QUARTERLY REPORT

Q4

27 February 2024

NRC Group

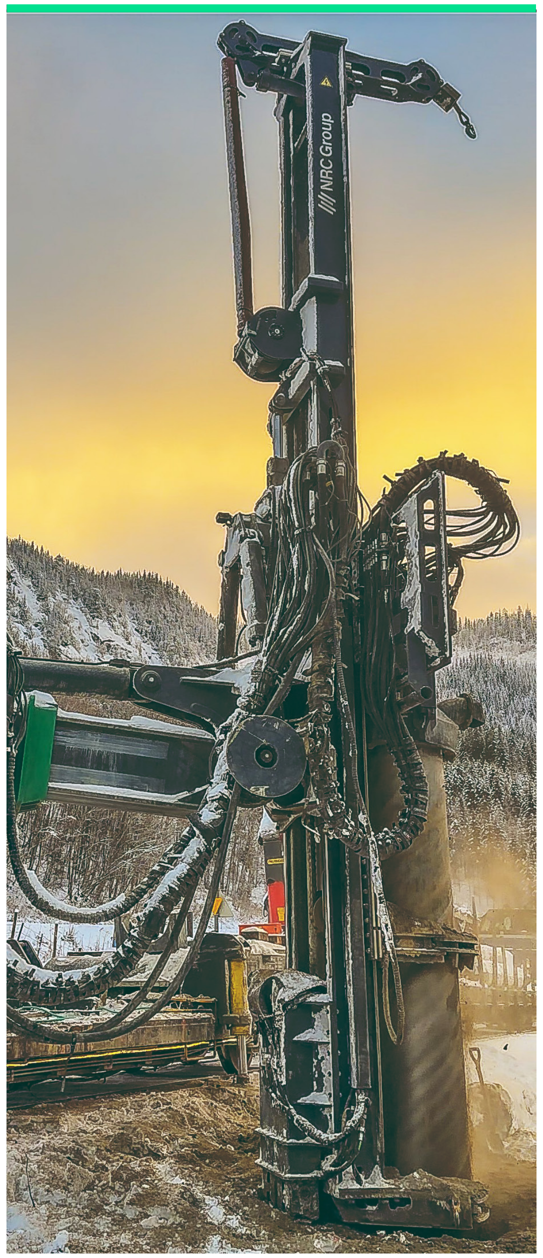
From the CEO

As we reflect on the past quarter and 2023, I am happy to share improved operational performance in many areas and new strategic important wins across our markets, that confirm our solid foundation for future profitable growth in Norway, Sweden and Finland.

For the full year 2023, our results are overall in line with 2022. The fourth quarter is slightly below the same quarter last year.

While the quarter in Norway reflects decreased results compared to the same period last year, the sustained improvement trajectory over the years remains robust with improved profitability for the full year. We are on a steady journey towards strengthening our presence in the Norwegian market. The order intake for the quarter increased to NOK 714 million compared to NOK 563 million in the same quarter in 2022 and after quarter-end we secured two major contracts, valued over NOK 1 billion. A great start for 2024!

In Sweden, our concerted efforts during 2023 were to restructure operations. Break-even result for the full year was an important milestone to reach after many challenging years. The turnaround in Sweden is a testament to the dedication and resilience of our team. During the quarter we secured new contracts of over NOK 700 million, an increase from the fourth quarter in 2022. After the end of the quarter, we also announced a major rail contract, showing the strength of our initiatives and setting a positive tone for the upcoming year.



As communicated earlier, we are in the process of conducting a comprehensive analysis in Finland. We have identified and initiated measures to optimise the machine fleet, reduce costs, improve resource planning and improve project management. Acknowledging the hurdles, we remain committed to overcoming them and positioning us for profitable growth. Our largest client in Finland, FTIA, exercised the contract option for Turku railway yard during the quarter valued at around NOK 120 million. After the end of the quarter, NRC Group Finland and YIT were appointed as construction parties for Area 2 at Espoo City Rail where our share is valued at approximately EUR 18 million.

Our financial position remains solid, backed up by a robust cash flow. The strength of our order backlog and the growing tender pipeline across all countries signal opportunities for us going forward. The signal from governments across our markets is still high demand for our services. During first half of 2024, we expect National Transportation Plans to be updated in all countries.

Anticipating the evolving landscape, we look forward to sharing the new strategy during our Capital Market Update in May, setting the stage for our next period towards 2028. This strategic roadmap will encapsulate our vision, priorities, and the path we chart to capitalise on emerging opportunities.

In closing, I want to thank our dedicated team for their commitment, which forms the foundation of our success. As we navigate challenges and embrace opportunities, continued support is invaluable. I also want to thank our employees for continued efforts to deliver safe operations in our projects.

Stay healthy and safe,

Anders Gustafsson,
CEO NRC Group

Group highlights

4th quarter

- Revenue of NOK 1,800 million (NOK 1,954 million), -8% growth and -9% organic growth
- Stable operating profit margin of 1.4%. Operating profit (EBIT adj.) of NOK 24 million (NOK 28 million).
- Order backlog increased from NOK 6,613 million to NOK 6,940 million with a book-to-bill ratio of 1.1x in the quarter
- Solid financial performance in Norway, successful ongoing transformation in Sweden, while profitability in Finland has decreased
- Operating cash flow of NOK 306 million (NOK 160 million) due to reduced working capital. Net interest-bearing debt decreased by NOK 231 million to NOK 761 million.
- Completed a debt refinancing process including issuing a new 4-year senior unsecured green NOK 400 million bond maturing in 2027. Bank debt refinanced with longer maturity.
- Tender pipeline remains strong across all segments

Full year

- Revenue of NOK 6,732 million (NOK 7,030 million)
- Operating profit (EBIT adj.) of NOK 121 million (NOK 137 million), corresponding to a margin of 1.8% (2.0%)
- Operating cash flow of NOK 376 million (NOK 235 million) and net interest-bearing debt at NOK 761 million (NOK 950 million at year-end 2022)
- Successful completion of the sale of the Gravco business unit in Q1
- Civil business in Karlstad (Sweden) was discontinued as part of the turnaround plan - process completed in Q3
- Refinancing process of bond loan, term loan and multicurrency credit facility was completed in Q4

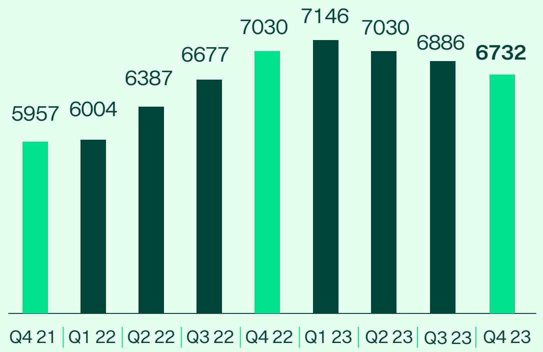
EBIT ADJ. % Q4 2023

1.4%

Q4 2022: 1.4%

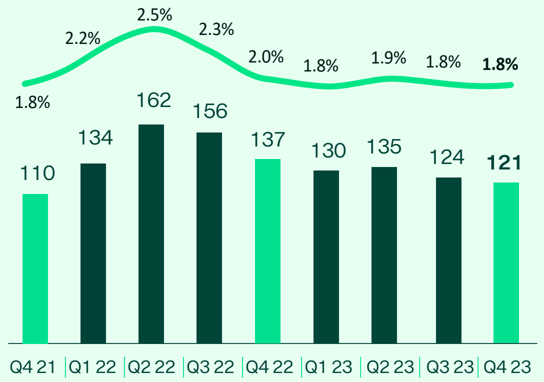
Group Revenue LTM

NOK million



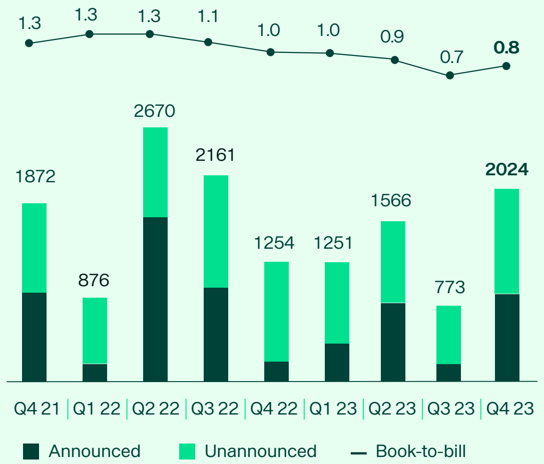
EBIT adj. LTM & EBIT adj. margin LTM

NOK million and percent



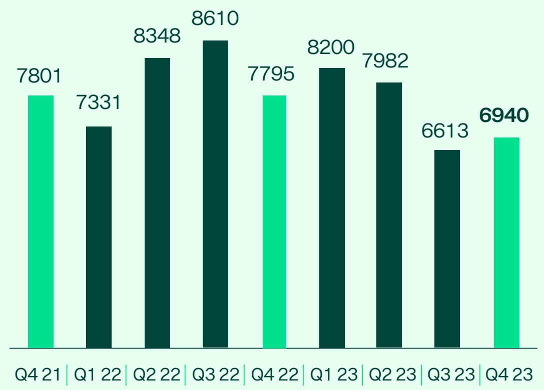
Order Intake & Book-to-bill LTM

NOK million



Order backlog

NOK million



(Amounts in NOK million)	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	**1 800**	**1 954**	**6 732**	**7 030**
EBITDA	70	80	316	333
EBIT adj.	**24**	**28**	**121**	**137**
EBIT adj. (%)	**1.4 %**	**1.4 %**	**1.8 %**	**2.0 %**
Order intake	2 024	1 254	5 632	6 959
Order backlog	6 940	7 795	6 940	7 795
Cash flow from operating activities	306	160	376	235
Net interest-bearing debt	761	950	761	950
Equity ratio	47 %	45 %	47 %	45 %
LTI	5.0	9.1	5.6	6.0
Sickness absence (%)	4.2 %	4.6 %	3.8 %	4.2 %

Norway

Fourth quarter
Revenue in Norway was NOK 524 million compared to NOK 635 million in the fourth quarter of 2022. The organic growth was -14% in the quarter due to lower volumes in Civil construction and in the demolition and recycling business. EBIT adj. was NOK 16 million compared to NOK 31 million in the same period of 2022, which resulted in an EBIT adj. margin of 3.0%, down from 4.8% for the same quarter last year. Continued good results in Rail, Civil construction and Gunnar Knutsen were offset by losses in the demolition and recycling business due to challenging market conditions.

Full year
Full year revenue for 2023 was NOK 2,136 million compared to NOK 2,373 million in 2022. The organic growth was -7%, excluding the Gravco business unit sold in Q1 2023. EBIT adj. was NOK 81 million in 2023 compared to NOK 80 million in 2022, which resulted in an EBIT adj. margin of 3.8%, up from 3.4% last year. The 2022 EBIT adj. included NOK 15 million from the Gravco business unit. On a proforma basis, the margin improvement in Norway was NOK 16 million compared to 2023. Solid results in Civil construction and Gunnar Knutsen were offset by losses in the demolition and recycling business due to challenging market conditions.

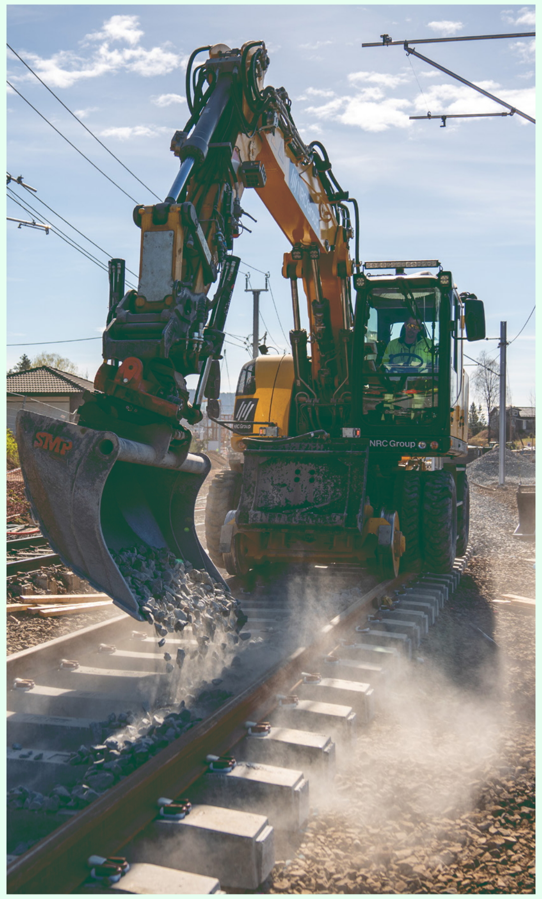
Order backlog, order intake and tender pipeline
The order backlog was NOK 1.5 billion at year-end, compared to NOK 1.3 billion at the end of last quarter and NOK 2.0 billion in the same quarter last year. The order intake was NOK 714 million, giving a book-to-bill ratio of 1.4x in the quarter and 0.8x measured over the last 12 months. During the quarter, NRC Group Norway won a major Civil construction contract of approximately NOK 300 million for foundation and groundwork in connection with the expansion of New Aker Hospital. The work will commence in February 2024 and is scheduled for completion in autumn 2025.

The tender pipeline in Norway is approximately NOK 10.6 billion, a decrease of NOK 2.2 billion compared to the tender pipeline three months ago and an increase by approximately NOK 0.4 billion compared with the same period last year.

EBIT ADJ. % FY 2023

3.8%

FY 2022: 3.4%

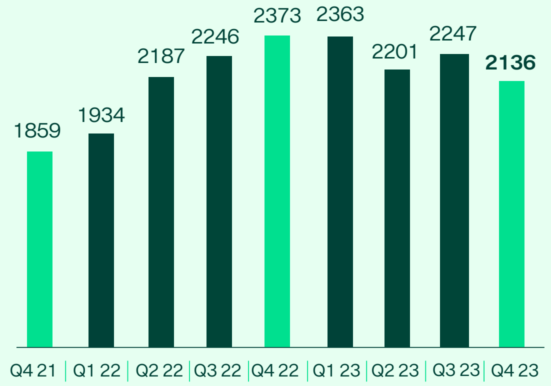


Contracts over NOK 30 million in the quarter:

Client	Value (MNOK)	
New Aker Hospital	303	Foundation and groundwork
Total	**303**	

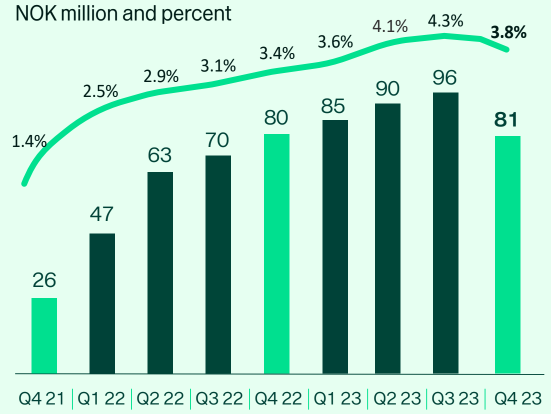
Revenue LTM

NOK million



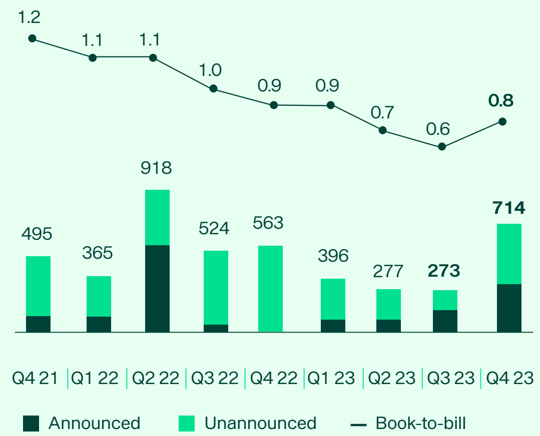
EBIT adj. LTM & EBIT adj. margin LTM

NOK million and percent



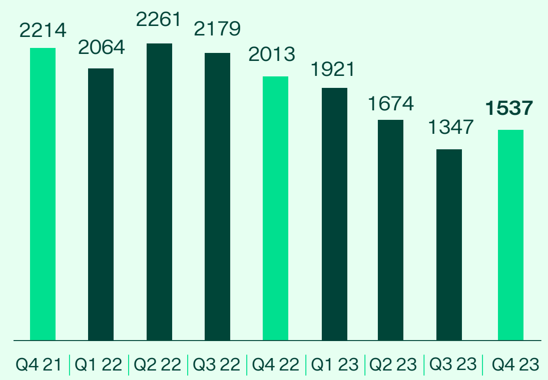
Order Intake & Book-to-bill LTM

NOK million



Order backlog

NOK million



Key figures Norway *(Amounts in NOK million)*	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	**524**	**635**	**2 136**	**2 373**
EBITDA	40	58	220	173
EBIT adj.	**16**	**31**	**81**	**80**
EBIT adj. (%)	**3.0 %**	**4.8 %**	**3.8 %**	**3.4 %**
Order intake	714	563	1 659	2 370
Order backlog	1 537	2 013	1 537	2 013

Sweden

Fourth quarter

Revenue from the Swedish operation amounted to NOK 538 million for the quarter compared to NOK 646 million in the same period of 2022. Reduced revenue in Rail were partly offset by increased revenue in Maintenance. NOK 109 million of the reduction is due to the disposed Civil operations. Excluding the Civil operation, the organic growth in the quarter was -10%. The EBIT adj. for the quarter was NOK 4 million compared to NOK -31 million for the same quarter last year, confirming that measures to improve profitability are yielding results.

Full year

As part of our turnaround plan in Sweden, streamlining the organisation, reducing cost and increase project profitability have had higher priority than creating growth the last year. Full year revenue for 2023 was NOK 1,877 compared to NOK 2,080 million in 2022. Reduced revenue in Rail were partly offset by increased revenue in Maintenance. Excluding the disposed Civil operation, the organic growth in 2023 was -6%. The EBIT adj. for 2023 was NOK 0 million compared to NOK -52 million last year. Diligent implementation of strategic measures during the year, are yielding tangible results.

Order backlog, order intake and tender pipeline

The order backlog was NOK 2.9 billion, compared to NOK 2.6 billion at the end of last quarter and NOK 3.2 billion in the same quarter last year. The order intake was NOK 748 million, giving a book-to-bill ratio of 1.4x in the quarter and 0.8x measured over the last 12 months. During the quarter, NRC Group Sweden was appointed to a large track renewal contract on “Pitebanan” and “Skelleftebanan” valued at approximately SEK 392 million. The work commenced in November 2023 and is scheduled for completion in autumn 2024.

The tender pipeline is approximately NOK 11.6 billion, with NOK 7.2 billion for Rail construction and NOK 4.4 billion for Maintenance. The total tender pipeline increased by NOK 2.1 billion compared to three months ago and NOK 1 billion compared to same period last year.

EBIT ADJ. FY 2023

0.0 MNOK

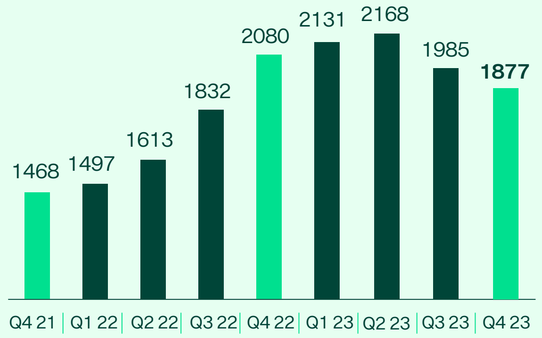
FY 2022: - 52.0 MNOK

Contracts over NOK 30 million in the quarter:

Client	Value (MNOK)	
The Swedish Transport Administration (TRV)	392	Track and signalling maintenance
Total	**392**	

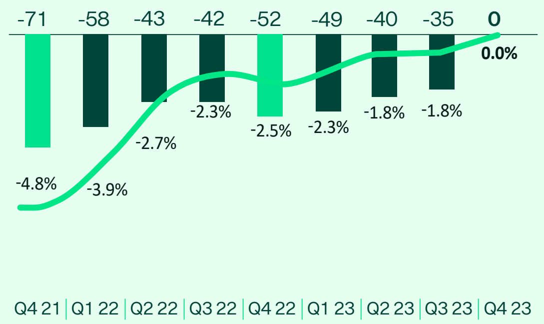
Revenue LTM

NOK million



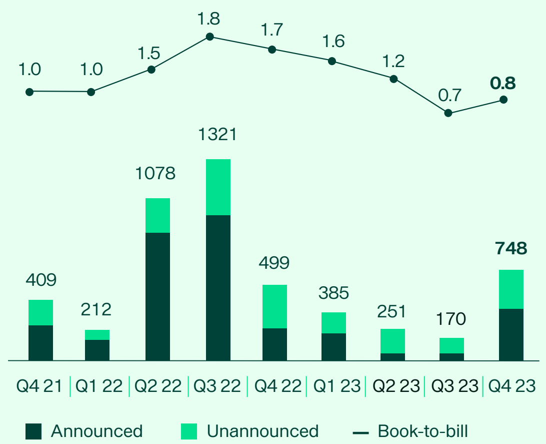
EBIT adj. LTM & EBIT adj. margin LTM

NOK million and percent



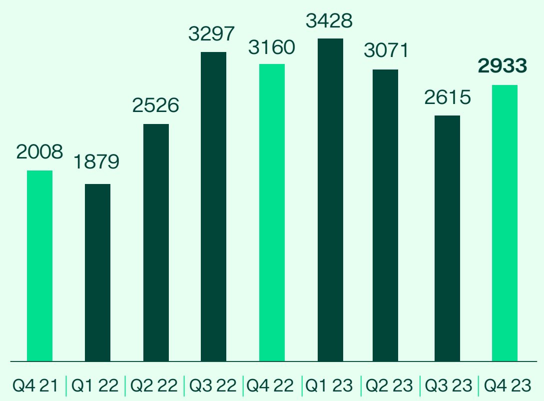
Order Intake & Book-to-bill LTM

NOK million



Order backlog

NOK million



Key figures Sweden *(Amounts in NOK million)*	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	**538**	**646**	**1 877**	**2 080**
EBITDA	3	-20	-13	-7
EBIT adj.[1]	**4**	**-31**	**0**	**-52**
EBIT adj. (%)	**0.8 %**	**-4.8 %**	**0.0 %**	**-2.5 %**
Order intake	748	499	1 553	3 111
Order backlog	2 933	3 160	2 933	3 160

[1] 2023 figures are excluding results from the discontinued Civil construction business. 2022 figures are including results from the Civil construction business discontinued in 2023.

Finland

Fourth quarter
Finland had a revenue of NOK 751 million compared to NOK 677 million in the fourth quarter last year. Adjusted for currency effects the organic growth was -1%. The EBIT adj. was NOK 14 million compared to NOK 31 million in the same period in 2022, leading to an EBIT adj. margin of 1.9%, down from 4.6% the same quarter last year. Net gain from sale of machinery was NOK 6 million in Q4 2023 compared to NOK 0 million in same quarter last year. The result is negatively affected by the performance in Rail construction and additional write-downs of a large railway yard renewal project.

We are in the process of conducting a comprehensive analysis in Finland. We have identified and initiated measures to optimise the machine fleet, reduce costs, improve resource planning and improve project management.

Full year
Full year revenue for 2023 was NOK 2,753 million compared to NOK 2,582 last year. Adjusted for currency effects the organic growth was -6%. The EBIT adj. was NOK 78 million compared to NOK 145 million in 2022, leading to an EBIT adj. margin of 2.8%, down from 5.6% last year. Net gain from sale of machinery was NOK 11 million in 2023 compared to NOK 20 million last year. The result is negatively affected by the performance in Rail construction, as well as growth initiatives within the newly established Civil unit.

Order backlog, order intake and tender pipeline
The order backlog was NOK 2.5 billion at year-end, compared to NOK 2.7 billion at the end of last quarter and NOK 2.6 billion in the same quarter last year. The order intake was NOK 563 million, resulting in a book-to-bill ratio of 0.8x in the quarter and 0.9x measured over the last 12 months. During the quarter, FTIA exercised the contract option for track, electro and groundworks at Turku railway yard, valued at approximately EUR 11 million. The work will commence in February 2024, and is scheduled for completion in December 2025.

The tender pipeline in Finland is approximately NOK 12.1 billion, a slight decrease of approximately NOK 0.2 billion compared to the tender pipeline three months ago. The tender pipeline has increased by approximately NOK 6.3 billion compared with the same period last year.

Contracts over NOK 30 million in the quarter:

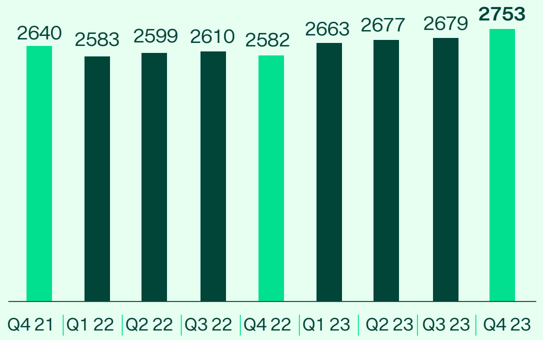
Client	Value (MNOK)	
Finnish Transport Infrastructure Agency (FTIA)	109	Operating and maintaining Saimaa canal
Finnish Transport Infrastructure Agency (FTIA)	124	Track, electro and groundworks
Total	**233**	

REVENUE Q4 2023

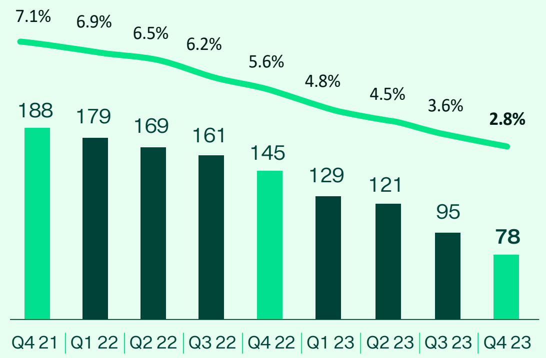
751 MNOK

Q4 2022: 677 MNOK

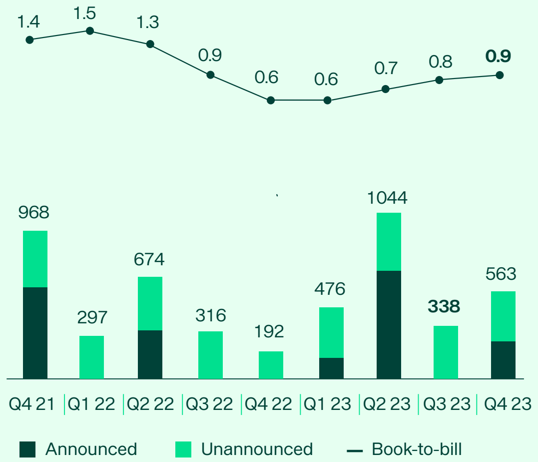
Revenue LTM
NOK million



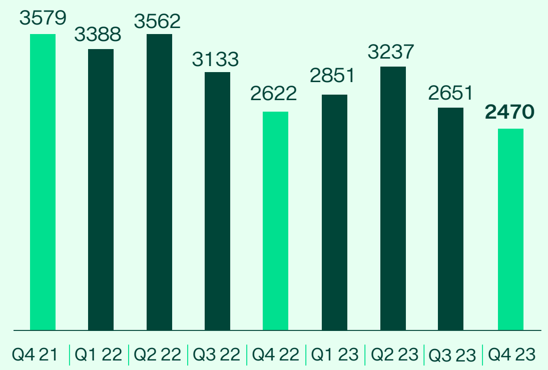
EBIT adj. LTM & EBIT adj. margin LTM
NOK million and percent



Order Intake & Book-to-bill LTM
NOK million



Order backlog
NOK million



Key figures Finland *(Amounts in NOK million)*	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	**751**	**677**	**2 753**	**2 582**
EBITDA	36	46	147	203
EBIT adj.	**14**	**31**	**78**	**145**
EBIT adj. (%)	**1.9 %**	**4.6 %**	**2.8 %**	**5.6 %**
Order intake	563	192	2 420	1 479
Order backlog	2 470	2 622	2 470	2 622

Market and outlook

IMPACTS OF THE GLOBAL ECONOMY

The ongoing wars in Ukraine and Gaza, high inflation and increased interest rates have led to volatility in the financial market and uncertainty in the global economic outlook. Due to the situation, the global outlook is more uncertain both related to material prices, supply chain risks, and government spending on infrastructure. The Group has analysed the direct earnings sensitivity from increasing material and fuel prices. The findings conclude that the direct effect for NRC Group has been limited, and that our business model is resilient and yields good protection against increasing material prices. In addition to frequently used index adjustments, the customer predominantly takes the risk on sector specific materials within rail infrastructure. The Group monitors the development, including both direct and indirect effects, and is actively evaluating opportunities to limit risk in the project portfolio.

The Group expects high investments in rail, based on proposals in national budgets and national transportation plans in Norway, Sweden and Finland. During Q2 2024, we expect the governments to share an update of the national transport plans for the next years.

The market for rail investments is at a historical high level, driven by urbanisation, population growth and the green shift towards sustainable infrastructure. On long term, NRC Group expects that these global mega-trends will lead to continued growth in the market.

OUTLOOK

NRC Group is strongly positioned in a growing market with a substantial tender pipeline. The strength of our order backlog and the growing tender pipeline across all countries signal opportunities for us going forward. The signal from governments across our markets is still high demand for our services. During first half of 2024, we expect National Transportation Plans to be updated in all countries.

The forthcoming strategy period, navigating the Group from mid-2024 until the end of 2028, will be presented in a Capital Markets Update (CMU) during May 2024.

NRC Group continues its focus on measures to improve profitability, and is confirming the commitment to achieving long-term profitability above 5%. For 2024, we expect profitable growth, and positive operational and financial development, with slight increase in revenue and EBIT adj. margin.

DIVIDEND

The Board of Directors at NRC Group has approved a dividend policy whereby, subject to a satisfactory underlying financial performance, it is NRC Group's ambition over time to distribute dividend as a minimum of 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds. The Annual General Meeting (AGM) resolves the annual dividend, based on the proposal by the Board of Directors.

Based on the 2023 results and restrictions in the loan agreements, the Board of Directors will not propose a dividend for the year 2023.

NRC Group is strongly positioned in a growing market with a susbstantial tender pipeline.

Financial information

CASH FLOW

Fourth quarter
Net cash flow from operating activities for the fourth quarter of 2023 was NOK 306 million, compared to NOK 160 million in the same quarter last year due to positive working capital development.

Net cash flow from investing activities was NOK 18 million compared to NOK -9 million in the same period last year. This included proceeds from sale of machinery of NOK 10 million, compared to NOK 9 million in the same period last year, as well as a positive cash effect of NOK 17 million related to termination of the interest rate swap linked to the NOK 600 million bond loan that was repurchased and called during the fourth quarter.

The net cash flows from financing activities amounted to NOK -295 million for the quarter compared to NOK -93 million last year. The cash flows include ordinary bank instalments and interests for loans and lease liabilities (financial and operating). In addition to ordinary bank instalments in the quarter of NOK 14 million, buy-back and call of the old bond, totalling a national of NOK 600 million were made during the fourth quarter. From the new bond issue, the Group during the fourth quarter received NOK 395 million net of transaction expenses. The interest paid of NOK 29 million in the quarter, compared to NOK 20 million last quarter, included NOK 7 million in price premium and call premium related to the buy-back and call of the old bond. The Group has a new NIBOR hedge linked to the new outstanding bond. See further details in the Risks section.

The fourth quarter net change in cash, including currency impact, was NOK 24 million compared to NOK 60 million last year. Cash at the end of the period amounted to NOK 369 million. In addition, the Group had per fourth quarter an unused credit facility of NOK 400 million. The Group increased the multi-currency credit facility from NOK 200 million to NOK 400 million during the quarter.

Net cash flow from operating activities in 2023 was NOK 376 million, compared to NOK 235 million last year due to positive working capital development.

Full year 2023
Net cash flow from operating activities in 2023 was NOK 376 million, compared to NOK 235 million last year due to positive working capital development. Net cash flow from investing activities was NOK 89 million compared to NOK -29 million last year. This included a net positive cash effect from sale of the Gravco business unit of NOK 97 million, and a positive cash effect of NOK 17 million related to termination of the interest rate swap linked to the old bond loan that was repurchased and called in 2023. The net cash flows from financing activities amounted to NOK -553 million in 2023 compared to NOK -366 million last year. In addition to ordinary bank instalments of NOK 81 million, buy-back and call of the old bond, totalling a national of NOK 600 million were made in 2023. From the new bond issue, the Group received NOK 395 million net of transaction expenses. Interest paid of NOK 82 million in 2023 compared to NOK 46 million in 2022 is mainly due to increased interest rates on the EUR term loan and the Group's leasing portfolio, as well as NOK 7 million in price premium and call premium related to the buy-back and call of the old bond. The Group has a new NIBOR hedge linked to the new outstanding bond. See further details in the Risks section.

The net change in cash, including currency impact, was NOK -103 million compared to NOK -154 million last year. Cash at the end of the period amounted to NOK 369 million. In addition, the Group had per year-end an unused credit facility of NOK 400 million. The Group increased the multi-currency credit facility from NOK 200 million to NOK 400 million during the fourth quarter.

FINANCIAL POSITION

Fourth quarter

There were no significant changes to intangible assets, non-current assets or inventory compared to last quarter. Total receivables decreased by NOK 475 million to NOK 1,468 million during the quarter due to seasonal effects and high cash collection in the period. Total assets at NOK 5,142 million decreased by NOK 429 million in the quarter. The equity ratio was 47% on 31 December 2023.

Interest-bearing liabilities consisted per fourth quarter of a EUR 20.9 million bank loan, a NOK 400 million bond, and discounted cash flows related to lease agreements, including operating leases under IFRS 16. Total interest- bearing liabilities amounted to NOK 1,130 million at the end of December, including operating lease liabilities of NOK 241 million. The repayment of the EUR bank loan amounted to NOK 14 million in the quarter. Total lease liabilities increased by NOK 14 million to NOK 503 million as lease payments and terminated agreements were lower than the discounted value of new lease agreements. Net interest-bearing debt decreased by NOK 231 million during the quarter to NOK 761 million. Net interest-bearing debt excluding lease liabilities decreased by NOK 246 million during the quarter to NOK 258 million.

During the quarter, the Group completed a refinancing process including issuing a new 4-year senior unsecured green NOK 400 million bond maturing in 2027, buy-back and call of the existing NOK 600 million bond, increased the multi-currency credit facility from NOK 200 million to NOK 400 million and extended the maturity of the existing EUR 21 million term loan from 2024 to 2027.

Full year 2023

Other than currency effects, there were no significant changes to intangible assets, non-current assets, inventory or total receivables compared to last year. Total assets at NOK 5,142 million decreased by NOK 49 million from 2022. The equity ratio was 47% on 31 December 2023 compared to 45% last year.

During the fourth quarter, the Group completed the debt refinancing process as described above. The net interest-bearing debt decreased by NOK 189 million during the year to NOK 761 million, while net interest-bearing debt excluding lease liabilities decreased by NOK 164 million during 2023 to NOK 258 million. Total lease liabilities decreased by NOK 25 million to NOK 503 million as lease payments and terminated agreements were higher than the discounted value of new lease agreements.

NRC Group has developed risk management processes that are well adapted to the business. This includes analysis of project risk from the tendering phase through to completion to ensure appropriate pricing and risk management.

RISKS

NRC Group is exposed to operational, financial and market risks. Operational risks include risk assessment and contingency appraisal in project tendering, project execution, significant market adjustments in cost of goods, materials or services, claims and legal proceedings. In addition, it includes resource optimisation following fluctuations in seasonal demand in the business and ability to implement strategies, as well as macroeconomic conditions such as political changes including changes in government spending, demand or priorities.

NRC Group aims to undertake operational risk that the business units can influence and control. NRC Group has developed risk management processes that are well adapted to the business. This includes analysis of project risk from the tendering phase through to completion to ensure appropriate pricing and risk management. NRC Group also seeks to minimise the exposure to risk that cannot be managed.

Financial risks include financial market risk, credit risk and liquidity risk. Financial market risks most relevant for the Group are currency risk and interest rate risk. A Group risk management policy for hedging is implemented to manage this risk. By having operational units in different functional currencies, NRC Group is exposed to currency translation risks related to subsidiaries in Sweden (SEK) and Finland (EUR). The Group has a EUR currency loan to hedge the net investment in Finland. Most transactions in the Group are in local functional currencies. Significant transactions in other than functional currencies are assessed, and hedging instruments are considered to limit the risks associated with foreign exchange. The bond issued in October 2024 carries an interest of three months NIBOR + 4,40% until maturity on 25 September 2027. The three months NIBOR has been hedged to a fixed rate of 3.843% for the full period. The fair market value of the hedge at the end of the quarter was NOK -7 million.

Liquidity risk is when the Group is unable to meet its financial obligations when they are due. The Group had total current assets of NOK 1,873 million at the end of the quarter, NOK 89 million higher than the short-term liabilities. Total unrestricted cash amounted per quarter-end to NOK 369 million in addition to an undrawn multi-currency credit facility of NOK 400 million. In connection with the refinancing process, the multi-currency credit facility was increased from NOK 200 million to NOK 400 million. At the same time, the existing NOK 600 million bond was replaced with a new NOK 400 million bond maturing in 2027, implying that available liquidity on a proforma basis at the time of refinancing was more or less unchanged.

The country management team of the subsidiaries monitor the Group's liquid resources and credit facilities through revolving forecast based on expected cash flow. The cash flow is impacted by seasonal fluctuations. The current available liquidity and the refinancing completed in the quarter, provide appropriate flexibility for managing cash flows and reserves within the Group.

Work in progress and trade receivables are set out contractually, which means that the amount of capital committed is determined by the credit terms in the contracts. NRC Group's liquidity reserves will normally be at its lowest in the spring and summer due to the seasonality in the business.

NRC Group's customers are, to a large degree, municipalities or government agencies. NRC Group considers the risk of potential future bad debt losses from this type of customer to be low.

The direct impact of global events such as the wars in Ukraine and Gaza, the high inflation and increased interest rates, has been limited for the Group. The volatile global market may however impact risks related to material prices, supply chain and government spending on infrastructure. NRC Group is actively managing development and uncertainty.

Building a low carbon future

The increasing demand to build and maintain high-quality infrastructure in the Nordics, together with the opportunities that lie in urbanisation and climate positive city development, promise an exciting outlook for NRC Group. As we pursue a strategy of sustainable growth, we always aim to promote climate-friendly solutions, and proactively work to become a zero-emission industry.

The Group voluntarily discloses the Key Performance Indicators (KPIs) related to EU Taxonomy. The Group reviews their economic activities in relation to EU Taxonomy per 30 June and 31 December. More information will also follow in the Sustainability Report 2023 and the Annual Report for 2023, published in April 2024.

The most relevant eligible activities per date for NRC Group include infrastructure for rail transport and infrastructure enabling low-carbon road transport and public transport. Most of these eligible activities meet the technical screening criteria, they do no significant harm criteria and meet other requirements to be classified as sustainability aligned. Compared to 2022, also most activities related to the environmental and the civil construction business are considered eligible according to the EU Taxonomy. However, most of these activities are not reported as aligned.

NRC Group has established a Green Financing Framework as part of our commitment to develop and supply services to build sustainable transport solutions.

As per 31 December 2023:

	Eligible		Aligned	
	2023	2022	2023	2022
KPIs				
Turnover (Revenue)	98%	87%	72%	67%
Operational expenses (OpEx)	99%	87%	74%	67%
Investments (CapEx)	98%	81%	76%	73%

GREEN FINANCE

NRC Group has established a Green Financing Framework as part of our commitment to develop and supply services to build sustainable transport solutions. The framework sets out the criteria for investments that can be financed or refinanced with green bonds, green loans or other green debt instruments. S&P Global Ratings has conducted the independent external assessment of the framework and given it their highest rating, dark green.

Based on the Green Financing Framework, the Group issued a new 4-year senior unsecured NOK 400 million green bond during the quarter. The net proceeds from the green bond will be used in accordance with the green project categories as described in the framework. NRC Group will annually until full allocation, and in the event of any material developments, provide investors with a Green Finance Report describing the allocation of proceeds and the environmental impact of the green projects.

Providing a safe and secure workplace

Our number one priority is that all employees and partners shall return home safe and free of injuries every day. We work and focus on safety in everything we do, in line with our policies for health, working environment and safety. All employees shall have a safe and secure working environment at NRC Group. Our LTI frequency rate (injuries resulting in absence for at least one full day per million man-hours) decreased to 5.6 per 31 December 2023, compared to 6.0 the same period last year. Subcontractors are included in the figures. We had zero serious injuries in 2023. The sickness absence rate in 2023 was 3.8% (2022: 4.2%).

How we do it matters to us

The Turku railway yard optimses mass transportation

NRC Group Finland has agreed with NCC to transport around 200,000 tons of aggregates to the Turku railway yard project.

The distance of transportation plays an important role both for the cost and the impact of emissions. The project partly implements NCC's One-Stop-Shop concept, where NRC Group Finland delivers aggregates and some of the project's surplus soil to NCC's soil reception. With round-trip loads, we can utilise returns and contribute to lowering emissions from transportation.

Jarkko Kupiainen
Project Manager
NRC Group Finland

Preparing the ground for the new Aker hospital

NRC Group Norway will execute the ground and foundation work for the new hospital . At the site, listed buildings and trees will be cared for. During the construction, the team will excavate one of Oslo's largest construction pits - a whopping 50 acres in size, with an average depth of 10 meters. Half of the volume in the pit consists of rock. Stabilising the ground during the construction is of high importance.

To minimise environmental impact from CO_2 emissions on the construction site, we use machinery powered by HVO environmental diesel.

Stein Olav Haugen
Project Manager
NRC Group Norway

Going electric in Hallsberg

NRC Group Sweden is conducting a project in Hallsberg to evaluate how electric vehicles can replace older diesel machines. The goal is to secure a sustainable machine park to reduce emissions.

The project also aligns with sustainability requirements set by our client, the Swedish Transport Administration, in the maintenance contract of Godsstråket. We aim to offer a 100% sustainable transportation solution.

Magnus Nordström
Project Manager
NRC Group Sweden

Interim condensed consolidated financial statement

Interim condensed consolidated statement of profit or loss

(Amounts in NOK million)	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	1 800	1 954	6 732	7 030
Operating expenses	-1 723	-1 874	-6 400	-6 695
Other income and expenses	-7	-1	-16	-2
EBITDA	**70**	**80**	**316**	**333**
Depreciation	-49	-50	-197	-185
EBITA	**21**	**30**	**119**	**151**
Amortisation and impairment	-4	-361	-15	-389
Operating profit/loss (EBIT)	**17**	**-332**	**105**	**-240**
Net financial items	-9	-15	-59	-58
Share of profit from associates and joint ventures	-2	-6	-2	-15
Profit/loss before tax (EBT)	**6**	**-353**	**45**	**-313**
Taxes	-12	-41	-8	-51
Net profit/loss	**-6**	**-393**	**37**	**-364**
Profit/loss attributable to:				
Shareholders of the parent	-6	-393	38	-363
Non-controlling interests	0	0	-1	-1
Net profit/loss	**-6**	**-393**	**37**	**-364**
Earnings per share in NOK (ordinary)	-0.08	-5.40	0.52	-4.98
Earnings per share in NOK (diluted)	-0.08	-5.40	0.51	-4.98

Interim condensed consolidated statement of comprehensive income

(Amounts in NOK million)	Q4 2023	Q4 2022	FY 2023	FY 2022
Net profit/loss	**-6**	**-393**	**37**	**-364**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):				
Translation differences	8	-25	98	36
Net gain on hedging instruments	-19	-3	-17	15
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):				
Net actuarial gain/loss on pension expense	0	5	0	5
Total comprehensive profit/loss	**-17**	**-416**	**118**	**-308**
Total comprehensive profit/loss attributable to:				
Shareholders of the parent	-17	-416	119	-307
Non-controlling interests	0	0	-1	-1
Total comprehensive profit/loss	**-17**	**-416**	**118**	**-308**

Interim condensed consolidated statement of financial position

(Amounts in NOK million)	31.12.2023	31.12.2022
ASSETS		
Deferred tax assets	104	98
Goodwill	2 422	2 364
Customer contracts and other intangible assets	31	32
Intangible assets	**2 557**	**2 493**
Tangible assets	170	184
Right-of-use assets	542	564
Other non-current assets	1	23
Total non-current assets	**3 270**	**3 265**
Total inventories	35	29
Total receivables	1 468	1 425
Cash and cash equivalents	369	472
Total current assets	**1 873**	**1 927**
Total assets	**5 142**	**5 191**

(Amounts in NOK million)		
EQUITY AND LIABILITIES		
Equity		
Paid-in-capital	2 396	2 396
Other equity	34	-85
Total equity attributable to owners of the parent	**2 429**	**2 310**
Non-controlling interests	0	2
Total equity	**2 430**	**2 312**
Liabilities		
Pension obligations	9	11
Long-term leasing liabilities	341	353
Other non-current interest-bearing liabilities	572	741
Deferred taxes	0	1
Other non-current liabilities	7	0
Total non-current liabilities	**929**	**1 106**
Short-term leasing liabilities	162	175
Other interest-bearing current liabilities	55	153
Other current liabilities	1 566	1 445
Total current liabilities	**1 784**	**1 773**
Total equity and liabilities	**5 142**	**5 191**

Interim condensed consolidated statement of cash flows

(Amounts in NOK million)	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit/loss before tax	6	-353	45	-313
Depreciation, amortisation and impairment	53	411	211	574
Taxes paid	4	26	3	-13
Net financial items	9	14	59	57
Gain from sale of property, plant and equipment	-8	-1	-21	-32
Gain from disposal of subsidiary	0	0	-40	0
Share of profit from associates and joint ventures	2	6	2	15
Change in working capital and other accruals	240	57	117	-51
Net cash flow from operating activities	**306**	**160**	**376**	**235**
Purchase of property, plant and equipment	-7	-12	-35	-47
Acquisition of companies, net of cash acquired	0	0	-17	-24
Investments in associates and joint ventures	-2	-6	-2	-14
Net proceeds from sale of property, plant and equipment	10	9	30	55
Disposal of companies, net of cash disposed	0	0	97	0
Proceeds from sale of shares and other investments	17	0	17	0
Net cash flow from investing activities	**18**	**-9**	**89**	**-29**
Net proceeds from issue of shares	0	0	-1	0
Net proceeds from borrowings	395	0	395	0
Repayment/repurchase of borrowings	-614	-38	-681	-147
Payments of lease liabilities	-46	-46	-184	-171
Interest paid	-29	-10	-82	-46
Net proceeds from acquisition/sale of treasury shares	1	1	-1	-3
Net cash flow from financing activities	**-295**	**-93**	**-553**	**-366**
Net change in cash and cash equivalents	**30**	**58**	**-88**	**-160**
Cash and cash equivalents at the start of the period	**346**	**412**	**472**	**626**
Translation differences	-6	2	-15	6
Cash and cash equivalents at the end of the period	**369**	**472**	**369**	**472**
Hereof presented as:				
Free cash	369	472	369	472
Restricted cash	0	0	0	0

Interim condensed consolidated statement of changes in equity

(Amounts in NOK million)	Share capital	Treasury shares	Other paid-in capital	Hedge reserve	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2022	**73**	**0**	**2 325**	**-3**	**12**	**213**	**2 619**	**2**	**2 622**
Profit/loss for the period						-363	-363	-1	-364
Other comprehensive income				15	36	5	56		56
Employee share program			5				5		5
Share-based payments			0				0		0
Acquisition of treasury shares		0	-7				-7		-7
Total changes in equity	**0**	**0**	**-2**	**15**	**36**	**-358**	**-309**	**-1**	**-310**
Equity at 31 December 2022	**73**	**0**	**2 323**	**12**	**48**	**-145**	**2 310**	**2**	**2 312**
Equity at 1 January 2023	**73**	**0**	**2 323**	**12**	**48**	**-145**	**2 310**	**2**	**2 312**
Profit/loss for the period						38	38	-1	37
Other comprehensive income				-17	98	0	81		81
Employee share program			3				3		3
Share-based payments			0				0		0
Acquisition of treasury shares		0	-3				-3		-3
Total changes in equity	**0**	**0**	**0**	**-17**	**98**	**38**	**119**	**-1**	**118**
Equity at 31 December 2023	**73**	**0**	**2 323**	**-6**	**146**	**-107**	**2 429**	**0**	**2 430**

Notes to the interim condensed consolidated statement

1.1 General information

The legal and commercial name of the company is NRC Group ASA.

The company is a public limited liability company incorporated in Norway under the Norwegian Public Limited Liability Companies Act with registration number 910 686 909. The company address is Lysaker Torg 25, 1366 Lysaker, Norway.

NRC Group is listed at Oslo Stock exchange under the ticker “NRC” and with ISIN NO0003679102.

1.2 Accounting policies and basis for preparation

The condensed consolidated financial statements as per 31 December 2023 are prepared in accordance with IFRS as approved by the EU and comprise NRC Group ASA and its subsidiaries. The interim financial report is presented in accordance with IAS 34, Interim Financial Reporting. The accounting principles applied in the interim report are the same as those described in the consolidated accounts for 2022.

The interim accounts do not contain all the information that is required in complete annual accounts, and they should be read in connection with the consolidated accounts for 2022. The report has not been audited.

The selected historical consolidated financial information set forth in this section has been derived from the company's consolidated, unaudited interim fourth quarter financial report for 2022, and the audited financial report for the full year of 2022.

1.3 Significant estimates and judgement

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Estimates and assumptions are evaluated continuously and are based on historical experience and other factors, including expectations of future events that are regarded as probable under the current circumstances. Uncertainty about estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

1.3.1 Revenue from contracts with customers

The Group's business mainly consists of execution of projects. The complexity and scope of the projects mean that the projects have an inherent risk that the results may differ from expected results. The Group recognises revenue over time using the input method, e.g. contract costs incurred, resources consumed, or hours spent in relation to the total expected input to fulfil the performance obligation. For projects in progress, the uncertainty is mainly linked to the estimate of total expenses, the estimate of any variable proceeds, the value of any project modifications being recognised and the impact of any disputes or contractual disagreements.

1.3.2 Goodwill and other intangible assets

The Group performs annual tests to assess the impairment of goodwill, or more frequently if there is an indication of impairment. In the impairment test the carrying amount is measured against the recoverable amount of the cash generating unit to which the asset is allocated. The recoverable amount of cash generating units is determined by calculating its value in use. These calculations require the use of assumptions and estimates related to future cash flows and the discount rate. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future net cash inflows and the growth rate used for extrapolation purposes.

Most sensitive to impairment is our operation in Sweden and Finland with book value of goodwill of SEK 270 million and EUR 125 as of 31 December 2023, respectively. The current headroom of approximately SEK 120 million and EUR 8 are most sensitive to the discount rate and the estimated future margins. The pre-tax discount rate applied is 10.0% in Sweden and 10.5% in Finland. Changes that may lead to an impairment in Sweden are an increase in the discount rate with more than 1.5 percentage points or reduced terminal EBIT margin of 0.7 percentage points. The assumption for terminal growth in Sweden is 2.00%. A terminal growth of zero will not lead to impairment. Changes that may lead to an impairment in Finland are an increase in the discount rate with more than 0.4 percentage points or reduced terminal EBIT margin of 0.4 percentage points. The assumption for terminal growth in Finland is 2.00%. A terminal growth of less than 1,4% would lead to impairment.

1.3.3 Purchase price allocation and accounting for contingent consideration in business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of the assets that are contributed as consideration for the acquisition, equity instruments that are issued and liabilities that are assumed. Identifiable acquired assets, liabilities and contingent liabilities that are assumed to be inherent in a business combination are assessed at their fair value. Estimating the fair value of acquired assets, liabilities and contingent liabilities requires the determination of all facts and information available and how this will impact on the calculations. These calculations require the use of assumptions and estimates related to future cash flows and discount rates.

Contingent considerations will be recognised at fair value at the acquisition date. The contingent consideration can include facts and circumstances not available at the balance sheet date or assumptions related to future events such as meeting earning targets. Estimating the fair value of contingent consideration requires determination of all facts and information available and how this will impact on the calculations. The key assumption is to consider the most likely outcome based on the current state of the target.

1.3.4 Recognition of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that deferred tax liability or taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The Group has total tax losses carried forward in Norway of NOK 482 million and in Sweden of NOK 740 million corresponding to gross deferred tax assets of NOK 106 million in Norway and NOK 152 million in Sweden that can be used to reduce future tax payments. In Norway there are no non-recognized deferred tax assets related to unused tax losses. In Sweden, total non-recognised deferred tax assets related to unused tax losses amount to NOK 130 million. Net of deferred tax liabilities and non-recognised assets, deferred tax assets of NOK 79 million in Norway and NOK 22 million in Sweden have been recognised as it is assumed probable that they can be utilised against future taxable profit based on forecasts and projections.
In addition, a net deferred tax asset of NOK 3 million has been recognised in Finland.

2. Segments

(Amounts in NOK million)	Norway	Sweden	Finland	Other	Consolidated
Q4 2023					
External	578	471	751	0	1 800
Inter-segment	-55	67	0	-12	0
Total revenue	**524**	**538**	**751**	**-12**	**1 800**
Operating expenses	-484	-535	-722	3	-1 738
Other income and expenses	0	0	8	0	8
Depreciation	-26	-8	-14	0	-49
EBITA	**13**	**-5**	**22**	**-9**	**21**
Amortisation and impairment	0	-1	-2	0	-4
EBIT	**13**	**-7**	**20**	**-9**	**17**
Adjusting items	2	11	-6	0	7
EBIT adj.	**16**	**4**	**14**	**-9**	**24**
Order backlog	**1 537**	**2 933**	**2 470**		**6 940**

(Amounts in NOK million)	Norway	Sweden	Finland	Other	Consolidated
Q4 2022					
External	729	549	677	0	1 954
Inter-segment	-94	97	0	-3	0
Total revenue	**635**	**646**	**677**	**-3**	**1 954**
Operating expenses	-576	-666	-631	0	-1 874
Other income and expenses	0	0	0	-1	-1
Depreciation	-28	-10	-12	0	-50
EBITA	**31**	**-30**	**33**	**-4**	**30**
Amortisation and impairment	0	-353	-9	0	-361
EBIT	**31**	**-383**	**25**	**-4**	**-332**
Adjusting items	0	352	6	1	359
EBIT adj.	**31**	**-31**	**31**	**-3**	**28**
Order backlog	**2 013**	**3 160**	**2 622**		**7 795**

2. Segments (continued)

(Amounts in NOK million)	Norway	Sweden	Finland	Other	Consolidated
FY 2023					
External	2 401	1 578	2 753	0	6 732
Inter-segment	-265	299	0	-33	0
Total revenue	**2 136**	**1 877**	**2 753**	**-33**	**6 732**
Operating expenses	-1 957	-1 890	-2 613	-4	-6 464
Other income and expenses	41	1	7	-1	48
Depreciation	-103	-39	-54	-1	-197
EBITA	**116**	**-51**	**93**	**-39**	**119**
Amortisation and impairment	0	-4	-10	0	-15
EBIT	**116**	**-56**	**83**	**-39**	**105**
Adjustments	-36	56	-5	1	16
EBIT adj.	**81**	**0**	**78**	**-38**	**121**
Order backlog	**1 537**	**2 933**	**2 470**		**6 940**

(Amounts in NOK million)	Norway	Sweden	Finland	Other	Consolidated
FY 2022					
External	2 571	1 877	2 582	0	7 030
Inter-segment	-198	203	0	-5	0
Total revenue	**2 373**	**2 080**	**2 582**	**-5**	**7 030**
Operating expenses	-2 200	-2 088	-2 378	-29	-6 695
Other income and expenses	0	0	-1	-1	-2
Depreciation	-93	-42	-48	-1	-185
EBITA	**80**	**-49**	**154**	**-36**	**149**
Amortisation and impairment	0	-355	-34	0	-389
EBIT	**80**	**-404**	**120**	**-36**	**-240**
Adjustments	0	352	25	1	378
EBIT adj.	**80**	**-52**	**145**	**-36**	**137**
Order backlog	**2 013**	**3 160**	**2 622**		**7 795**

3. Interests in associated companies

The Group has a 20% interest sharing risks and rewards of two larger projects (E04 Station Haga, and E03 Kvarnberget) with Webuild (40%) and Gülermak (40%) in connection with Station Haga in Gothenburg, through the associated company AGN Haga AB. The projects commenced during 2018/2019 and were previously scheduled to be completed by 2026. The projects are complex with substantial risk. The Group is not operationally involved in any of the projects.

In 2022, NRC Group made capital contributions of SEK 15 million to AGN Haga AB, representing NRC Group's pro-rata share of the total capital contributions, to support working capital in AGN Haga AB. Due to substantial uncertainty in the projects, net income from AGN Haga AB has not been recognised in NRC Group accounts, and all capital contributions of SEK 15.5 million was impaired in 2022.

On January 24 2023, AGN Haga received a termination notice from Trafikverket in relation to Station Haga in Gothenburg (E04). The contract in relation to Kvarnberget (E03) was not part of the termination notice. During the first half of 2023, AGN Haga filed an application for reconstruction to the District Court, which was approved on the 22nd of May 2023. In December, the District Court approved to extend the reconstruction period until 19 March 2024.

The book value of AGN Haga AB in the Group's Q4 2023 accounts is NOK 0 million. Note 27 to the Group accounts in the annual report for 2022 provides further disclosures regarding the associated company.

4. Transactions between related parties

NRC Group ASA had no significant related party transactions other than ordinary cause of business in the fourth quarter of 2023. Note 28 to the Group accounts in the annual report for 2022 provides further disclosures on the size and types of related party transactions during the previous years. NRC Group ASA has had agreements with Board members for consultancy services related to certain internal projects, investments, management recruitment and other. The agreements are based on hourly rates and are carried out on arm's length terms. Currently, there exists one agreement with Mats Williamson. Total fees year to date amount to SEK 0.2 million.

5. Events after the end of the period

The Swedish Transport Administration has appointed NRC Group Sweden to a contract for catenary work on the railway connection between Alingsås and Olskroken. The contract is valued at approximately SEK 456 million, and will involve rail services such as electro and groundwork. The work will commence in March 2025 and is scheduled for completion in November 2027.

The Finnish Transport Infrastructure Agency has appointed NRC Group Finland and YIT Finland as construction parties for Area 2 at Espoo City Rail. The contract is valued at approximately EUR 36 million, and NRC's share is 50% valued at approximately EUR 18 million. The contract will involve services such as rail construction, groundworks, foundation, bridges and platforms. The work will commence in February 2024 and is scheduled for completion in June 2028.

Forsvarsbygg has appointed NRC Group Norway to a contract for ground, foundation and construction work in connection with a new quay at Haakonsvern Naval Base. The contract is valued at approximately NOK 625 million and is the largest civil contract to date for NRC Norge. The work will commence in February 2024 and is scheduled for completion in June 2027.

Bane Nor has appointed NRC Group Norway to a contract for rehabilitation and upgrading of the catenary infrastructure on the railway between Hønefoss and Nesbyen. The contract is appointed to a joint venture together with Nettpartner, and NRC's share is valued at approximately NOK 436 million. The contract will involve rail services such as electro, signal/telecom, track and groundwork. The work will commence in March 2024 and is scheduled for completion in autumn 2027.

Å Energi Vannkraft has appointed NRC Group Norway to a contract for the renovation of Dam Nespervatn. The contract is valued at approximately NOK 78 million, and the work will commence in May 2024 and is scheduled for completion in December 2025.

Fingrid Oy has appointed NRC Group Finland to a contract for the construction of 3 substations at Harjavalta. The contract is valued at approximately EUR 6.5 million, and the work will commence in March 2024, and is scheduled for completion in July 2026.

Bane Nor has appointed NRC Group Norway to a contract for track renewal on the railway connection between Lillestrøm and Gardermoen. The contract is valued at approximately NOK 116 million, and the work will commence in March 2024 and is scheduled for completion in December 2025.

Chief Financial Officer, Ole Gulsvik, has submitted his notice of resignation to accept a position as CFO in Entra ASA. NRC Group has started the process to recruit a successor. He will continue as Chief Financial Officer until a new successor is in place or by the latest 1 August 2024.

The Statement of the Board of Directors and CEO

The Board of Directors and CEO have today reviewed and approved the interim financial report and the unaudited condensed interim consolidated financial statements for the fourth quarter and full year of 2023.

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU. To the best of our knowledge, the interim financial report gives a fair view of NRC Group's assets, liabilities, financial position and performance.

In addition, the report gives a fair overview of important events in the reporting period and their impact on the financial statements and describes the principal risks and uncertainties associated with the next reporting period.

Lysaker, 26 February 2024

THE BOARD OF DIRECTORS OF NRC GROUP ASA

Rolf Jansson
Chairman of the BoD

Outi Henriksson
Board member

Mats Williamson
Board member

Heikki Allonen
Board member

Eva Nygren
Board member

Karin Bing Orgland
Board member

Tove Elisabeth Pettersen
Board member

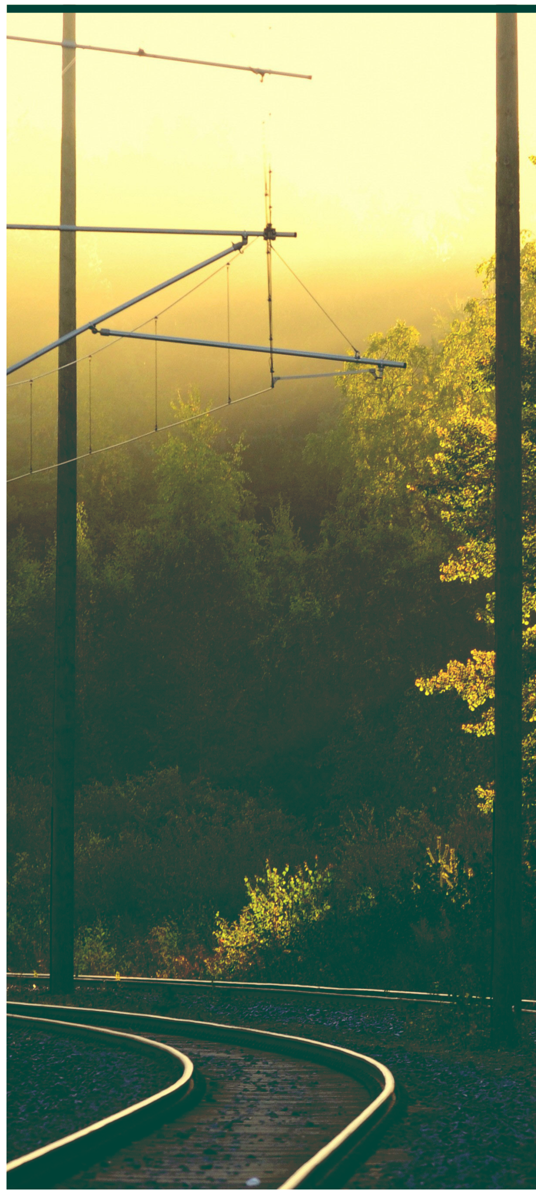
Anders Gustafsson
CEO NRC Group ASA

Alternative performance measures

Alternative performance measures are used to describe the development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by Group management and Board of Directors to measure the Groups financial performance. Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement.

The Group believes that APMs such as EBIT adj. are commonly reported by companies in the markets in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as M&A expenses and amortisation of fair value adjustments on acquired intangible assets relating to business combination accounting under the provisions of IFRS 3, which can vary significantly, depending upon accounting methods (in particular when acquisitions have occurred) or based on non-operating factors.

Accordingly, the Group discloses these APMs to permit a more complete and comprehensive analysis of its underlying operating performance relative to other companies and across periods, and of the Group's ability to service its debt. Because companies may calculate EBIT adj, EBITA and EBITDA, and EBIT adj, EBITA and EBITDA margin differently, the Group's presentation of these APMs may not be comparable to similar titled measures used by other companies.



Reconciliation of EBIT adj.

(Amounts in NOK million)	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating profit/loss (EBIT)	**17**	**-332**	**105**	**-240**
Adjusting items				
Gain from sale of Gravco business unit	0	0	-40	0
M&A expenses	-8	1	-7	2
Amortisation and impairment from PPA*	0	358	0	376
Restructuring items	12	0	21	0
Write-down operations to be discontinued	3	0	43	0
Adjusting items, total	**7**	**359**	**16**	**378**
EBIT adj.	**24**	**28**	**121**	**137**
Depreciation	49	50	197	185
Amortisation of IT software investments	4	3	15	13
EBITDA adj.	**77**	**81**	**332**	**335**

**PPA (purchase price allocation) refers to merger related fair value adjustments*

Reconciliation of Net cash/ net interest-bearing debt position

(Amounts in NOK million)	31.12.2023	31.12.2022
Long-term leasing liabilities	341	353
Other non-current interest-bearing liabilities	572	741
Short-term leasing liabilities	162	175
Other interest-bearing current liabilities	55	153
Interest-bearing debt	**1 130**	**1 423**
Minus:		
Cash and cash equivalents	369	472
Net interest-bearing debt	**761**	**950**
Minus:		
Total leasing liabilities	503	528
Net interest-bearing debt excl. leasing	**258**	**422**

Reconciliation of Net working capital (NWC)

(Amounts in NOK million)	31.12.2023	31.12.2022
Total inventories	35	29
Total receivables	1 468	1 425
Current assets (ex cash)	**1 504**	**1 454**
Minus:		
Other current liabilities	1 566	1 445
Net working capital	**-62**	**9**

Definitions

Term	*Description*
Adjusting items	Adjusting items are material items outside ordinary course of business such as impairment of goodwill, operating profit from businesses to be closed down, restructuring costs, gains or losses arising from the divestments of a business or part of a business, and impacts of the fair value adjustments from purchase price allocations, such as amortisation of fair value adjustments on acquired intangible assets relating to business combination accounting under the provisions of IFRS 3, referred to as purchase price allocation ("PPA")."
Addressable tender pipeline	The total of any tender processes above NOK 30 million expected to be made available during the next 9 months and relevant for the Group, based on the current group operations, to consider participation.
Book-to-bill ratio	The nominal value of orders received divided by external revenue for the corresponding period.
Contract value	The amount stated in the contract for contract work excluding VAT.
EBIT	Operating profit. Earnings before net financial items and share of profit from associates and joint ventures.
EBIT adj.	Operating profit excluding adjusting items.
EBIT adj. %	Operating profit excluding adjusting items in relation to operating revenues.
EBITA	Operating profit plus amortisations on intangible assets, including intangible assets such as customer relations and order backlog accounted for as part of the purchase price allocation under business combinations and IT software investments.
EBITA* (ex M&A)	EBITA plus other income and expenses.
EBITA* (ex M&A) %	EBITA ex M&A in relation to operating revenues.
EBITDA	EBITA plus depreciations on fixed assets and right-to-use assets.
EBITDA adj.	EBITDA excluding adjusting items.
EBITDA adj. %	EBITDA adj. excluding adjusting items in relation to operating revenues.
EBT	Profit before tax.
Financial Lease Agreements	Lease agreements transferring the main risk and control of the assets to the lessee.

Term	*Description*
FTIA	Finnish Transport Infrastructure Agency.
Equity ratio	Total equity in relation to total assets.
LTI	Injuries resulting in absence at least one full day per million man-hours including subcontractors.
LTM	Last twelve months on a rolling basis.
M&A expenses	Expensed external costs related to merger and acquisitions, including any subsequent adjustments to the final settlement of contingent considerations that is not included in the final purchase price allocation.
Net interest-bearing debt	Interest-bearing liabilities minus cash and cash equivalents.
Net working capital (NWC)	The net amount of inventories, receivables (including contract assets) and other current liabilities (including contract liabilities).
Operating lease agreements	Lease agreements that are not financial lease agreements, including real estate rent.
Order backlog	Total nominal value of orders received less revenue recognised on the same orders.
Order intake	Total nominal value of orders received.
Organic growth	Total revenue growth compared to comparable numbers for the same period prior year including full year revenue effect (proforma) for any acquired business and excluding full year revenue effect (proforma) for any disposed business, calculated in local currency.
Other income and expenses	Other income and expenses consist of M&A expenses, subsequent adjustment of contingent considerations or other subsequent adjustments of final purchase price allocation in business combinations that are recognised in profit or loss.
Sickness Absence	Absence from work related to illness or injury in alignment with local employment legislation on sickness absence, calculated as number of days with sickness absence divided by number of possible workdays.
TRI	Frequency of injuries with and without absence for personnel (employees and rented workers) and subcontractors per million hours worked.
TRV	Trafikverket – Swedish Transport Administration.

Executive Management

Anders Gustafsson
CEO

Ole Anton Gulsvik
CFO

Arild Ingar Moe
EVP and MD NRC Group Norway

Harri Lukkarinen
EVP and MD NRC Group Finland

Lene Engebretsen
EVP and Head of communications

Marianne Ulland Kellmer
EVP and Head of HR

Board of Directors

Rolf Jansson
Chairman of the BoD

Mats Williamson
Board member

Eva Nygren
Board member

Tove Elisabeth Pettersen
Board member

Outi Henriksson
Board member

Heikki Allonen
Board member

Karin Bing Orgland
Board member

NRC Group ASA

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Financial calendar

Annual General Meeting: 8 May
1st quarter 2024: 23 May
2nd quarter and 1st half year 2024: 29 August
3rd quarter 2024: 20 November

NRC Group