scope 3 categories, improving both the coverage and quality of our data collection. In 2025, HG reported total absolute GHG emissions of 65,149 tCO<sub>2</sub>e across Scope 1, 2 and 3, and work is ongoing to improve the quality and accuracy of our carbon inventory further. HG has a long-term target of net zero GHG emissions by 2050, and during 2026 we will begin drafting and implementing a decarbonization plan to set out how we will get there.

Reducing our environmental footprint is a core part of



HG's Sustainability Strategy, with a particular focus on fleet transition and waste. We are working towards a gradual transition to electric vehicles (EVs), with 20% of our car fleet currently being EVs, and a long-term target of 100% EVs by 2040. On waste, we are actively working to reduce volumes sent to landfill or incineration, and are raising awareness around microplastics – particularly through responsible tool cleaning practices. We encourage our companies in Norway and Sweden to be environmental beacon or ISO 14001 certified, where relevant. During our work, we also explore solutions that promote reuse, rather than always choosing new products or materials. An example of this is the sustainable flooring solution used on approximately 35,000 m<sup>2</sup> of floor space, which prevented the need to replace the floor altogether.

The company's statement in accordance with the Norwegian Transparency Act is available on the company's Norwegian website.

### **Corporate Sustainability Reporting Directive (CSRD)**

During 2024, we advanced preparations for compliance with the CSRD, a European regulation that significantly enhances sustainability reporting requirements for in-scope companies, including HG. As part of this effort, we engaged PricewaterhouseCoopers (PWC) to undertake a comprehensive double materiality assessment (DMA) to identify HG's most relevant sustainability impacts, risks and opportunities. The DMA was completed during 2025 in accordance with CSRD requirements, confirming nine material sustainability topics across environment, social and governance. These material topics directly inform our Sustainability Strategy and goals and will form the basis of HG's CSRD reporting. To strengthen our sustainability capabilities and ensure effective implementation of the CSRD, we recruited a dedicated Group Sustainability Manager to support this critical area during 2025.

HG is not subject to mandatory CSRD-aligned sustainability reporting for the current reporting period. Under Norwegian law – through the amendments to the



Norwegian Account Act (Regnskapsloven) that entered into force on 1 November 2024 – the CSRD reporting obligations are being introduced on a phased basis, aligned with the EU timeline. As a large, non-listed private company, HG will be required to publish its first CSRD-aligned sustainability statement for the financial year 2027, with publication in 2028.

#### Significant events after the reporting date

HG initiated capital raise during February 2026. The share offering targeted approximately 800 minority shareholders. The capital raise closed on March 19 and resulted in a cash capital contribution of approximately NOK 136 million.

**Oslo, 30 April 2026\***

\* The document is signed electronically and therefore has no hand-written signatures.

#### **Per Wiking Sjöstrand**

Chairperson of the Board

#### **Trond Sigurd Tørdal**

Board member

#### **Christina Hegg**

Board member

#### **Erik Nelson**

Board member

#### **Maria Grøner**

Board member

#### **Eirik Hjeltnes Wabø**

CEO and Board member

#### **Marina Lønning**

Board member

#### **Dirk Brouwers**

Board member

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When companies join HG, they retain their unique identity, including their name, logo and operational base, as well as their valued relationships with customers and employees. Still, they gain greater resilience and value through integration into a larger, collaborative family.

[www.handverksgruppen.com](http://www.handverksgruppen.com)

**Address:**

Østensjøveien 34  
0667 Oslo, Norway