

Annual and sustainability report 2023




Presto® Group
Saving lives, together

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In this annual report, Presto Group refers to Presto Holding AB and its subsidiaries.

Introduction

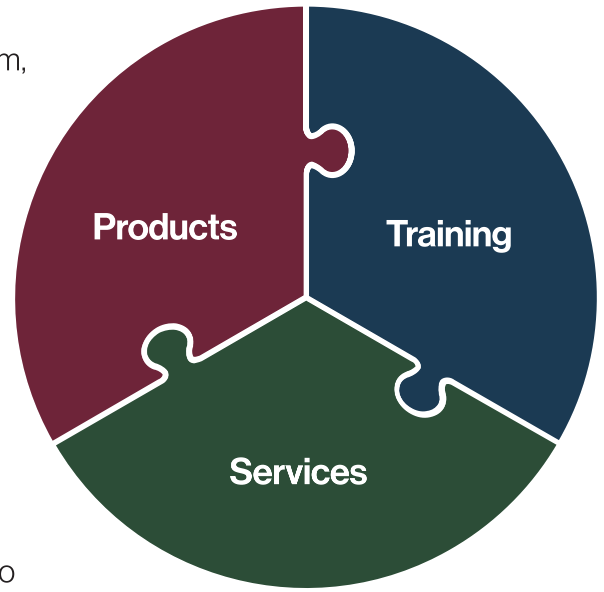
"We are Europe's leading provider of active fire safety, first aid and safety training."

Leader in fire and accident protection

Today, Presto is Europe's leading player in active fire safety, training and first aid. Our aim is to continue to grow both in the Nordic region and in Europe. Established in 1959 in Katrineholm, Presto has grown from a small family-owned business to an ever-expanding corporate group.

Companies and organisations come to us for help in finding a holistic solution that minimises fire and accident risks. We offer everything from training to servicing and maintenance to a broad offering of environmentally adapted safety products.

Every year, our 1,400 employees serve more than 80,000 customers in five countries. We have offices in 90 locations which means that we are always close to our customers. In 2023, we welcomed 13 new companies to the Presto Group. Together we increased our pro forma revenue to 2,700 MSEK during 2023. The organic growth was 10%. During the year, we also established a strong platform in Europe, by the acquisition of Jockel Brandschutztechnik Service GmbH.



VISION

Our vision 'Saving lives together' is our guiding star in everything we do. This means that we help our customers to stay safe, by offering innovative products and services within the business areas: fire safety, training and first aid.

VALUES

Our values describe how we work and our true beliefs.

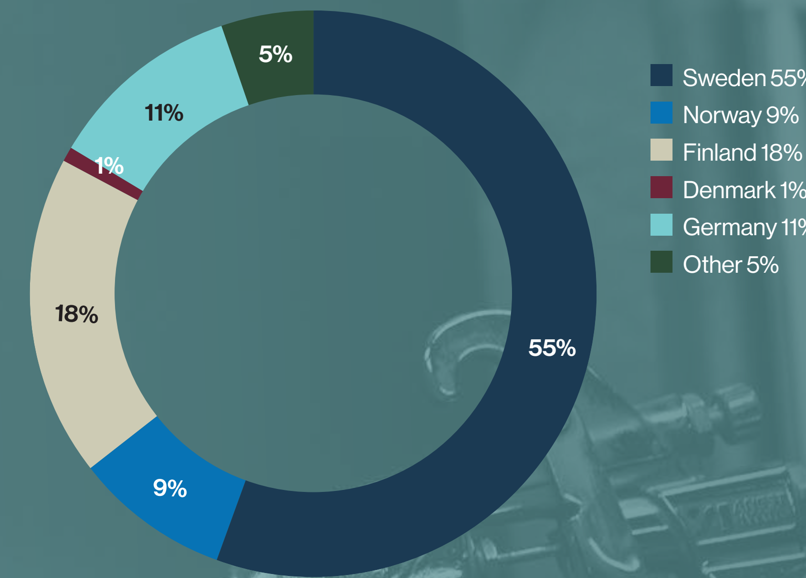
PURPOSE

We have a strong purpose and strive to make our customers feel safe. Every fire extinguisher, first aid kit or safety training is a positive contribution to society and can save lives. By offering sustainable products with circular solutions, we create a positive impact for future generations.

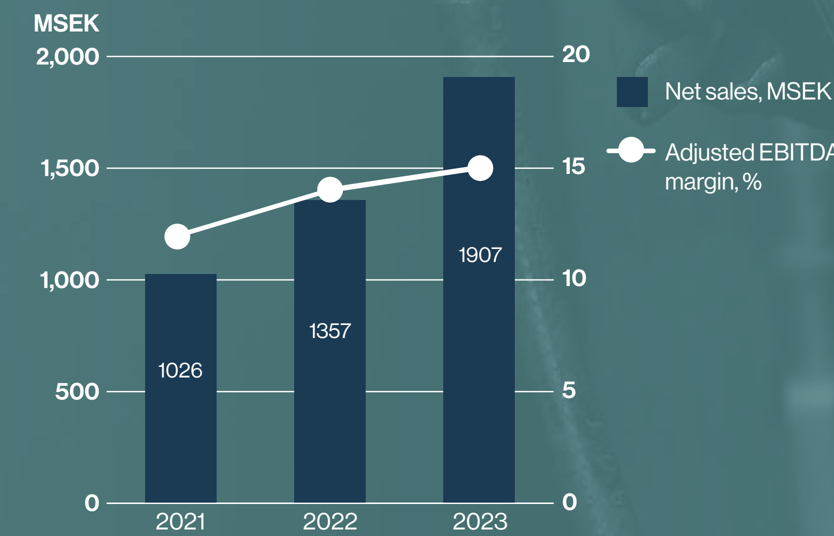
80,000

NUMBER OF CUSTOMERS

REVENUE BY COUNTRY SHARE IN %



REVENUE AND EBITDA



The year in brief

In 2023, Presto consolidated its position in the Nordic region. We continued to develop our commercial organisation, while expanding our business through acquisitions in all markets.

During 2023 we continued to develop and expand our sales organisation and different sales channels. In 2023, we increased revenue by 41%, where 10% was organic. Through a number of acquisitions, we also broadened our offering and expanded our geographical presence.

At the same time, we worked hard to increase our profitability through economies of scale. We have continued our sustainability journey. One example is the ongoing phase-out of PFAS substances in our product range, which increases the adoption of water fire extuinguishers among our customers.

41%

INCREASE IN REVENUE, 2023

KEY EVENTS DURING THE YEAR

Q1

Acquisition of Westsafety, a leading provider in fire safety in Finland. Presto enters the Danish market by the acquisition of First-8, a leading company in first aid and training, while also present in fire safety.

Q2

Presto acquires Arcos in Norway, the leading player in training and consulting for the shipping industry and the energy sector. Line Stemsverk Gundersen was appointed General Manager at Presto Norway. Presto also started recycling of powder and carbon dioxide.

Q3

Presto acquires leading Swedish first aid company Dahl Medical and can provide the Swedish customers with a full-service offering. Presto takes a big step forward towards becoming European champion, by acquiring Jockel Brandschutztechnik Service GmbH, represented in 11 offices around Germany. A new Group Head Office was established in Stockholm.

Q4

Presto acquired DGM, Dangerous Goods Management Finland Oy, specialists in training and services for handling and transporting hazardous goods. The Finnish fire safety company, Sammutinhuolto Santtu Aitala Oy, which also offers shelter room services, was acquired as well. In Denmark, Parat ApS, specialists in safety training, and SafetyGroup, industry-leading experts on defibrillators, joined Presto. Additionally, we surpassed the production of 100,000 water fire extinguishers.

15%

ADJUSTED EBITDA MARGIN, 2023

KEY PERFORMANCE METRICS

	2023	2022	2021
Revenue, MSEK	1907	1357	1026
Growth rate, %	41	32	45
Organic growth, %	10	17	11
EBITDA, MSEK	241	175	98
Adjusted EBITDA, MSEK	289	194	125
Adjusted EBITDA margin, %	15	14	12

TARGETS & OUTCOME

	Targets	Outcome 2023
Organic growth per annum, medium term, in %	>10	10
Adjusted EBITDA margin, %	>20	15
Share of fire extinguisher sales comprising environmentally adapted alternatives, %	>90	79

Note: Refers to SE, FI and NO

Forging ahead by navigating challenges, delivering growth, and building a safer tomorrow

THE PAST YEAR has been one of profound macroeconomic challenges, a period that tested the resilience of many businesses across the globe. The strength of our company, coupled with our unwavering commitment to safety and innovation, has not only propelled us through uncertain times but has positioned us as a beacon of sustainable growth in the active safety sector. Our position is stronger than ever, as fire safety and accident protection are needed, whatever the state of the economy.

Despite the headwinds, I am proud to announce that our company has managed to navigate these challenging times, whilst delivering a strong outcome. Our growth is not only a testament to our strong financial position. It's reflective of the holistic approach to fire and accident protection, as well as an unwavering commitment and dedication of our entire company. In the face of uncertainty, we embraced a proactive approach, where our dedicated employees, our strong offering and strategic acquisitions played an essential role in propelling us forward. Our strong leadership position in the industry is a result of the collective efforts of a dynamic and forward-thinking team. We have not only faced the challenges head-on, but we have also leveraged them as opportunities for innovation and improvement. The ability to adapt, coupled with our strong strategic vision, has allowed us to not only survive but thrive in an ever-evolving landscape. Together with our global and local customers, we have managed to deliver on our vision, 'saving lives together', while making sure that they comply with underlaying laws and regulations in their respective countries.

> "Our position is stronger than ever."

Creating sustainable growth is a cornerstone in our strategy

The strategic expansion into new territories, through more than 40 acquisitions since 2019, is the foundation of our sustainable growth strategy. Year 2023 transformed us from being Nordic champion in our industry, to establishing Presto as the European leader. Our revenue in 2023 increased by 41%, supported by 10% organic growth. Our adjusted EBITDA for 2023 was also a result of our hard work, reaching 289 MSEK which implies a margin of 15%.

By acquiring companies that align with our values and complement our expertise, we have not only expanded our geographical footprint but enriched our capabilities into a wider range of business areas; fire safety, safety training and first aid. In the beginning of 2023, we acquired Westsafety, a leading fire safety company in Finland, which strengthened our already strong business in Finland even further. By welcoming new colleagues to

Presto, we are expanding our expertise and creating a culture where people can grow and learn from each other. It's extremely rewarding to see how the different parts of our company is coming together, and where we have many future synergies yet to pursue. During 2023, we also established Presto in Denmark for real, as we acquired the Danish first aid companies First-8 and SafetyGroup, followed by the safety training company Parat. These acquisitions are not just financial transactions; they are a testament to our commitment to delivering comprehensive safety solutions to our clients and communities in all the Nordic countries. Parat offers creative training courses, where they stage real life situations, resulting in training in a very realistic rescue situation. They also offer coaching in physical and mental wellbeing, which are attractive concepts that we can offer to other countries as well.

In Sweden, one of the highlights 2023 was the acquisition of Dahl Medical, leaders in first aid in Sweden. We share the same vision, and our companies are a perfect match. One example being the cross-selling of our products and offering to our joint customer portfolio. Another example is the extensive first aid competence that the Dahl Medical team brings into the Presto Group. In the middle of the year, we also acquired Jockel Brandschutztechnik Service, a leading fire safety company in Germany. By welcoming Jockel to the Presto family, we took a giant and important leap entering the European market. Jockel is a family-owned company built on entrepreneurship, innovation, and purpose. The merger has begun, and we are planning for the next step of our joint business transformation. Our ambition is to continue to grow in Europe and lead the market through delivering an excellent customer experience, a strong combined product portfolio and increase investments in digitalisation.

At the end of the year, we acquired Dangerous Goods Management Finland Oy, expanding our business into another field of expertise. The need for knowledge and training in handling dangerous goods is growing and we look forward to leveraging this expertise in all countries. Today, the Presto Group is present in 90 places, and our ambition is to continue to grow in a sustainable way. This includes continuing to invest in our business and expanding even further in 2024.

Dedicated to take care of our environment and people

Working in a business, creating such positive impact as we do, is a bonus. I want Presto to be a statement company within active safety and continue to contribute to a safer society. Everywhere. Every day. I also want us to be the most sustainable option in what we do. Not only now, but for generations to come. Creating a safer society is what we live for. Every fire extinguisher that we put in place counts. Every defibrillator, and every person we train can make a difference. Every year we train more than 250,000 people, that bring safety to our homes, workplaces, and community. This is not just a numerical accomplishment; it is a testament to our mission of creating a safer world. Nothing makes me prouder than when I receive feedback from our customers, when they have used our equipment or training to avoid a serious injury. That's extremely satisfying.

Additionally, we take pride in our commitment to sustainability and in driving the global sustainability agenda forward. Our production facility in Katrineholm, Sweden is actively engaged in reducing PFAS and recycling of extinguishers, exemplifying our dedication to environmental responsibility. As a responsible corporate citizen, we are committed to minimising our ecological footprint and contributing to a more sustainable future.

Since Presto was founded in Katrineholm in 1959, our culture has always been built on a strong entrepreneurial spirit. At Presto everyone is a leader and has the mandate to improve our business and service our customers in the best way possible. The commitment to our core values, together, customer focus and smooth, has created a strong foundation upon which our success is built. Our people are our greatest asset, and their dedication to our values has been the driving force behind our achievements. As we grow and evolve, we want to continue to attract the best employees and offer a workplace where everyone can learn and grow. That's why we regularly check up on the well-being of our people and act if we deviate from our targets.

> "We take pride in our commitment to sustainability and driving the industry forward."

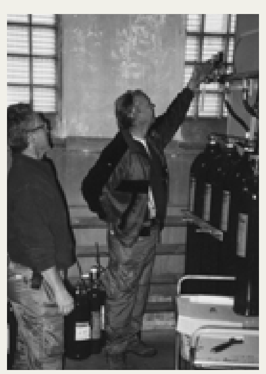
Leadership, too, has played an important role in steering our course through uncharted waters during 2023. Our leaders on every level have demonstrated exceptional vision and agility, guiding the organisation with purpose and determination. Their commitment to serving our customers and delivering excellence has not only ensured the success of today but has also positioned us for a bright future.

As we enter 2024, I want to emphasise that my ambition is not just about creating growth, it's about the evolution of a community dedicated to safety. Our vision, encapsulated in the phrase 'saving lives together', serves as a powerful reminder of our collective guiding star. It goes beyond a corporate slogan; it embodies the essence of our journey to contribute meaningfully to the safety and well-being of individuals and communities. This vision is a rallying cry that unites us in our pursuit of excellence and underscores the importance of collaboration in achieving our shared goals.

We are grateful for the trust and support of our shareholders, customers, partners, and the communities we serve. Thank you for being part of our story and for your continued collaboration as we forge ahead on this meaningful journey.

Filip Bjurström
CEO

Our story from being a small family-owned business to European champion



1959
Presto was founded in 1959 in Katrineholm, Sweden, as a producer of fire extinguishers.

2000
Presto becomes a service business focusing on safety maintenance for the recurring customer base.

2018
Adelis acquires Presto with the strategy to build the Nordic market leader in safety compliance services.

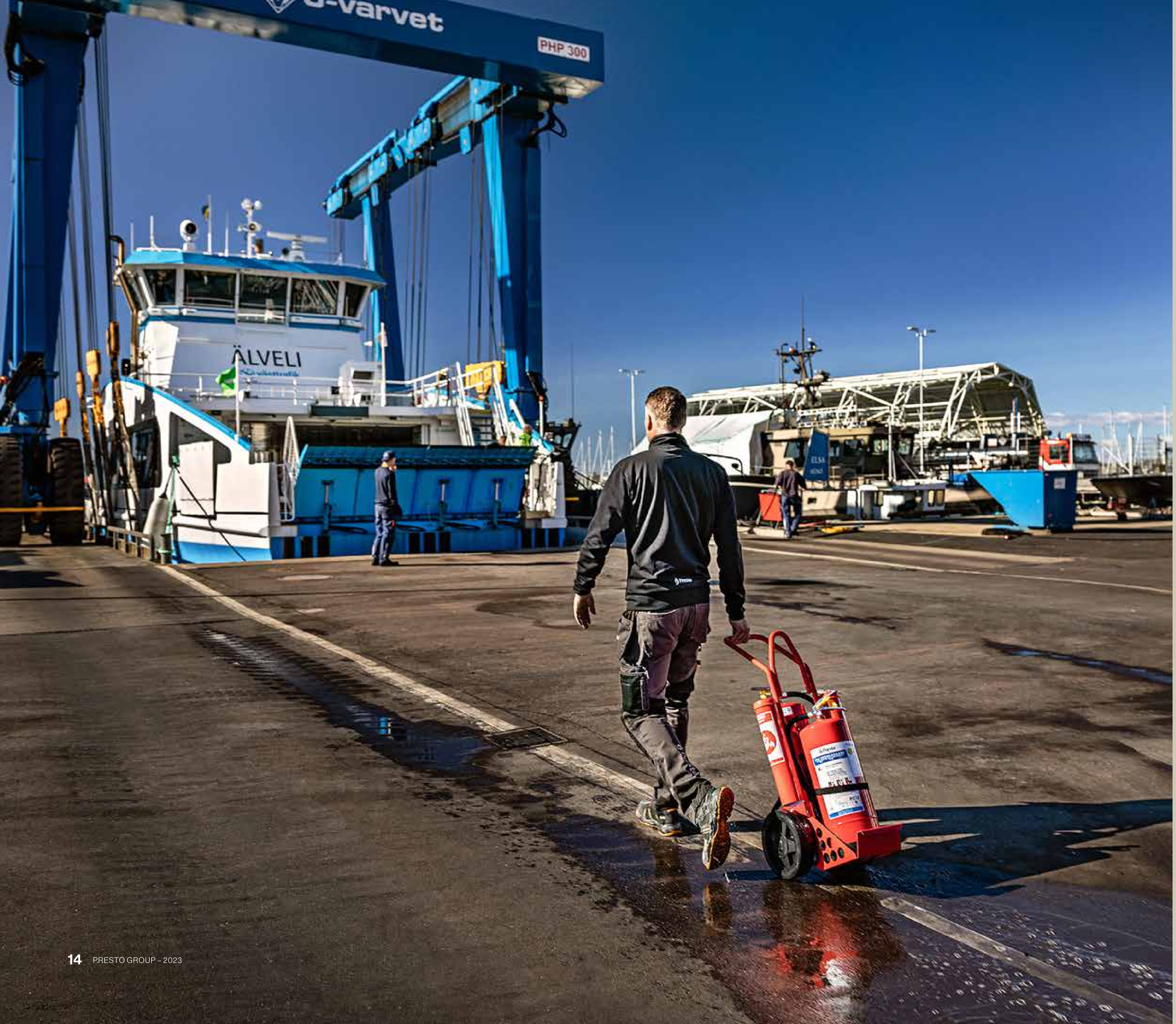
2021
Presto becomes the leading supplier of fire safety and safety training in Sweden and Finland through the acquisitions of Cupola, Suomen Ensiapukoulutus and Alertum.

2022
Safety training is established in Norway through the acquisition of Trygg kurs. First aid is established as a separate business area when Safedo in Finland is acquired.

2023
Acquisition of Swedish Dahl Medical. Establishment in Denmark through the acquisitions of First-8, Safety Group and Parat. Establishment in Germany through the acquisition of Jockel Brandschutztechnik Service. Established new Group Head Office in Stockholm.

2027
Presto is the European champion within safety compliance services, with a full service offering in fire safety, safety training and first aid.

“Saving lives is what we do.”



Customer offering

“A full-service provider of active fire safety, safety training and first aid.”

PRESTO FIRE SAFETY

We offer our customers long-term security and sustainable solutions

In case of a serious accident, everyone wants to have the odds on their side. In Sweden, there is roughly one fire incident every hour, in a workplace. The best safety insurance is to be protected and have the right training. At Presto, we help our customers to improve the odds, through a systematic fire safety offering. It's regulated by law that authorised personnel must install and regularly maintain many safety products. Our skilled technicians help to ensure that customers benefit from long-term functionality in the products or systems they have installed.

We offer installation and maintenance in many areas, including fire extinguishers, fire hydrants, exit lights and fire alarms. Servicing visits are planned with the customer, with the relevant documentation sent to the customer online following the visit. At Presto, we manufacture our own fire protection products and operate a take-back system for fire extinguishers.

Our take-back system reduces climate impact by up to 47%*

About every hour, some type of fire starts in a Swedish workplace.

60%

Six out of ten Swedish companies do not have adequate fire protection.

One in five people have never taken part in a fire drill at their workplace.

*Based on a lifecycle analysis using the functional unit "fire protection for 30 years".
SOURCE: Presto Group

PRESTO FIRE SAFETY

A great deal of freedom to solve problems creates a strong cooperation with Tyresö municipality

Tyresö municipality is located in Stockholm County and has a population of just over 48,000 people. Presto has worked with Tyresö since 2014 and is procured according to the Public Procurement Act with four-year intervals. Per Jacobsson and Jennifer Benonius are technical managers and very satisfied with the collaboration.

THE CORE OF PRESTO'S team consists of four people. Tomi Illonen is the Key Account Manager. Niklas Öbom is the fire protection technician and takes care of all first aid equipment and provides annual checks and fault reporting for their first-line fire protection. This means everything from evacuation plans, extinguisher replacement, fire hydrants, signage, inventories and more. Jarek Kariozen is the electrician who takes care of all reference luminaires and electrical work, and Theodor Tamm is responsible for the application system and kitchen extinguishing systems for Tyresö municipality. Presto was first procured in 2014, and since then, the business has grown about ten times in revenue.

– In brief, we can say that Presto is Tyresö municipality's guarantor to make sure that they have adequate fire protection for their entire organisation. Much of the work ensures that their operations, such as schools, preschools and group accommodations, have optimal and updated fire protection. I would estimate that we take care of the fire protection for 160 different units, says Tomi Illonen.

The collaboration is built on mutual trust that Presto delivers optimised safety in all areas.

Jennifer Benonius and Per Jacobsson at Tyresö municipalilty.

So, why is Presto still a supplier after so many years.

– The brief explanation is that Presto has been good at public procurement. That's how it works to get this kind of assignment. We cannot influence public procurement; other people in Tyresö municipality decide on that. However we can say that we are happy every time they win. We believe it is easy to maintain a straightforward and open dialogue with Presto, which we appreciate very much. And it is not self-evident in our experience, says Per Jacobsson.

– Presto is an external company. Still, I would say that they work more like colleagues, even if it says Presto on the uniform. They take the initiative and work proactively, addressing the shortcomings they see and act independently with our fire protection. We help each other to keep the fire protection updated according to our needs and the regulations we need to follow, continues Jennifer Benonius.

Through close cooperation that does not need to be so detail-oriented, we at Presto solve problems more efficiently. When Tyresö municipality has thoughts and concerns, they call or email and get an answer by return mail or call back.

– In fact, it is Presto that meets everyone who works in Tyresö municipality's organisations on a daily basis, and in these meetings, they capture different types of needs and wishes. We feel that there is a strong sense of service among Presto's employees, and that is a prerequisite for it to work well, says Per Jacobsson.

Tomi Illonen, Regional Manager East at Presto.

– What is expected in this freedom of work is that we proactively ensure that Tyresö municipality has the safest possible fire protection. I think they are very pleased to have a partner who always takes responsibility for their issues. The trust we have received gives us free rein to manage their fire protection in the best possible way. I am very happy with our cooperation with Tyresö municipality, concludes Tomi Illonen.

Emmy Edlund, Regional Manager at Presto.

Making customers safer with 15 years of fire safety experience

EMMY EDLUND IS a regional manager at Presto. With a solid background in fire safety, she helps us develop our business and gain the trust of our customers.

Emmy started her career through training at SMO (Protection Against Accidents) in Kramfors, Sweden. After that she worked as a firefighter for five years, then at a company in the fire protection sector called Linköpings Brandservice for almost five years, the last of which she spent as CEO. Since 2019, she has been a regional manager at Presto.

Emmy came to Presto through an acquisition of Linköpings Brandservice in 2018. The small, family-owned company worked with the same things within fire safety that Presto currently does, but on a smaller scale.

– We were a stable group of employees who liked to work together, but I wanted to allow them to develop further in a new and larger context. Fortunately, almost all of the employees from that period still work with us.

While at Linköpings Brandservice, Emmy worked a lot with visiting customers and evaluating the existing fire protection and what needed strengthening.

– It is perhaps in this work that I have benefited most from my years in the fire brigade, where I spent several years working on prevention. I have seen what can happen and can quickly assess how the fire safety needs to be strengthened to avoid fires and accidents.

Presto is a rapidly growing company, and Emmy believes there is a lot of things to develop in the market.

– Presto is changing very fast. Acquiring fire safety, training and first aid businesses gives us a broader range of products and services to offer our customers. That can help us save even more lives, which is our vision, concludes Emmy Edlund.

PRESTO TRAINING

We help clients to develop the right knowledge

One crucial element in our comprehensive offering is to help our customers to improve their knowledge and ensure that they have the right certificates and trainings. A safe working environment should be everyone's right and priority. However, the number of workplace accidents has increased in Sweden and other countries during 2023. That's why the right safety training is key to preventing accidents. We offer training in most areas required to comply with safety laws and regulations in the countries where we are present. However, we also offer other types of training, such as leadership and health and safety trainings. Our instructors have extensive experience in all of the trainings that we offer. The starting point is always to identify the unique need that each customer has. We help to plan, run, and follow up the best possible programme. We offer both theoretical and practical trainings, available for individuals or in groups. Many of our courses are offered online or in e-learning format.

We have more than 500 instructors with extensive experience within our training areas.

We train more than 250,000 people yearly.

Every year, we organise about 120,000 training sessions in different formats.

Most of our courses are available in digital formats.

SOURCE: Presto Group

PRESTO TRAINING

With Presto, SCA has gained a stable supplier of training programmes

Åsa Holmberg is a training administrator at SCA in Sundsvall, Sweden. Together with a colleague, she manages the company's compliance training programmes. For ease of operation, SCA looked for a supplier that could provide all trainings for their production plants, mainly by the Norrland coast.

PREVIOUSLY, EACH UNIT at SCA managed their own training requirements. Now, Presto Training takes care of everything from planning to providing the courses. Åsa Holmberg thinks this is a great improvement.

– Having different plants doing their own planning was not the most efficient way of working. I'm thinking in particular of our production in the cities of Piteå, Umeå and Sundsvall. However, we also have many smaller locations in Northern Sweden in need of training.

SCA has an office in Sundsvall where two people work with what they call requirement training. Requirement training is based on the Swedish Work Environment Authority's Statute Book (AFS). It can be fall protection, hot work, forklift training, traverse training, or transport of dangerous goods. Quite simply, it is safety-related training required by law for employees to perform their duties.

– We are a group of around 3,500 employees and this type of training is business-critical for us, given that a person can't start working before they have completed the right training programme. With these requirements in mind, we must have a training provider who can meet our needs, who has solid resources and a strong desire to solve problems, and we found that in Presto, Åsa Holmberg continues.

– I think Presto has done a good job. We have a dedicated contact person with whom we are in constant contact and who helps us with both long-term planning and solving all our day-to-day needs. It's important for us to have one person who looks after us and has full control of our needs, concludes Åsa Holmberg.

> **"We were looking for a provider with the resources to handle all of our training needs and found it in Presto."**
> Åsa Holmberg, Training administrator, SCA.

A few times a year, SCA sends Presto a list with requirements for around 50 training courses; then, Presto comes back with a proposal for an arrangement. We also offer other types of training, such as leadership training and health and safety trainings.

All administration related to the training programmes takes place through SCA's LMS, which is their training portal. Presto also has access to this system so that they can work with the planning and various other things.

Alexander Nilsson is Key Account Manager at Presto Training and remembers how the collaboration started. It started small, with a request for an individual training programme that Presto offered, and then things grew quite quickly.

– It's not common to establish a collaboration of this size the way it happened, but we did everything by the book, says Alexander Nilsson.

– Managing the amount of training in different categories we do for SCA requires resources that not many in our industry have. Our success relies on a combination of long-term planning and short term priorities, and solving sudden needs when they arise. There's always something that needs to be managed, Alexander Nilsson continues.

Today, Presto conducts approximately 120,000 training sessions each year, with 500 instructors developing the skills of more than 250,000 people.

– This makes us the Nordic region's leading provider of training in work environment, fire and accident prevention, concludes Alexander Nilsson.

A safer organisation starts with the right knowledge

Preventing fires and accidents requires knowledge. At Presto, we offer training in most areas needed to comply with safety laws and regulations. Presto employs over 500 instructors with extensive experience. We provide both theoretical and practical training programmes. Many of our courses are offered digitally or in e-learning format.

Working at heights
We offer quality-assured training programmes for working at heights, that are certifying and corresponding to current requirements.

Machinery and lifting equipment
With the proper knowledge, more accidents and injuries can be prevented. Awareness of how to work safely creates a safer workplace for everyone.

Road safety and transport
Our quality-assured training programmes are certifying and meet road safety and transport competence requirements.

First aid and CPR – Cardiopulmonary Resuscitation
Performing CPR can be the difference between life and death. Our CPR training also includes learning how to use a defibrillator.

Fire safety
Our training courses in fire safety include responsibilities in fire safety, systematic fire prevention, basic fire safety, managerial work during an evacuation, and practical training with hand-held fire extinguishers.

Electricity & technology
We provide the right conditions for creating safer electrical installations and preventing electrical accidents.

Work environment & law
We at Presto have broad experience in the work environment and offer training in both construction law, building regulations, HR issues and a better work environment.

The right knowledge at the right time

Police officers Markus and Lukas found themselves in a serious situation where they needed to act quickly. Thanks to the CPR training they received through Presto, they could help a young child. This is their story:

– A week after we completed CPR training, we were buying lunch when we noticed a very distressed mother trying to wake her unconscious three-year-old son. One of us looked after the boy while the other called an ambulance. We started CPR and were eventually able to improve the boy's condition. Shortly afterwards, the paramedics arrived, took over, and gave the boy oxygen.

Usually, it's not police officers who do CPR in a crisis situation, it's the paramedics. But it was lucky that we were there, had the right skills and could act quickly.

A police officer's work is often complex and unpredictable. We are often required to handle a variety of challenging situations quickly. Since we recently had completed our CPR training, we felt confident that we could handle this emergency.

The next day, we spoke with the mother who told us that they suspected the boy had febrile seizures. Fortunately, he was doing fine by then, which was a relief to hear.

PRESTO FIRST AID

We always put safety first

Accidents do happen, even though we do everything we can to help our customers to stay safe. Being prepared and knowing what to do when 'the unthinkable' happens, can be the difference between life and death. Every minute counts, and we are here to improve the odds.

Our ambition is to contribute to a safer community, together with our customers. Therefore, we provide workplaces with quality first aid products and our deep expertise to prevent injuries when accidents do happen. We also strive to place more defibrillators outdoors as well to save even more lives. We have a wide range of products and services to provide a holistic approach to first aid, now and in the future.

70% of cardiac arrests occur at home.

The chance of surviving a cardiac arrest is currently <12%.

10%

Without immediate access to a defibrillator, every minute of delay reduces the chance of survival by 10%.

If a defibrillator is used within the first few minutes, 70% can survive.

SOURCE: HLR-rådet, Swedish Council for Cardiopulmonary Resuscitation (CPR)

PRESTO FIRST AID

Dahl Medical and Sandvik join forces to provide a safer workplace

Simulated exercise at Sandvik in Västberga, Sweden.

Dahl Medical received its first order from Sandvik in 2004. At that time, Sandvik mostly bought first aid kits, eye showers and similar first aid products. Today, things are different.

STEFAN KARLSSON JOINED Sandvik in 1994 and has been the EHS Coordinator since 2013. This department has the overall responsibility of first aid kits, defibrillators and training programmes together with Presto-owned Dahl Medical.

Stefan Karlsson, EHS Coordinator, Sandvik.

– We are lucky to have Ann Öster as our contact person at Dahl Medical. She has probably been walking around this building at Sandvik Västberga for as long as I have been here. She's an absolutely fantastic person and knows our company's needs inside and out, says Stefan Karlsson.

How is the cooperation organised?

– Dahl plans and supplies us with all kinds of medical equipment and organises our training together with our samaritans. The samaritans are volunteers here at Sandvik, with in-depth knowledge of CPR and know how to take care of shocked people and treat wounds in case of an emergency.

If something were to happen, it is the samaritans who are quickly on site in the first stage and then they work with the injured person until the ambulance arrives. We also practice unannounced exercises, organised and evaluated by Dahl. Within a minute there is usually a samaritan on site, it's incredible to see. Even if it's not real, the pulse gets really high. Falling ill at Sandvik is very safe, Stefan Karlsson points out.

A cooperation based on expertise

Sandvik was first in contact with Dahl Medical 20 years ago, and since then the companies have worked closely together to improve safety.

– Our collaboration works really well, and we feel that Dahl is always there for us. A while back we thought of changing supplier, however it never happened. We value the benefits and that we can rely on our supplier and what they deliver, which is also reflected in our quality measurements, says Stefan Karlsson.

In 1999, Jimmy Nilsson started working in the warehouse at Dahl Medical as an extra job before starting his studies. 25 years later, Jimmy is still around, but now as CEO.

– Stefan and his department are an important reason why we still deliver to Sandvik after so many years. We can offer local presence and be on site when needed. Also, there is a special bond between the customer and our contact

Jimmy Nilsson, CEO, Dahl Medical.

person, which also plays an important role, says Jimmy Nilsson.

At Sandvik, there are 11 defibrillators installed across 7 floors. Defibrillators are the core business at Dahl Medical. The awareness that a defibrillator can be the difference between life and death is growing. Therefore, Dahl Medical is also working hard to create awareness that it's important to increase the amount of defibrillators outside as well.

– The survival rate after a cardiac arrest has increased from 10% to 12% last year. This is still far from acceptable, but a trend in the right direction. We would like to see stronger recommendations or laws to increase the number of defibrillators in the community. When there is a will to prioritise human lives, the results often come quickly, says Jimmy Nilsson.

Ann Öster, District Manager, Dahl Medical.

Ann Öster has been employed at Dahl Medical since 2003, and is District Manager in Stockholm.

– I want my work to make a difference. I am extremely happy and proud when I hear that our products or courses have contributed to saving someone from an accident or cardiac arrest. The work our first aid specialists do every day can save lives. A pretty awesome feeling if you ask me.

“First aid is our fastest growing business area.”

Markets

"Every fire extinguisher, first aid kit, defibrillator or safety training we can put in place can make all the difference."

The fire safety market

OVERALL TRENDS AND DRIVERS

Safety solutions have become increasingly complex, and today people are more aware of the different safety needs.

Increased safety awareness

For small and middle-sized enterprises (SMEs) the awareness of an appropriate safety system has increased. This is mainly driven by regular information campaigns in combination with tougher requirements from insurance companies. This trend is a key driver for Presto, as it broadens the customer base. At the same time, compliance requirements are becoming more strict, as new EU regulations come into force. Short-term demand is also driven by inflation and anticipated price increases for safety solutions.

Sustainability still in focus

Environmental issues are constantly in focus, especially in the markets in which Presto operates. Legal requirements regarding sustainability are exerting pressure on companies and organisations to review and invest in safety systems to meet current requirements and regulations, such as the phasing out of environmentally hazardous PFAS from fire protection systems and equipment.

CUSTOMER BASE

Today, Presto serves customers in every category. However, the highest proportion of customers is in high-risk industries and mining, large customers in the service or retail sectors and higher-risk small and medium-sized enterprises. Presto also identifies great potential for growing its market share of small and medium-sized customers with lower risk awareness, by continuing to drive professionalisation in safety and offering simple, flexible solutions that are easy to understand and implement. The market consists primarily of four customer categories.

High-risk industries and mining

Customers in this category typically have major fire and safety needs, with flammable processes in their day-to-day operations. In such companies, risk awareness is generally high. This category accounts for about 44% of the Nordic market.

Higher-risk small and medium-sized enterprises

Customers such as small hotels, schools and retirement homes are subject to an increased need for safety systems, due to the presence of many people in the organisation and the risk of reputational damage. Risk awareness is often at a lower level than in larger companies. This category accounts for around 28% of the Nordic market.

Major service and retail organisations

In this category, safety needs are often basic. There can also be a need for more advanced solutions if any incidents would have a major impact on many individuals. Companies are often aware of risks associated with different types of incidents, for example risks that may affect customers or the company's reputation.

SMEs with lower levels of awareness and compliance

Customers such as housing associations and small offices often use fewer professional safety services due to their lower risk profile, so safety awareness is generally low.

The safety training market

OVERALL TRENDS AND DRIVERS

An increase in the number of workplace accidents, tighter regulatory requirements and information campaigns from training providers build awareness of the need for safety training.

The accident trend is heading in the wrong direction

The number of workplace accidents increased in 2021 compared to the pandemic year 2020 in the EU, according to Eurostat. In Sweden, the highest number was recorded since starting to measure in 2008. This trend continued to worsen in Sweden during 2023 when the highest number of workplace fatalities was recorded since 2011.

Tighter regulatory requirements

New regulatory requirements are increasing the demand for knowledge and safety training. As regulation is affecting more and more companies and organisations, the number of employees who need training to comply with the rules is growing.

CUSTOMER BASE

Presto offers training to customers in every category, but the majority of customers served are in construction, manufacturing and transport companies, small and medium-sized industrial enterprises and major service organisations. Presto identifies the potential for expanding its market share in small service enterprises through continued professionalisation of safety training, where we can offer flexible training solutions focused on simplicity. The market consists primarily of four customer categories.

Construction, manufacturing, and transport companies

Customers in this category have many employees and have a need for regular security training. Purchasing processes are often highly structured and suppliers are generally procured locally.

Major service organisations

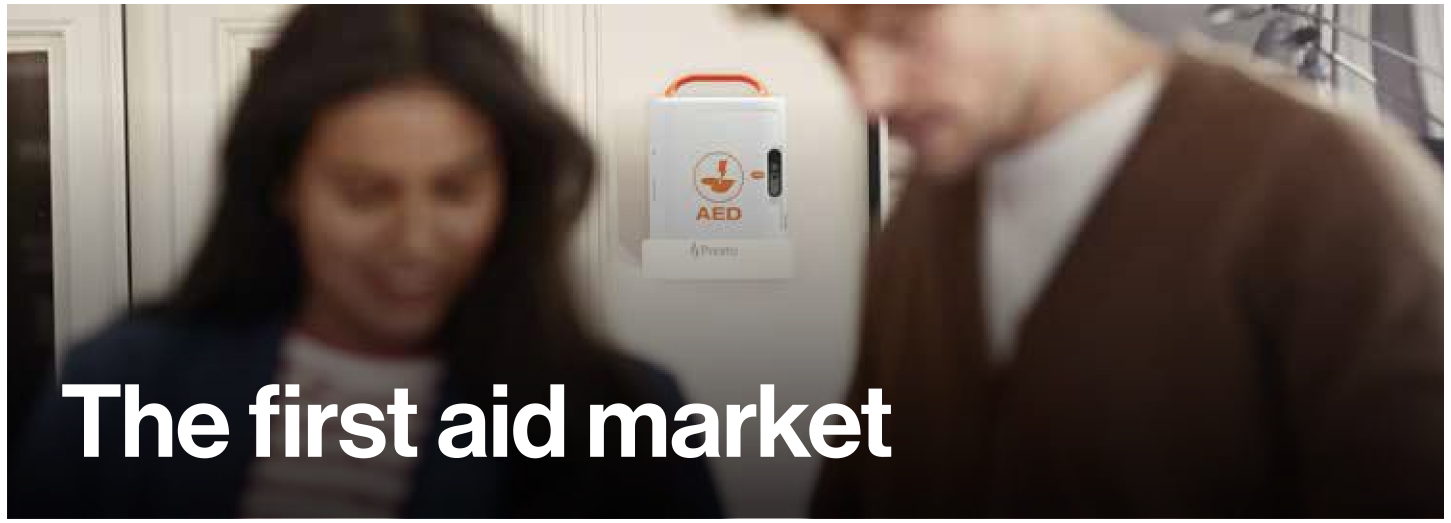
Our customers consist of various service organisations, such as retail chains and hospitals, where the majority of employees are administrative personnel. Regular training is often needed, and companies use a small number of suppliers.

Small and medium-sized industrial enterprises

Here, many players have significant training needs, for example in construction, but because of their size, demand for training in such enterprises is sporadic and different suppliers are used.

Small service enterprises

This category consists of small companies that need fewer training sessions to comply with organisational rules. Demand for training is sporadic, and awareness of training requirements is often low.



The first aid market

OVERALL TRENDS AND DRIVERS

New regulations for first aid equipment within the EU

EUDAMED imposes far greater requirements on our equipment in Europe, enhancing patient safety through increased availability, documentation, and monitoring. The regulation, effective May 2021, requires product traceability from arrival and documentation in recalls, placing greater demands on our systems and processes. The regulation is still in process and being rolled out and redefined in Europe.

Presto is rolling out the green product line

Presto's product line in first aid is really strong, bolstered by strategic acquisitions and varied options. Our reinforced supply chain, through the Presto Group, delivers directly to customers. Continuous partnerships with new dealers and manufacturers enrich our catalogue with competitive prices and fast delivery.

New trend in the market for defibrillators

The defibrillator market is shifting from traditional models to new generations with communication capabilities. As early adaptors, cabinet manufacturers initiated the move towards monitored devices, leading to defibrillators that interact through 4G and IoT. This evolution, allowing data upload to the cloud for accessible post-treatment, is poised to continue.

Increasing demand for more advanced first aid equipment

The emphasis on major bleeding in first aid training is reshaping kits and equipment to include more comprehensive bleeding control solutions. Customers now frequently request major bleeding kits and tourniquets, reflecting a shift in demand towards enhanced preparedness for severe injuries.

CUSTOMER BASE

The regulations for first aid equipment in companies vary by market. Occupational safety often requires a risk assessment and corresponding protective measures. Presto assists businesses of all sizes in this. The market consists mainly of four customer categories.

Construction companies

Construction sites and construction projects often have strict safety requirements. Safety is extremely important to this customer, and they often seek a total supplier.

Large enterprises

Large enterprises typically have specific first aid protocols and EHS (Environmental, Health, Safety) teams dedicated to ensuring workplace safety, possibly including certifications. Consequently, first aid readiness is a priority for them.

Small and medium enterprises

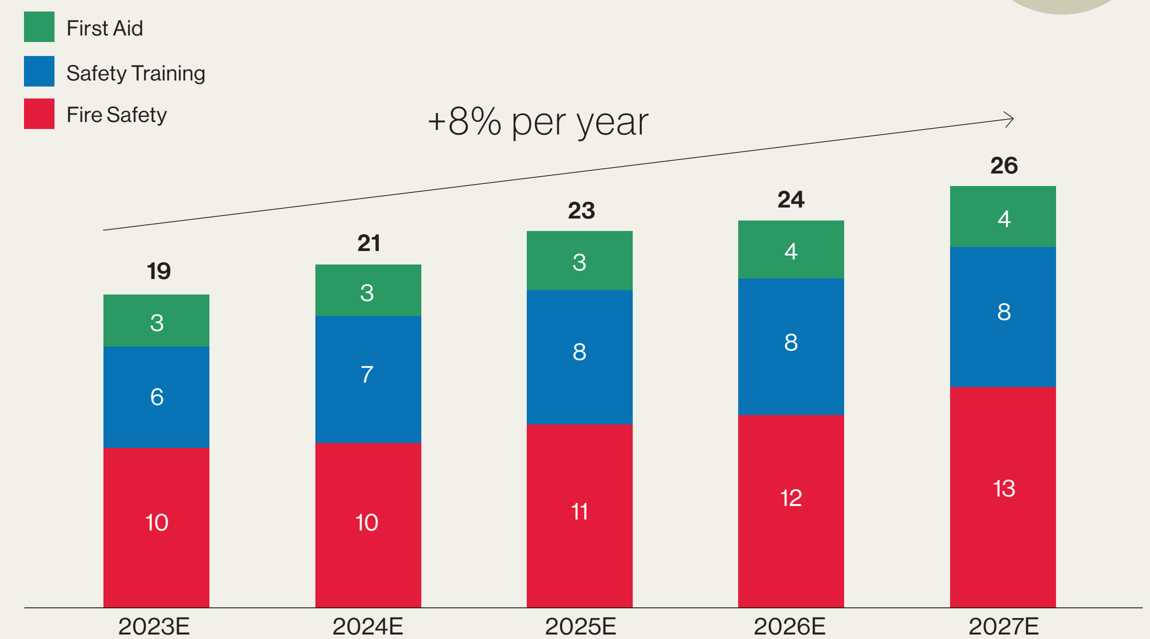
Small and medium-sized businesses represent a great opportunity to cross-sell the entire Presto Group's products and services, offering a 360-degree solution. Package solutions are often popular, as customers are more price sensitive.

In medium-sized companies, there is a reasonably established occupational safety organisation tasked with acquiring the right first aid equipment. Smaller companies (including services) hold huge potential due to their large number. However, they need to be approached as they are often not aware of the lack of first aid equipment.

MARKET GROWTH

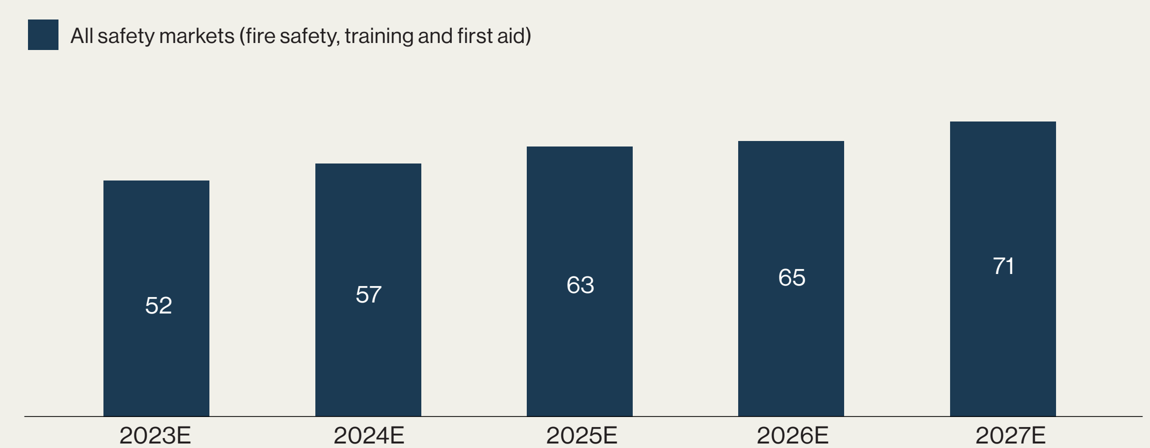
TOTAL GROWTH 2023–2027 37%

SWEDEN, NORWAY, FINLAND, DENMARK (BSEK)



The markets for fire safety, safety training and first aid in Sweden, Norway, Finland and Denmark are estimated to continue with a steady growth in the coming years.

GERMANY (BSEK)



Estimation of the overall safety market in Germany (incl. fire safety, safety training and first aid) 2023–2027.

Vision and strategy

"Through profitable organic growth and strategic acquisitions, we protect our customers and their employees."

Vision and strategy

Presto Group has a long history of helping customers to save lives. We are now taking a holistic approach to fire safety and accident protection and stepping up the pace of our growth. The objective is to become Europe's leading player in our industry. Our vision is to work together with our customers to ensure maximum safety and save lives. We aim to be the number one choice for organisations to minimise the risk of fire and accidents by providing our customers with a full-service offering combining fire protection and services, safety trainings and first aid. Our efforts focus on extending our coverage in the Nordic region and expanding in Europe while increasing our profitability.

Presto's strategy is based on four pillars: Organic profitable growth, Mergers & Acquisitions, People & Culture and Sustainability.

OUR FOUR PILLAR GROWTH STRATEGY

Organic and profitable growth based on six levers					
Customers	Business areas	Marketing	Sales channels	Purchasing criteria	Profitability

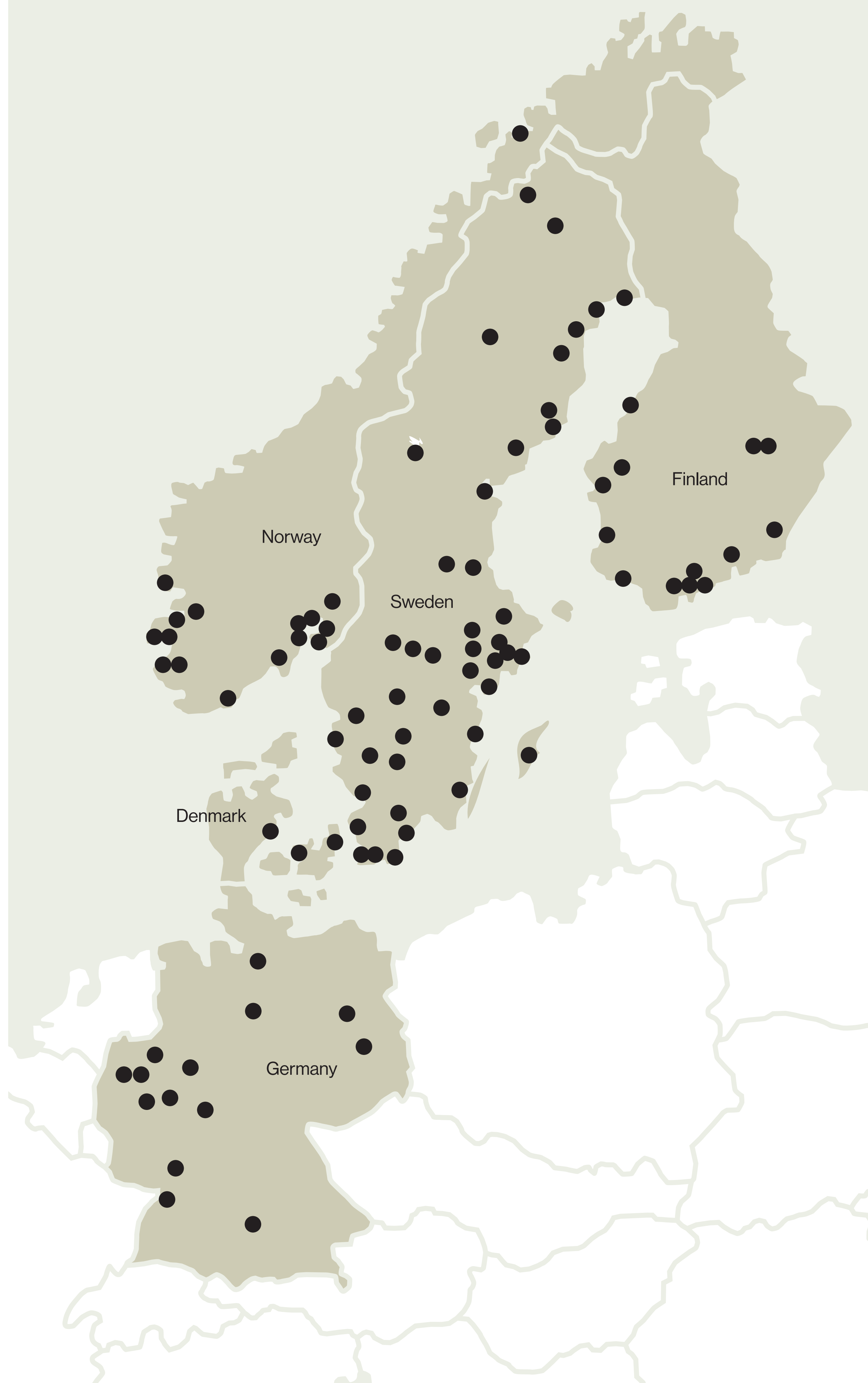
Mergers & Acquisitions

People & Culture

Sustainability

Presto helps large and small customers minimise the risk of fire, accidents and promote safety. Through training, customer visits and relevant products, we enable safety and make it easy for companies to protect their operations and employees.

Saving lives, together.



OUR ORGANISATION

Presto's organisation is based on meeting our customers where they operate and making it easy for them to get the proper training and solutions for fire safety and accident protection on-site. That is why we are now present in more than 90 locations in Europe.

The Presto Group

The Presto Group is united and strengthened by a shared vision, objectives, culture, and brand. The Group is responsible, with the countries, for establishing an agreed strategy and shared goals. The Group supports the countries with common policies and guidelines and centralised functions in accounting and finance, IT, communications, business development, marketing and acquisitions. At the Group level, internal functions are also in place for sustainability, purchasing, technology development and supply of materials.

Countries

Presto's country organisations operate independently, and each country organisation is responsible for sales and delivery of services, training and products.

Each country has centralised support functions for management, HR, process and product development. The country organisations are also responsible for developing their respective operations and business areas by implementing and monitoring strategies for profitable and sustainable growth.

Business areas

Presto has a complete full-service offering combining fire safety and services, safety trainings and first aid, through three business areas – fire safety, safety training and first aid.

Our four pillar growth strategy

Organic and profitable growth based on six levers

CUSTOMERS

We provide a diversified customer base in terms of both industries and geographies. It can be classified into four major customer categories. The largest category consists of **high risk industries** with complex needs. Today, this customer category accounts for a large share of Presto's earnings.

Another important customer category consists of **major service and retail companies**, many of which require a nationwide service concept applied uniformly in many locations. This is where we can leverage our size and local presence to give our customers the best possible service.

Small and medium-sized enterprises, subject to higher risk or with low awareness of risk, are two customer categories representing almost a third of the market. We work proactively with these customer categories through various sales channels to develop an awareness of risks and safety needs to allow them to focus on their core business.

BUSINESS AREAS

Presto has a complete full-service offering combining fire safety and services, safety trainings and first aid, through three business areas:

Fire Safety

We are experts in our industry, providing our customers with the best products and services, customised to fit their needs. Through our production of environmentally adapted fire extinguishers, we also offer a recycling service and circular fire protection solution.

Safety Training

Presto offers the broadest range of work environment and safety training courses on the market. All can be tailored to customer needs and are delivered in flexible formats.

First Aid

We offer everything from high-quality first aid products to complete first aid stations and defibrillators to suit different environments and requirements. At the same time, we provide first aid and CPR training for adults and children.

MARKETING

Marketing is an important support function to drive growth. A strong brand awareness is key to attracting the right employees, customers, and partners. We are striving to become thought leaders in our industry. That way, we can save more lives together with our customers.

Brand recognition: The more people who know what we do, the more customers we can attract to our business. We also want to have a strong employer value-driven brand that every Presto employee can feel proud of.

Digital impact: In an ever-evolving digital world we want to strive to achieve a world-class customer experience with strong digital marketing.

Thought leadership: We have a strong legacy, with great people. Our expertise is unbeatable, and we want to share our knowledge and be the unquestioned thought leader in our industry. That way, we can drive our industry forward.

SALES CHANNELS

To reach out with our offering and interact with potential and existing customers, we operate continuously through a range of sales channels. The aim is to contact customers where it suits their day-to-day operations. Today we work through five sales channels.

Regional sales: Our technicians and regional sales force continuously analyse customer needs, working locally and close to the customer.

In-house sales: Outreach sales in connection with identified needs of existing customers or direct contact with new customers.

Key accounts: Large customers with specific needs for tailored solutions and personalised service.

Partners: Partnerships with companies where we create a win-win-win relationship for the customer, the partner company and Presto. Partners include insurance companies, insurance intermediaries and industry organisations.

Online: Website sales to customers with straightforward needs.

PURCHASING CRITERIA

We meet our customers' most highly prioritised purchasing criteria and create optimal customer journeys. Having actively listened to the market, we have concluded that all customers, irrespective of size, risk level and operations, prioritise access to expertise and competent advice. Major, risk-aware customers value technical expertise and seamless cooperation. However, smaller, less risk-aware and less well-informed customers prioritise low cost and proximity to our servicing personnel.

Expertise: We are experts in our industry and offer our customers advice and in-depth technical proficiency.

Convenient purchasing: We make it easy for our customers to both become and remain customers throughout the full customer life-cycle.

Smooth delivery: We offer a frictionless and quick customer experience while operating cost efficently and smoothly internally.

PROFITABILITY

As we aim to always offer our customers the best service and exceed expectations, we also work internally to ensure profitability to enable future growth and development. This is done by controlled pricing and product management, realising synergies and internal efficiency.

Pricing and product management: Controlled pricing, discount control and commercial sophistication of offerings ensure profitable services.

Synergies: We constantly identify and realise synergies between countries and across business areas and acquisitions.

Internal efficiency: We optimise the way we work together, ranging from purchasing and production, planning and delivery – as well as customer acquisition.

Mergers & Acquisitions (For more, please see page 42)

People & Culture (For more, please see page 48)

Sustainability (For more, please see page 49)

Mergers and acquisitions

Presto Group has a highly developed acquisition process based on clearly established stages and principles. In the long term, acquisitions are expected to account for around 50% of Presto's growth.

PRESTO GROUP CONDUCTS an active acquisition programme and seeks profitable European companies to drive growth, both geographically and to broaden the offering.

Today, we have a strong local presence in Sweden, Norway, Finland, Denmark and Germany. Here, the markets remain fragmented, with a large number of potential acquisition candidates, even though Presto has for some time been a driving force above all in consolidating the market for fire safety services.

Now we are expanding our European offer

Since 2019, Presto has acquired 43 companies, mainly in Sweden, but also in Norway, Finland, Denmark and Germany. We are now looking across Europe to expand our offering in our fire safety, first aid and training business areas to help more European customers save lives and avoid accidents. We start with a few prioritised markets but look widely at interesting companies that can strengthen our offer.

Continued consolidation

Presto is advancing the company's acquisition strategy to broaden its customer portfolio and expand into new geographical areas. In existing markets, add-on acquisitions are the main focus. We estimate that acquisitions will account for around 50% of Presto Group's long-term growth.

NUMBER OF ACQUISITIONS

	2023	2022	2021	2020	2019
Sweden	2	1	6	5	3
Norway	2	2	2	0	1
Finland	4	2	3	2	-
Denmark	3	-	-	-	-
Germany	2	-	-	-	-
Total	**13**	**5**	**11**	**7**	**4**

MODEL FOR ENTERING NEW MARKETS

In new markets, Presto consolidates the business through building a strong platform that can be expanded into all our business areas. The ambition is to build a coordinated organisation of skilled contractors, streamline shared processes and create common goals to leverage on synergies and increase profitability. Our focus is customer-led services, products, and safety trainings to protect against fire and accidents. When the platform is in place, we accelerate the organic growth by establishing centralised support for cross- and up-selling by developing our offering through local service visits and trainings. The combination of centralised sales channels and local customer visits enables us to grow the number of new customers. In the third stage, we expand our commercial resources to create attractive and customised offerings to all customer segments and develop our pricing strategy in the market.

STAGES IN PRESTO'S ACQUISITION PROCESS

Identification and pipeline
Presto's managers at all levels work actively with the acquisition team to identify suitable candidates.

Prioritisation
The acquisition team evaluates synergies and prioritises the acquisitions to take action on. In new markets, detailed market analyses are performed.

Implementation
The acquisition team conducts due diligence and negotiates and signs agreements on acquisitions.

Integration
Each country has teams specialising in the integration of new acquisitions. The integration team provides support to local managers in integrating acquired businesses.

DGM – FINLAND

The real dangerous goods experts

Juhani Keilamaa started his career in dangerous goods in the early 1990s. The legislation was completely different and the attitude towards safety were far from what we see today. Since Juhani started his company, DGM (Dangerous Goods Management Finland Oy), they have worked with various industries and experienced most of what can happen in transporting dangerous goods.

AFTER 24 YEARS in the industry, DGM Finland has a width and depth of expertise in transport, storage, and chemical safety training and services. According to Juhani Keilamaa, the industry has undergone major changes since the start of his career.

– Legal requirements have become much more stringent, and attitudes towards dangerous goods have entirely changed. 20–30 years ago, many areas were not handled safely. One example is lithium batteries. Back then lithium batteries were associated with mobile phones and smaller things. Today, they are much bigger and used in cars, where regulations have been needed in a completely different way. However, the most significant change is the general attitude towards risks. Managing risks is part of the company's sustainability work, and sustainability was not a concept back then, says Juhani Keilamaa.

Since October 2023, DGM Finland has been part of Presto. But why Presto? Juhani explains:

– Part of Presto's growth is through acquisitions, and I guess they knew our company quite well. We are established and have worked in this industry for a long time. Presto approached us and expressed their interest, and during the process, I felt that Presto was playing with open cards. They were easy to deal with, so to speak. I say that because, in my previous career, I have had some bad experiences.

Juhani Keilamaa, Founder, DGM Finland.

DGM Finland is now part of Presto, with extensive experience in the management of dangerous goods and will play an important role in the development of our offering.

– We have a lot of experience from our business and many loyal customers with whom we have had long relationships. We can bring extra value to Presto with all the knowledge we have gained over the years on handling chemicals and hazardous materials. The basic needs are pretty similar in European countries because the rules or regulations often come from the EU.

Juhani believes that the dangerous goods management market will develop and grow in the future.

– Yes, I think the market will grow, mainly because proper chemicals and hazardous substances management is now a priority in companies' sustainability work, and this work is becoming increasingly important for industry after industry. The demand for educational services has also been growing strongly for a long time.

– With our knowledge of dealing with chemicals and dangerous materials, we can lead the way in growing our part of the business. So far, we have felt very welcome in the larger Presto family, concludes Juhani Keilamaa.

DGM Finland – experts in handling dangerous substances.

- Founded in the Netherlands in 1987 and Finland in 2000.
- 24 years of experience in dangerous goods.
- Finnish head office in Vantaa, near Finland's largest airport, Helsinki Airport.

Vision and strategy | Acquisition strategy

JOCKEL BRANDSCHUTZTECHNIK SERVICE – GERMANY

A new offering for the German market

Laura Peters is the CEO of Jockel Brandschutztechnik Service, one of Germany's leading fire safety companies, founded in 1999 by her father, Karsten Peters. During her studies, Laura worked part-time in the family business, and when she graduated in 2016, she joined the management team.

WHEN LAURA'S FATHER passed away unexpectedly in 2020, Laura were approached by several companies.

– I had worked at Jockel throughout my studies, so I knew the company well, and when my father suddenly passed away, I decided to take over at the age of 29. We were approached by more than 20 companies who were interested in buying Jockel, but the timing wasn't right. Obviously, it was a difficult decision; I had not planned to take over at that time, but with our amazing company spirit, we made the best of the situation, and I think we did very well, says Laura Peters.

Jockel's aim has always been to be a full-service provider in fire safety. Today, they have more than 450 employees in 11 locations in Germany and can provide services to customers all over the country. The German and Nordic markets are similar in many ways, legally and in terms of market composition, and there are great opportunities to find synergies and create growth. When asked about business trends, Laura sees the necessity for effective extinguishing solutions for lithium-ion batteries as the market for electric mobility is growing.

> **"I thought Jockel could benefit from being part of something bigger to develop and expand our offer to the market."**

When Presto approached, the company was well-established and successful in its market; why did they decide to sell it to Presto? Laura continues:

– Presto was one of the many companies that approached us in 2020, however we decided to turn down all offers. Presto approached us differently, on a more personal level. So, in 2023, I was ready to hear what Presto had to offer, and their story was so convincing that I actually started to think about it. They had decided to become European champion and needed a platform in Germany. I thought Jockel could benefit from being part of something bigger to develop and expand our offer to the market, says Laura Peters.

Jockel Brandschutztechnik Service is strong in fire safety, but they don't have a first aid or training division. When they were recently approached by a customer asking for first aid services, they could help the customer with the assistance of Presto in Denmark.

– We still have huge growth potential in our existing fire safety market. Many customers are unaware of the legal requirements, so we and others in the market need to educate them. But a full-service offering with fire safety, training and first aid would be a game changer where we can offer the market something that does not exist in Germany today. We may see one or two acquisitions by Presto in the German market shortly, as well as a new offering for the German market, Laura Peters concludes.

Laura Peters, CEO, Jockel Brandschutztechnik Service.

Jockel Brandschutztechnik Service GmbH

- Founded in 1999.
- Leading full-service fire safety provider in Germany.
- 450 employees in 11 locations.
- Revenue around 65 MEUR.
- Headquarter in Pulheim, Germany.

FIRST-8 – DENMARK

Together, we create a safer Denmark

Anders Kjærsgaard and Mark Nilsson founded First-8 after serving in the Danish army as first aid instructors and sergeants. The network built in the military was used as a resource, with sergeants and officers from the military to teach first aid.

FIRST-8 HAS GROWN organically, without bank loans or investors, from a turnover of 64,000 DKK in the start-up year 2015 to almost 18 MDKK and a strong position in the Danish market just eight years later. They found a clear need in the market and successfully marketed themselves using online marketing as the main channel. But after reaching a certain position, they wanted something else.

– We wanted to build a full-service offering within safety, and when Presto contacted us in early 2023, we saw the possibility to achieve our goals with their support. This ended up in Presto acquiring us and afterwards two more companies, SafetyGroup and Parat. Together, we have created a solid offering in all areas of first aid. Our next big step is to utilise all the knowledge within the group and create a strong full-service safety offering for the Danish market, says Anders Kjærsgaard.

According to him, the timing was perfect; when Presto reached out, First-8 were in the market looking for an investor to help them grow.

– When Presto contacted us, we decided to meet and listen to their vision. It turned out that they had plans similar to ours, but from a larger perspective, with the aim of Presto becoming the leading supplier in Europe.

Mark Nilsson and Anders Kjærsgaard, Founders, First-8.

“We will change the Danish market to benefit those who need our products.”

Everybody we met in our due diligence was super nice, and the chemistry was just right, so we are now part of Presto. We are happy to have all the support that Presto can give us, and we can still keep our inner entrepreneur as we are at heart. I know that the acquisition by Presto sent shockwaves through the market, and rightly so, because we will change the Danish market – to benefit those who need our products, says Anders and continues:

– Together with the Swedish company Dahl Medical, acquired by Presto in 2023, and the Norwegian company Trygg Kurs and the Finnish company Safedo, acquired by Presto in 2022, we have a Nordic offering that can serve all types of customers, large and small.

The Nordic markets are similar in many ways, but customer behaviour differs between countries. As many as 90% of all defibrillators sold in Denmark are placed outdoors. This is a mission that the Presto Group of companies share, but the acceptance among customers to do so has been quite the opposite in the other Nordic countries. Still, a shift in this trend can be seen as companies realise that a defibrillator is of no use in an office that is closed for the weekend.

There are 26,000 publicly available defibrillators registered in Denmark, and less than ten units have been vandalised or stolen every year, so this is not a huge problem. However, there are cheap insurances available to cover any theft or damage.

This is an entirely private market; no state or municipal regulations require defibrillators or other first aid equipment, compared to fire safety, a highly regulated market. If a defibrillator is to be put on the wall of a house, there is a private interest or a company's concern behind it. If no one decides to buy a defibrillator, there will be few defibrillators in society.

In Denmark, 5,000 people die with cardiac arrest outside the hospital annually. For many years, the chance of surviving a cardiac arrest has been around 10%. Chicago, for example, has shown that this figure can be dramatically improved with defibrillators to reach a survival rate of 40% after a cardiac arrest. There are several other good examples. Stavanger in Norway has figures similar to those of Chicago. And that's because local forces have decided to prioritise cardiac arrest survival. The Nordic organisations working on these issues, such as the Danish Resuscitation Council, the Swedish Heart Lung Foundation, The Norwegian National Association for Heart and Lung Disease, and Finnish Sydänliitto are also doing fantastic work on these issues.

– The next step is to get more private individuals to install a defibrillator at home, an important trend to work towards since 75% of all cardiac arrests in Denmark happen at home. And we are in a price range where individuals can also have one, Anders Kjærsgaard concludes.

First-8 – creating a safer Denmark

- Aquired by Presto in 2023.
- 2,360 defibrillators deployed in Denmark since launch.
- 2,604 safety training hours completed each year.
- + 600 customers become safer with First-8 every year.

People and culture

Presto is a rapidly growing business with high ambitions for growth. Most importantly, our employees are on board and want to move forward together on Presto's journey. As a result, we work hard to create engagement, develop common ways of working and create an inclusive culture where we can deliver together.

A strong corporate culture

We know many people choose their employer based on how well a company's culture matches their values and the way they want to work. To us, employee commitment is a key issue that enables us to continue our journey. Against that background, we strive to build a strong corporate culture.

An attractive employer now and in the future

We aim to offer a workplace with great opportunities for each employee to develop. Presto Academy is our internal learning platform. It includes our leadership programme, where we give our leaders the tools they need to enable participation, commitment and personal development for all Presto employees.

During 2023, we conducted a strategic culture project, to clarify and define our joint values. We involved everyone at Presto in the process. The brand platform, including our values and vision, acts as a framework for everyone at Presto. We have also conducted a culture survey to get input from our employees on what we can do better. As a result, we improved internal communication and aligned our leadership principles to our values.

We want to be an employer where it is easy for employees to understand our expectations of them and what they can demand from us to succeed. For us, everything is connected – setting goals and monitoring performance are linked both to employee well-being and profitability.

OUR VALUES ARE THE CORNERSTONES OF OUR CULTURE

Together
We are constantly developing the way we work so that together, we can provide the best possible safety for our customers.

Customer focus
We always have the customer's best in mind and base our work and processes on customer needs.

Smooth
We choose simplicity and make it smooth and convenient for customers to be safe.

Sustainability

Our sustainability strategy is a vital part of Presto's long-term ambition to grow our business and become the leading player in safety in Europe. We strive to work with sustainability in a professional and target-driven manner based on our position in the industry, global goals and guidelines.

OUR VISION IS to save lives, together with our customers. We do this step by step by supporting our customers in their preventative work. This means that Presto's business and customer offering is all about creating safety both in the short and long term, and therefore we focus on delivering sustainable products and services in a way that does not create risks for future generations.

We attach great importance to high quality products and services, and work proactively to phase out harmful substances, increase our circular offering and our ability to supply products with a low carbon footprint. In all parts of our operations, we prioritise actions that aim to improve safety, quality and sustainability.

We strive to be a driving force and are not afraid to take the lead in our industry, driving development and setting an example. Our sustainability and quality policy is rooted in our values. They are part of everything we do.

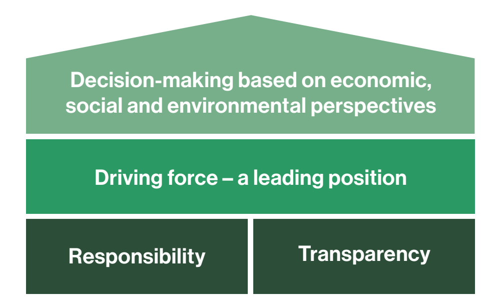
Our sustainability strategy is based on responsibility and transparency

Adapting a business to become more sustainable, now and in the future, is an epic journey. Not everything can be done at once, so we focus on the decisions with the greatest benefit in terms of sustainability. To help us operate in line with our sustainability strategy, we have guiding principles that apply to every Presto employee and every decision, large and small.

- **RESPONSIBILITY** for us is about an understanding of how Presto affects environmental and social issues, considering our size and resources. Based on that, we can assess which sustainability issues we have a responsibility for and can act on.
- **TRANSPARENCY** is about communicating what sustainability efforts we are making and what activities we have focused on, but also having the courage to be honest and open about what we have not yet achieved and where we have development potential – this is a vital aspect of good sustainability work.

"Most importantly, in everything we do, we must consider all three perspectives – environmental, economic and social – when making decisions."

RESPONSIBLE DECISIONS



Sustainability report

"We strive to protect people and planet, and our offering in fire and accident protection contributes to a safer work environment and a more secure society."

Sustainability report

As an integral part of our business model, sustainability plays a crucial role in our strategy to become the leading player in safety in Europe. We strive to protect people and planet, and our offering in fire safety and accident protection contributes to a safer work environment and a more secure society.

Our focus areas and long-term sustainability goals

- Offer non-toxic fire protection and an environmentally adapted product range.
- Circular and sustainable manufacturing, in what we call our 'green fire extinguisher factory'.
- Reduce our climate footprint in line with the Paris agreement.
- Be the industry's most sustainable option for customers and employees.

SUSTAINABILITY GOVERNANCE

Presto's Board of Directors and Group Management bear overall responsibility for the pace and direction of our sustainability work, supported and coordinated by the company's HSEQ and sustainability resources.

PRESTO'S BUSINESS AND governance model is based on a decentralised organisation with common working methods, procedures and policies. This means that every manager has responsibility for our sustainability work, and every employee has responsibility to spread Presto's sustainability approach, and ensure compliance with common working methods, directions and objectives.

Sustainability is integrated into Presto's operational management and is based on our quality- and environmentally certified management system (ISO 14001 and 9001 certified in Sweden and Finland) and on the principles of systematic occupational health and safety management.

In 2022, we began introducing a group-wide quality, environmental and occupational health and safety management system. In 2023 we introduced Finland to our multi-site certification approach. Our ambition in 2024 is to involve all countries in the work with our group-wide HSEQ strategy and improvement work, before gradually integrating all countries into our management system and ISO certifications over the coming years.

FOCUS AREAS AND DECISIONS on projects and objectives in the sustainability area are based on the UN's Global Sustainable Development Goals, on dialogue with our stakeholders and monitoring of the world around us, as well as on sustainability opportunities and risks identified at Presto and in the industry in which we operate.

POLICIES AND GUIDELINES in the form of our sustainability and quality policy, occupational health and safety policy, ethical guidelines and Code of Conduct are essential tools in our continuing work. Our Code of Conduct and social and ethical policies are based on the 10 principles of the UN Global Compact and make clear that both our suppliers and we must, as a minimum, comply with the national legislation in the countries where operations are conducted. Cartelisation, bribery, corruption, extortion and other types of unethical behaviour must never be permitted or accepted.

We ensure that everyone knows the way forward through continuous internal communication about our sustainability initiatives and progress, as well as about how employees can contribute to this journey in various ways.

> "Our sustainability journey is a team effort where every single employee plays a large and important role in our development."

MATERIALITY ANALYSIS

Presto's key sustainability areas were identified through a materiality analysis at the beginning of our growth journey in 2019. It is based on business intelligence, sustainability opportunities and risks that apply to Presto and the industry as a whole, and with input from critical stakeholders.

Activities with relevant impact

We have worked systematically to identify the activities with sustainability impact that each department/business area is involved in, directly or indirectly. The impact has been evaluated as high or low, and positive or negative and the aspects have been scrutinised using two "filters":

- Global goals and guidelines related to the UN Sustainable Development Goals, the UN Global Compact principles and the planetary boundaries.
- Our stakeholders' priorities on these issues. It is crucial for us to strike a balance between external stakeholder input and that of our internal stakeholders.

Stakeholder perspectives

In 2019, we invited all employees to prioritise which of the sustainability issues, identified by Presto as important, that they believe we should work on in order to feel proud of Presto as an employer. A workshop was conducted with the management team with the same scope.

At the time, we also compiled external stakeholders' needs and requirements through customer dialogue, and through analysis of stakeholders such as owners, authorities and industry organisations. A big part of this was done as a desktop analysis where we identified the relevant stakeholders, process by process, and mapped their needs, expectations and requirements. The desktop analysis has been kept up to date and in 2023 we broadened the scope in order to include Finland. All Presto markets will be covered going forward.

In general, we consider it appropriate to conduct a formalised stakeholder dialogue on a regular basis, based on the needs initiated by changes that occur in the internal and external environment. Going forward, we need to renew and broaden the stakeholder dialogue, not least to reflect our entire value chain.

Our current work on value chain due diligence can be found in our report on the Norwegian Transparency Act. It aims to ensure public access to information on how companies protect human rights and decent working conditions in their supply chains. It came into effect in Norway in July 2022.

Prioritised focus areas

The findings from the materiality analysis resulted in our prioritised focus areas, which are reviewed on an annual basis. In recent years, we have been able to maintain our priorities regarding both focus areas and long-term objectives. They are becoming more and more relevant due to more stringent regulations and requirements, and to internal and external attention.

New analysis due in 2024

We intended to conduct a new materiality analysis in 2023, but chose to postpone this pending greater clarity and guidance related to new EU requirements, including CSRD, ESRS and CSDDD*.

In 2024, we will conduct a renewed materiality analysis – an appropriate time for several reasons. Presto now has operations in more countries, we have broadened our operations in several business areas, more business areas have been added, and the above mentioned requirements are clearer. However, our priority areas are expected to remain and are likely to be supplemented and/or deepened.

*CSRD - Corporate Sustainability Reporting Directive
*ESRS - European Sustainability Reporting Standards
*CSDDD - Corporate Sustainability Due Diligence Directive

THE UN'S GLOBAL GOALS AND OUR FOCUS AREAS

Presto has analysed the Sustainable Development Goals (SDGs) and identified the following areas where we have the greatest impact and can contribute the most by taking responsibility for our activities.

UN Goal 3.8 – Achieve universal health coverage

In a sustainable society, everyone has the right to essential healthcare. Civil society and business contribute by providing skills and equipment, and by promoting humanity and civil courage. Presto contributes in several ways; by offering and supplying first aid equipment and defibrillators, and by raising awareness in the form of training and consultation for companies and organisations.

For more about Presto's first aid business and defibrillators, please see page 27.

UN Goal 6.1 – Safe drinking water for all

A safe water supply is vital for all, and sampling of drinking waters around the world show signs of contamination from chemical substances, such as PFAS. PFAS has long been used by the fire protection industry in firefighting foams. Continued release of these substances threatens long-term availability of clean water, and risk causing negative impacts on the environment and human health. Presto works proactively to phase out PFAS, offering environmentally adapted products and using a circular manufacturing process.

For more about our work on non-toxic fire protection, please see page 60.

UN Goal 8.8 – Protect labour rights and promote safe working environments for all

It is important for all employees to have the right to a safe workplace where they can develop through their work. Health and safety of our employees comes first and we support our customers' work by spreading knowledge and promoting solutions to 'save lives'. Presto supports the right of collective bargaining, and we strive to ensure that our suppliers take the same approach to safety and labour rights as we do.

For more about our work on social sustainability, please see page 66 and 68.

UN target 11.6 – Reduce the adverse environmental impact of cities

A sustainable society values resource efficiency and makes the most of existing resources. Presto contributes by protecting buildings, vehicles and equipment from destruction by fire or accident, which saves both people and the environment from harmful emissions into the air and water. Internally, we focus on circular production to deliver sustainable products to the market.

UN goals 12.2, 12.4, 12.5 and 8.4 – Sustainable consumption and production

Key sub-goals: Sustainable management and use of natural resources, responsible handling of chemicals and waste, significant reductions in waste and improved resource efficiency in consumption and production. These are all our priorities as well.

Our systematic efforts to develop more circular processes contribute to more sustainable use of resources. Our 'Green Extinguisher Factory' initiative includes increasing the reuse of extinguishers, safe handling of chemicals, minimising waste and working towards a circular process with higher resource efficiency. We offer our customers full responsibility for our products by following the products through their lifetime; from manufacture to service and inspection/reloading and finally take back products for recycling and reuse.

For more about circular manufacturing, please see page 62.

UN Goal 13 – Combat climate change

Climate change is a critical issue and we believe that everyone has a responsibility to act. Our activities include travelling to perform servicing commitments, as well as transport and freight related to import/purchase and distribution of goods, and we use greenhouse gases for firefighting purposes. By route planning and optimisation, remote communication, choosing renewable energy, developing more circular processes and responsible handling and recycling of extinguishing gases, we take active steps to minimise Presto's carbon footprint. We can and want to do more in this area, and are making efforts to constantly improve.

For more about our climate action, please see page 58.

Presto's goal is to offer non-toxic fire protection and an environmentally adapted product range while also reducing our climate footprint.

We have identified a number of critical focus areas and how we can limit our climate and environmental impact. By working towards relevant targets and implementing clear policies and procedures, we are working on reducing and limiting our impact.

Climate and environment

Presto Group works proactively to reduce both our own and our customers' climate and environmental footprint. For example, we focus on reuse in our circular take-back system and are phasing out harmful substances in our products. We are committed to a targeted reduction of our own carbon emissions.

ENVIRONMENT	TOXIC FREE ENVIRONMENT	SUSTAINABLE USE OF RESOURCES	CLIMATE
Description	› Foam and liquid-based extinguishers has historically contained chemical additives that can affect the environment and health negatively.	› A history of linear manufacturing flow and a focus on replacement rather than return in the industry has led to poor resource use.	› Reducing its climate footprint is a priority and a challenge for all businesses. As a manufacturer and supplier of products, our main climate emissions are in scope 3 (GHG Protocol).
Risks	› PFAS substances and other harmful additives in our own fire safety products as well as in other brands that we handle. › Risk of introducing other chemical substances that are not yet known to be harmful to the environment and health. › Fire extinguishers put on the market may remain on the market for several years after being phased out of production and/or sale.	› Challenges in achieving reuse or sustainable disposal of all components of the extinguishers. › The raw material powder contains valuable and limited substances, nitrogen and phosphorus. › PFAS-waste have few final disposal options and are expensive to handle properly. › The current model of customer-owned products is limiting opportunities for a circular system.	› Reducing the carbon footprint in the supply chain requires a lot of effort and collaboration. › Climate-impacting raw materials in our products, including metals. › Travel-intensive business model through service trips to customers.
Risk management activities	› PFAS phase-out plan. › Offer a full range of environmentally adapted fire extinguishers. › Focus on offering the customers risk-adapted fire protection. › Focus on non-toxicity in product development and procurement.	› Offer a circular take-back system for extinguishers, with focus on optimal resource use and safe handling of chemicals. › Continued optimisation of our take-back system. › Challenge the current model of customer-owned products. (p. 62)	› Climate calculations based on GHG protocol. › Commitment to SBTi. › Set emission reduction targets and a activity plan, including collaboration with suppliers. › Continued optimisation of the take-back system to reduce the carbon footprint of internal parts in the supply chain. (p. 62)
Strategy and goals	Focus areas/long-term goals: › Offer non-toxic fire protection and a environmentally adapted product range. (p.60) › Be the industry's most sustainable option for customers and employees.	Focus areas/long-term goals: › Circular and sustainable manufacturing, what we call "the green extinguisher factory". › Be the industry's most sustainable option for customers and employees.	› Establish Science Based Targets, committed to SBTi. Focus areas/long-term goals: › Reduce our climate footprint in line with the Paris Agreement. › Be the industry's most sustainable option for customers and employees.
Policies and governance	› Sustainability and quality policy. › Criteria for environmentally adapted liquid fire extinguishers. › ISO 14001 certification. › Procedures for handling and purchasing chemical products. › REACH requirements for suppliers. › Controlled process of product development.	› Sustainability and quality policy. › ISO 14001 certification. › LCA data for product optimisation. › Controlled process of product development.	› Sustainability and quality policy. › ISO 14001 certification. › Policy and guidelines for company and service cars. › Route optimisation and planning. › LCA data for product optimisation. › Climate calculation based on GHG protocol.
Performance indicators	› Percentage of environmentally adapted extinguishers/sales of liquid extinguishers. (p. 60)	› Percentage of take-back extinguishers with recycled components. › Resource and climate savings per extinguisher through the take-back system. (p. 62)	› tCO^{2}e per full-time employee (market-based). › tCO^{2}e per sales unit (SEK m) (market-based)*. › tCO^{2}e per product produced (market-based)*. (p. 62)
SDG 2030	Sub-goal 6.1 and 12.4	Sub-goal 12.2, 12.5 and 8.4	Goal 13

*GHG, Scopes 1 and 2 and parts of Scope 3

KEY CLIMATE INDICATORS

GHG EMISSIONS (tCO²e)

	Sweden	+ other	Other*	Finland		Norway		Denmark (new)	Germany (new)
	2023	2022	2023	2023	2022	2023	2022	2023	2023
Scope 1	1,732.51	1,120.83	109.64	117.98	91.99	95.82	76.77	18.14	1,428.99
Scope 2 (market based)	58.69	56.56	5.53	418.85	139.17	337.52	184.30	23.79	406.08
Scope 3	5,960.12	17,481.82	8,824.50	6,206.92	7,534.88	502.43	497.07	6,221.72	6,525.18
Total S1+S2+S3	**7,751.32**	**18,659.21**	**8,939.68**	**6,743.75**	**7,766.03**	**935.78**	**758.14**	**6,263.66**	**8,360.25**

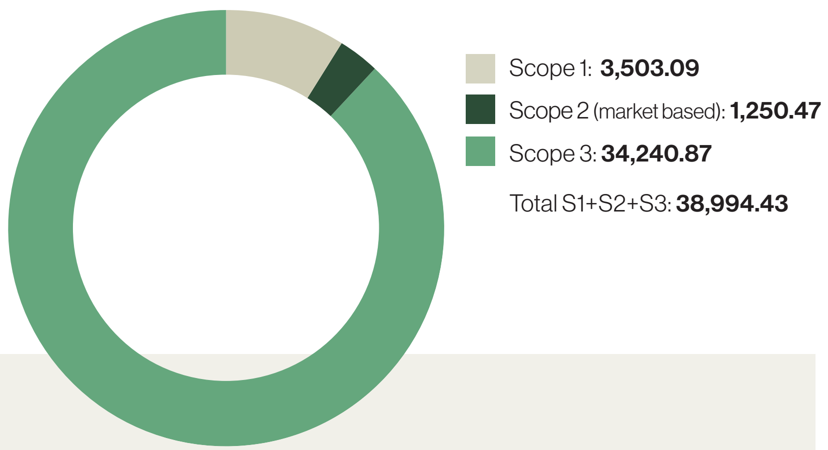
*Other refers to Group functions and our Supply Chain/production. For 2023, "Other" is reported seperately, previous years it has been reported together with Sweden.

EMISSION INTENSITY 2023 (S1+S2+S3)

	Presto Group
Per employee (tCO²/FTE)	28.67
Per unit of revenue (tCO²e/MSEK)*	20.45
Per product produced (tCO²e/pp)	0.17

*Revenue figures are gathered from the financial report.

GHG EMISSIONS 2023 (tCO²e)



OUR EMISSIONS DATA

The emission figures presented here are based on data from invoices, energy suppliers and other suppliers. They are calculated according the GHG Protocol. The figures include emissions from Scope 1 (mobile combustion and fugitive emissions), Scope 2 (electricity and heat) and Scope 3, which includes categories such as purchased goods and services, capital goods, fuel and energy-related activities, business travel, waste management, upstream transport & distribution and employee commuting.

All emission calculations have been generated based on transactions and activities – e.g. fuel, transport, business travel and materials, and by pairing these with emission factors from databases; as laid down in the GHG Protocol standard. The methodology uses a hybrid approach combining transaction and activity data, and using sources such as DESNZ (UK gov, former Defra), Exiobase, AIB* and IEA** to calculate and validate emission data for the Presto Group.

Certain activities were assessed with the spend-based method as prescribed by the GHG Protocol when more accurate data is not available. Emissions were calculated by mapping each applicable supplier to an environmentally extended input-output analysis, EEIO (specifically, Exiobase 3). The data on the economic value of purchased goods and services is multiplied by the relevant EEIO cradle-to-gate emission factors. Regional and sector-specific inflation that occurred between when an emissions factor was calculated and the time of the activity is factored in.

In the interest of transparency and accuracy, we continuously scrutinise our environmental reporting methods and strive for the most accurate representation of our overall GHG contributions. Upon reviewing our 2022 emissions inventory, we identified an error in the purchasing data of Presto's subsidiary in Norway. Recognising this, we have revised the figures and re-conducted our calculations for the Norwegian entity as this allows us to present a more accurate representation of our climate impact in the year 2022. This revision resulted in a decrease in GHG emissions for Presto's entity in Norway. Presto remains committed to refining our data validation practices to enhance the precision and reliability of our environmental data in the future.

*AIB – Association of Issuing Bodies
**IEA – International Energy Agency

CLIMATE IMPACT AND OUR COMMITMENT

Presto Group aims to reduce our climate footprint in line with the Paris Agreement. The focus is on setting ambitious climate targets, establishing a reduction plan, and developing an environmentally adapted and circular offering.

Mapping and calculating our carbon footprint

Presto's carbon footprint is calculated in accordance with the accounting standards of the Green House Gas Protocol. As a manufacturing company, the major share of our emissions falls within Scope 3, upstream in the value chain. Here, we focus on improving activity data to target our climate action where it will do the most good.

In our Swedish operations, we have calculated our carbon footprint for 2020 onwards, while in our Norwegian and Finnish operations, the first calculation was made for 2022. Denmark and Germany are included in the calculation for 2023. The calculations include direct emissions (Scope 1) and indirect emissions (Scopes 2 and 3). Scope 3 emission calculations are based on both activity data and spend data.

Our work in lifecycle assessment is another important part of the mapping exercise, providing a deeper understanding of the climate impact of our materials and processes. In 2023, a lifecycle assessment of fire hydrants produced a verified Environmental Product Declaration (EPD). An earlier assessment of our take-back system for fire extinguishers in the 'green factory' (page 62) shows that it enables a carbon footprint reduction of up to 47% (based on a lifecycle analysis using the functional unit "fire protection for 30 years").

Impact of transportation

One identified risk area is internal transport in our servicing business. Here, we aim to reduce the impact of our travel through better planning and route optimisation for fewer and shorter trips.

We are also step-by-step replacing our vehicle fleet with environmentally adapted alternatives. In Sweden, we have switched to a company fleet of only electric and hybrid cars. However, our service vehicle fleet presents bigger challenges. In Norway, a number of electric service vehicles are being tested, but further investigation is needed to determine which environmentally adapted options suit our servicing operations in the longer term, ahead of full-scale implementation.

Including new markets when setting SBTi targets

We are committed to setting a group-wide science-based target via the Science Based Targets initiative (SBTi). With this commitment, the Presto Group affirms its intention to join the growing group of leading companies that are setting emission reduction targets in line with the Paris Agreement and what climate science says is necessary.

This commits us, during 2024, to develop science-based short-term emission reduction targets to be sent to SBTi for validation and authorisation. Our initial ambition was to set targets already in 2023, but instead focused on improving the quality of our emissions data based on a more comprehensive baseline that includes Presto's new markets. We now expect to be ready for SBT by the end of 2024.

We will also continue to work towards setting a reduction plan and specific steps for emission reductions. Our long-term goal is to set a long-term science-based reduction target to achieve net-zero greenhouse gas emissions by 2050. The most important part of the internal work to reduce our footprint will be to set a clear roadmap with concrete focus.

HELPING OUR CUSTOMERS SHIFT TO NON-TOXIC FIRE PROTECTION

We want to establish non-toxic fire protection as a standard wherever possible. This is why we are stepping up our efforts to support our customers in the shift from PFAS-containing fire extinguishers to our environmentally adapted alternatives.

What are PFAS and what are the problems?

PFAS are a large class of thousands of highly effective substances that have long been used in firefighting foams to achieve a high fire protection rating. PFAS are substances that are harmful to the environment and health and are highly persistent in the environment. These substances are known as “forever chemicals” because of their characteristics.

Increasing demands for environmentally adapted products

The debate on phasing out dangerous PFAS substances in fire protection products has grown in recent years, and customer demand for non-toxic and environmentally adapted products has risen sharply. Legislation on PFAS substances has become more stringent and several PFAS substances are already regulated. A general ban on PFAS in firefighting foam is likely to be decided in the EU in 2024, but we have already seen a lengthy legislative process and long transition periods could follow, which would lead to a delay in the phase-out process.

Presto is not waiting for the regulations. In line with our sustainability policy, we have already made big adjustments and have a clear PFAS phase-out plan for our fire protection products. In 2022, we were the first industry player to support ChemSec’s campaign to phase out PFAS substances and ban them in the EU through the “No to PFAS” initiative.

Focus on water-based extinguishers

Our primary focus for a successful phase-out is water extinguishers. Presto has a strong range of environmentally adapted liquid fire extinguishers, led by our proprietary water extinguisher, the Presto Water Extinguisher. It contains only pure deionised water and is a highly suitable option in the vast majority of environments, from both a risk and a user perspective.

Customers need support to make the shift

Choosing the right extinguisher in the right environment can be challenging, and we want to be able to help our customers get it right. This is why Presto needs to support our employees with updated and timely communication that is relevant for each market, so that they can in turn help customers make an environmentally adapted choice.

> “In 2024, we will focus on broadening the PFAS phase-out efforts to cover the entire group.”

In 2024, we want to extend our work to phase out PFAS to all countries within the group, i.e. to include new markets. We need to identify the reasons why some customers continue to choose PFAS-containing extinguishers based on the context on the different markets, and make more targeted interventions to address the issues. Overall, we support our customers by having a clear product selection principle that focuses on choosing an environmentally adapted option that takes into account the customer’s environment, operations and risks.

Denmark is a good example of how this has worked in practice. When introducing fire extinguishers into Presto Group’s product range on the Danish market in 2023, we chose to offer only PFAS-free* liquid extinguishers.

Ambitious goals for 2024

In early 2023, we set new overall objectives for the Presto Group with the ambition to grow our sales of PFAS-free* extinguishers and at the same time phase out PFAS in the fire suppression systems and the extinguishing agents we sell.

This is the first time we have set group-wide sustainability goals. However, we do not yet offer environmentally adapted liquid extinguishers according to our own definition in all markets as a genuine take-back system is currently only available in Sweden’s ‘green factory’ (page 62). This is something we will work on in 2024.

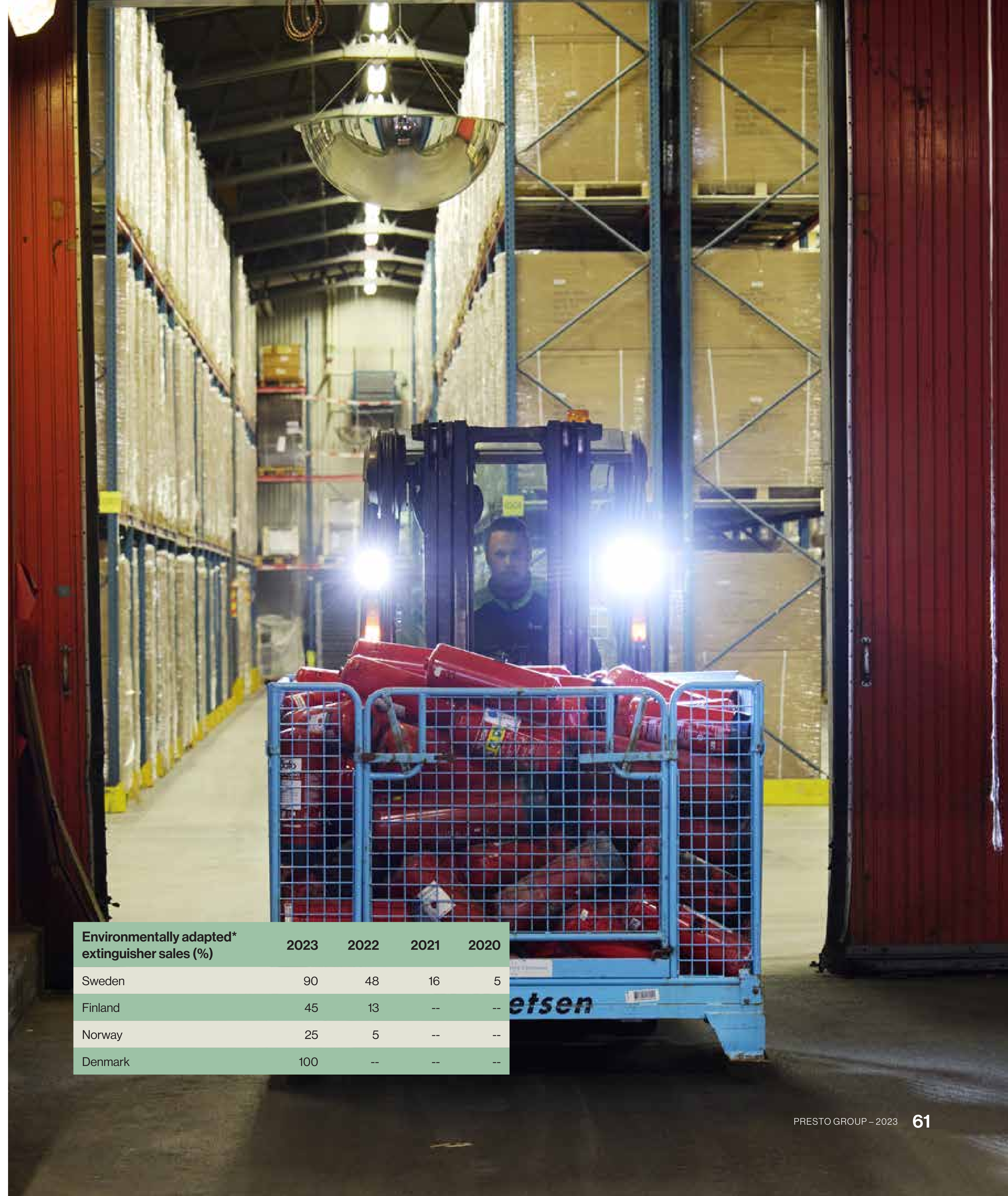
- 95% of our sales of liquid extinguishers should be PFAS-free* in 2024.
- 100% of our sales of extinguishing agent concentrates must consist of PFAS-free alternatives in 2024.
- 90% of our sales of extinguishing agents in fire suppression systems must consist of PFAS-free alternatives in 2024.

Our environmentally adapted fire extinguishers

Our definition of environmentally adapted liquid extinguishers is an extinguisher containing an extinguishing liquid that does not have unknown content of substances harmful to the environment and health and that fulfils the following criteria:

- **Free from fluorosurfactants (PFAS)*.**
- **The liquid mixture is checked for biodegradability by all OECD guidelines, test method 302B.**
- **Is included in a take-back system** for reuse and recycling extinguisher containers and components.**

*Defined as no added PFAS, compliant with current legislation.
**Presto’s take-back system is currently only available in Sweden.



Environmentally adapted* extinguisher sales (%)	2023	2022	2021	2020
Sweden	90	48	16	5
Finland	45	13	--	--
Norway	25	5	--	--
Denmark	100	--	--	--

TAKE-BACK SYSTEM ENABLES CIRCULARITY IN OUR "GREEN FACTORY"

The heart of our drive to offer sustainable fire extinguishers lies in the manufacturing process and the materials we use. Presto Group's take-back system enables us to reuse and recycle components and extinguishing agents so that our products can continue to protect against fire, in shape as new.

PRESTO AIMS TO TAKE total responsibility for our fire extinguishers throughout their entire lifecycle; during manufacture, servicing and extended maintenance, and through responsible end-of-life management of the extinguishers and its components. This way, our products can re-enter the market and continue to serve for a long time.

Our ISO 14001 and ISO 9001 certified "green factory" in Katrineholm, Sweden, plays a key role. It contributes to reducing the overall environmental and climate impact through a more circular process that also gives customers the opportunity to exchange older extinguishers for more environmentally adapted options.

Service intervals are take-back opportunities

Around 50,000 Swedish customers with service agreements are visited by Presto's technicians every year to service extinguishers and ensure up-to-date fire protection. Every five or 10 years, extinguishers require extended service off-site.

This is an opportunity for Presto to take back products to our factory for reusing and recycling and – in many cases – help customers replace their foam-based extinguishers containing harmful PFAS-substances with more sustainable alternatives. There are several million older foam extinguishers with PFAS still in circulation in Sweden alone, and most of these could successfully be replaced with Presto's wide range of PFAS-free* extinguishers.

Take-back with reuse represents big savings

The main environmental impact of fire extinguishers occurs during the production and use of raw materials such as minerals and metals. Components such as containers and valves have a particularly high environmental impact.**

> "Our take-back system reduces the climate impact** by up to 47% and the use of minerals and metals by up to 63%."

On the other hand, such components can be reused several times, providing significant benefits in resource and climate savings. In 2023, 39% of returned extinguishers were fitted with reused components, compared to 53% in 2022. Presto would like to see a much higher share, but progress is hampered by limited availability of recycled materials, and by materials contaminated with PFAS.

Presto aims to reuse all liquid CO^2 and powdered extinguishing agents to gain even more significant environmental savings from our take-back system. In 2023, 47% of liquid CO^2 was reused, up from 0% in 2022.

In 2023, we were able to reuse 83% of the most common powder (ABC) compared to 0% in 2022. This saved around 50–60 tonnes of new powder annually – an important saving considering that it is made from mono-ammonium phosphate, a finite natural resource.

Overall, Presto's take-back system reduces the climate impact** of extinguishers by up to 47% ($kgCO^2e$) and the resource consumption of minerals and metals by up to 63 % (kg Sbeq). However, this calculation does not include the reuse of extinguishing agents (powder and CO^2) as this was not in place at the time of the life cycle assessment.

Safe disposal of non-reusable materials

Even with extensive recycling, there will always be non-reusable extinguishing agents and worn-out components that must be taken care of in a responsible manner. There are well-functioning systems in place for some materials, such as metals and plastics, at the end of their life.

However, handling PFAS-including waste such as extinguishing liquids comes with a big challenge and a high cost for the industry and waste operators as a whole. Presto aims to take a leading role in finding a sustainable solution, and works together with a wide range of relevant actors to share knowledge and together tackle the problems surrounding PFAS contaminated waste. (Read more about Presto's work with non-toxic fire protection on page 60.)

*Defined as no added PFAS, compliant with current legislation.
** Based on cycle analysis, functional unit fire protection for 30 years.

OUR SUSTAINABLE LIFECYCLE

CIRCULARITY STARTS WITH LIFECYCLE ANALYSIS

Lifecycle analysis of our hand-held extinguishers enables us to optimise the product's environmental and climate-impacting materials – from the design phase all the way to the end of life. The ambition is to identify how to increase resource efficiency and recycling for maximum benefit to society, the customer and Presto.

Our long-term ambitions with our "green factory":
- **PFAS-free* production**
- **100% recycled water**
- **100% recycled powders in ABC extinguishers**
- **100% sustainable disposal of non-reusable powders**
- **100% recycled CO^2 in CO^2 extinguishers**

The identified key focus areas in social sustainability are occupational health and safety, labour and social conditions, human rights and anti-corruption. These are areas associated with risks of negative impacts that we want to combat with active target setting and clear policies and procedures.

Social sustainability

Social aspects are an important part of our sustainability work. We should always be perceived as a serious and long-term partner, and our goal is to be the most sustainable alternative in the industry for both employees and customers.

PROTECTION FOR WHISTLE-BLOWERS ACCORDING TO AN EU DIRECTIVE

Since 2023, each of Presto's five markets has legislation in place to protect whistle-blowers from retaliation when raising the alarm about irregularities. A reporting channel was established in Sweden in 2022 to enable anyone – internally or externally – to anonymously report an issue, and similar systems are being implemented also in Finland, Norway, Denmark and Germany.

If someone suspects misconduct, legal and/or regulatory offences, Presto encourages them to report it as a whistle-blower issue.

Examples of activities or events that can be considered to be misconduct in the public interest are bribery, theft, fraud, accounting offences, tax offences and other criminal acts. No such issues were reported in 2023.

SOCIAL	PERSONNEL AND SOCIAL CONDITIONS	HUMAN RIGHTS	ANTI-CORRUPTION
Description	› To create a safe, stimulating and secure workplace for our employees and promote equal conditions in our supply chain is of greatest importance.	› Respecting human rights is an obvious and important matter for Presto.	› Compliance with ethical guidelines and regulations on anti-corruption and related issues are key 'hygiene' issues.
Risks	› Risk of injury and ill health. › Shortcomings in the working environment may have adverse consequences to individual employees. › Shortcomings may have adverse consequences in terms of Presto's attractiveness as an employer, and for the brand.	› We have a large number of suppliers both inside and outside the EU. › Shortcomings may have adverse consequences in terms of Presto's attractiveness as an employer, and for the brand.	› Shortcomings may have adverse consequences in terms of Presto's attractiveness as an employer, and for the brand.
Risk management activities	› Regular employee survey including eNPS (Employee Net Promoter Score. (p. 66) › Systematic occupational health and safety management and collaboration process with regular local follow-up and central coordination.	› Work on supplier requirements, assessment and monitoring. (p. 68)	› Work on supplier requirements, assessment and monitoring. (p. 68)
Strategy	Focus area/long-term goal: › Be the industry's most sustainable option for customers and employees.	Focus area/long-term goal: › Be the industry's most sustainable option for customers and employees.	Focus area/long-term goal: › Be the industry's most sustainable option for customers and employees.
Policies and governance	› Occupational health and safety policy. › Policy against discriminatory treatment. › Systematic occupational health and safety management. › Staff and managers' handbook.	› Supplier Code of Conduct. (p. 69) › Supplier assessment. › Social and ethical policy – in-house. › Policy against discriminatory treatment. › Whistle-blower policy.	› Supplier Code of Conduct. (p. 69) › Supplier assessment. › Whistle-blower policy.
Performance indicators	› Results from employee survey. › Number of LTI events/year. › Monitoring of injury, incident and illness statistics. (p. 66)	› Percentage of key suppliers who have signed our Code of Conduct.	› Percentage of key suppliers who have signed our Code of Conduct.
SDG 2030	Sub-goal 8.8	Sub-goal 8.8	Sub-goal 16.5

ENGAGED AND VALUES-DRIVEN EMPLOYEES ARE OUR GREATEST ASSET

Presto Group's fast growing and decentralised organisation depends on committed employees who share our core values. Only when we work together to develop our ways of working – with simplicity and a clear customer focus – can we be successful now and in the future.

IN 2023 ALONE, the total number of employees increased nearly 65% to 1,382 not least as a result of Presto's first step into the German market with the acquisition of Jockel Brandschutztechnik Service. Each country – with different local conditions and needs – is responsible for developing and maintaining a strong values-based culture, founded on our common HR strategy (page 48) to make sure that people thrive and contribute to Presto's overall ambitions and goals.

The Nordic countries conducted a number of culture-strengthening activities at the end of 2023 and beginning of 2024. This included workshops with employees from the four countries and resulted in a Brand Book with descriptions of our vision, philosophy and cultural framework. Going forward, it will also be used in Germany as every single employee at Presto plays a large and important role in our development.

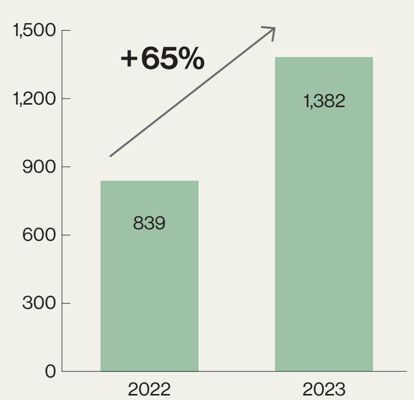
Pulse surveys help us monitor engagement

Presto wants to be an attractive employer wherever we operate. We work hard to secure a positive culture and an employee experience that nurtures engagement and ensures that our people are on board and want to grow with us.

In Sweden, Finland and Norway, we conduct regular pulse surveys of how employees feel about their work situation by answering a varying set of 13 questions every second week. A similar tool was introduced in Denmark in 2023. This provides a body of feedback on what works well and what can be done better.

In 2023, the survey platform helped us gather responses to questions covering 11 areas, from engagement and participation to leadership and autonomy. Presto's overall pulse score of 7.4 out of 10 is a strong indicator of a workplace with a healthy climate. Much of the success is based on a strong team spirit and the ability of our employees to take initiatives in their work, and these are areas were scores are consistently particularly strong.

TOTAL GROUP EMPLOYEES, ANNUAL AVERAGE (FTEe)



EMPLOYEES BY GENDER, PRESTO GROUP

	2023	2022	2021
Women, %	23	18	18
Men, %	77	82	82

Still, there is room for improvement when looking at Presto's Employee Net Promoter Score (eNPS) as the indicator of employee experience and sentiment. It is based on one simple question to be rated on a scale from 0–10. At the end of 2023, the weighted eNPS score for Sweden, Finland and Norway was minus 1, and the goal for 2024 is a positive score 0–30.

Systematic occupational health and safety management

Systematic work with occupational health and safety is a natural part of Presto's safety culture. Living according to the vision "Saving lives, together" also means prioritising our own safety, setting a good example for our customers and supporting them in their safety work.

At Presto, no one should suffer from mental health issues or injuries as a result of work environment shortcomings. Our internal employee health and safety process has emphasis on well-being, collaboration and values, training activities, support and information via our HR manuals and management system.

In 2023, we adapted our internal accident, incident and risk reporting system to work from a Group perspective, and integrated Finland. In the years ahead, we will also review system support to cover the needs of other Presto countries to reinforce an active safety and improvement culture and obtain coordinated follow-up of statistics.

We use the number of accidents with LTI* as the KPI to measure our goal that no one should suffer serious accidents in our workplaces (zero tolerance). In our overall monitoring and preventive work, we also include statistics on risk observations, near accidents, accidents, occupational illnesses, absenteeism, long-term sick leave, and employee turnover. Available data from 2023 shows a small number of LTI events, all of which were carefully investigated and led to preventive measures.

Equal rights and zero tolerance for discrimination

Our workplaces should be healthy and safe in physical as well as psychological terms. This is why we have zero tolerance for discrimination and harassment. We expect all our workplaces to ensure equal rights and opportunities regardless of age, gender identity

"Long-term success relies on a strong culture with engaged and dedicated employees."

and expression, ethnicity, religion, sexual orientation and functional impairment. Equal treatment should be part of every activity, from recruitment, pay reviews and pay structures to our communication structure.

Each organisation must act in accordance with the respective country's legislation to counter discrimination, increase diversity and strengthen equality. This includes continuous work in areas such as working conditions, salaries and other employment conditions, recruitment and promotion, training and other skills development, and opportunities to combine gainful work and parenthood.

Values-based leadership

A Presto leader is expected to create people engagement, job satisfaction, drive development, take responsibility and act as a role model. Our leadership academy supports Presto managers in acting according to our leadership criteria and Presto values by providing tools to enable participation, commitment and personal development for Presto employees.

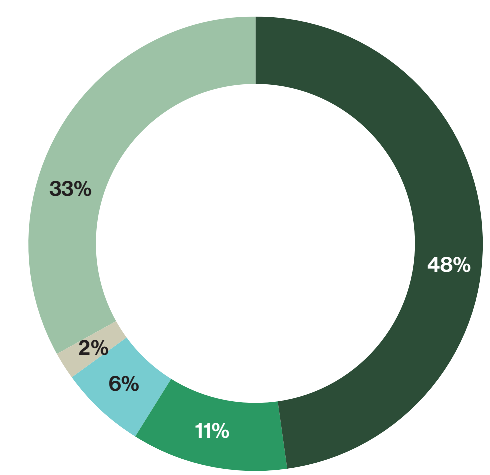
Presto welcomes more women in a male dominated industry

Women represent less than a quarter of Presto's total workforce. The same imbalance is also reflected in Group management, and in country management in Finland and Germany. On the other hand, gender representation is 50/50 when it comes to country management in Sweden and Norway.

Our industry is male dominated and Presto's gender distribution reflects this – it is not unique to Presto. Efforts are being made to train managers in competence-based and open-minded recruitment, and we have improved the recruitment process to reduce the risk of subjective selection criteria.

We have also mapped and used available research to understand what is important for women to want to apply for male-dominated professions, and to stay and prosper. In 2024, these learnings will be used to make further adjustments to our employer branding and our recruitment and on-boarding processes, and ultimately help us attract more women.

* LTI, Lost Time Injury, i.e. accidents at work causing absence for more than 8 hours.



SHARE OF EMPLOYEES PER COUNTRY

- Sweden 48%
- Finland 11%
- Norway 6%
- Denmark 2%
- Germany 33%

A SERIOUS AND LONG-TERM PARTNER

We want to be perceived as a serious and long-term partner, and strive to ensure that responsible practices are applied not only by our own organisation but also by our supply chain business partners.

RESPONSIBLE BUSINESS conduct is embedded in our business management processes and documents, including our supplier Code of Conduct and internal social and ethical responsibility policy. The Group HSEQ function is responsible for related policy documents and routines, and for coordination, internal guidance and accounting. The work on ethics in the supply chain is included in the procurement function's policy documents and working methods.

In 2023, Presto continued its rapid expansion in the Nordic countries, and took its first step into the German market. This will require further efforts by the HSEQ and the procurement functions over the coming years in order to ensure responsible practices throughout an extended supply chain.

Requirements on suppliers

We encourage all our key suppliers to conduct systematic work on quality and sustainability. Where appropriate, we also specifically demand that they inform us about and phase out harmful substances with reference to the requirements of REACH*.

Our Code of Conduct is an important part of all agreements with suppliers, detailing the requirements and expectations we have of ourselves and of our suppliers. Suppliers are, in turn, responsible for securing that our requirements are known and met also by sub-suppliers and sub-contractors.

We reserve the right to carry out unannounced audits to see that the Code of Conduct is being followed, with the help of independent third party auditors when appropriate. In case of deviations from the code, we strive for dialogue and cooperation to set realistic action plans. Any identified code deviations or other negative impacts are logged to ensure action and follow-up. In 2023, Presto had no reported incidents in its supply chain.

> "In 2023, Presto increased its efforts to diversify the supply chain of components, primarily within the EU."

Geographical shift following risk assessment

Presto Group's ambition is to continuously improve risk mapping and risk management, and review the need for additional measures. This includes screening of our supply chain and prioritised critical suppliers based on criteria such as spend, global rights index, human freedom index, SDG index and greenhouse gas emissions (CO^2e).

Our largest procurement category in terms of spend is defibrillators, primarily manufactured in the US. But in terms of risk – especially related to violations of human rights and decent working conditions – our biggest exposure is suppliers of direct materials, mainly from the Asian market.

A large portion of components for our fire extinguishers are developed and manufactured in partnership with a Swedish-Chinese joint venture company. The factory is ISO 9001, ISO 14001 and ISO 45 001 certified for quality, environmental and occupational health and safety management. A follow-up audit in 2023 settled earlier, minor process-related sustainability concerns. However, Presto does not have full visibility into social and environmental practices at the factory's Chinese sub-suppliers.

In 2023, Presto increased its efforts to diversify the supply chain of components, primarily within the EU. This would not only reduce sustainability risks, but also reduce the need for long-distance transport.

*REACH: The EU regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals

PRESTO'S CODE OF CONDUCT

Our internal social and ethical policy and the reflective code of conduct for suppliers details the requirements and expectations we have of ourselves and of our suppliers. It includes requirements for compliance with the UN Global compacts 10 principles on human rights, labour, environment, and anti-corruption:

- Compliance with national legal requirements
- Safe and healthy working environment
- Working conditions based on human rights
  - No discrimination
  - No forced labour
  - No child labour
  - Legal wages and working hours
- Freedom of association
- Reducing environmental impact
- Anti-corruption
- Monitoring

Board of directors and Group management Annual report

"Saving lives together with our customers, that's what our business is all about."

Presto Holding AB

Board of directors

Patrik Hofbauer

Chairman of the Board

BORN: 1968

EDUCATION: DIHM Market Economist, IHM Business School, Master IHM Business School and programmes at INSEAD and London Business School.

OTHER POSITIONS: President & CEO Telia Company AB, Member Board of Directors Clas Ohlson AB.

BACKGROUND: CEO Svenska Spel 2018-2023, CEO Telenor Sweden AB 2014–2018, CEO Telenor Broadcast Holding 2011–2014, CEO Clear Channel Sweden AB 2009–2010, CEO Canal Digital Sweden AB 2005–2009, CEO NEC Scandinavia AB 1999–2004 and Salesmanager Scandic Hotels Sweden AB 1995–1998.

Eckhard Cordes

Board member

BORN: 1950

EDUCATION: Degree in Business Administration, University of Hamburg, Doctorate.

OTHER POSITIONS: Partner with Cevian Capital and EMERAM Capital Partners GmbH, Member and Chairman of the Supervisory Board of Bilfinger SE.

BACKGROUND: Member of the Executive Board at Daimler-Benz AG / DaimlerChrysler AG 1996–2005, Chairman of the Executive Board at Franz Haniel & Cie. GmbH 2006–2009, Chairman of the Executive Board at METRO AG 2006–2011, Non-executive member of the Board of Directors, of Volvo AB 2005–2022.

Dimitri Yakupov

Board member

BORN: 1994

EDUCATION: M.Sc. and B.Sc. Stockholm School of Economics.

OTHER POSITIONS: Associate Director Adelis Equity. Board member Diakrit.

BACKGROUND: SEB Corporate Finance.

Erik Hallert

Board member

BORN: 1982

EDUCATION: MSc Stockholm School of Economics and Chicago Booth School of Business, Military interrogator Language Institute of the Swedish Armed Forces.

OTHER POSITIONS: Partner Adelis Equity Partners. Board roles: Hedvig, Aderian, Circura, Intersport.

BACKGROUND: Various positions within Triton, Blackstone and Morgan Stanley.

Gina Azaric

Board member

BORN: 1968

EDUCATION: B Sc Business Administration and Economics, Lunds Universitet.

OTHER POSITIONS: CMO/Senior Advisor Brand & Marketing Telia Sverige, Board Member Sveriges Annonsörer and The Hunger Project Sweden.

BACKGROUND: Nordic CMO KICKS Group, Head of Marketing 3 Sverige, various positions Arla Foods.

Group management

Filip Bjurström

CEO

BORN: 1969

EDUCATION: MSc, Royal Institute of Technology.

BACKGROUND: Division Manager Bravida, Regional Manager NCC.

YEAR APPOINTED: 2018

Olof Fransson

CFO

BORN:1974

EDUCATION: MSc, Lund Institute of Technology; Business Administration, Lund University.

BACKGROUND: CFO Cabonline Group; Director Group Business Control Telia Company; CFO Carema Care.

YEAR APPOINTED: 2020

Johan Wiksäter

Head of Production

BORN: 1969

EDUCATION: Officers' College and Royal Swedish Army Staff College 4 years, Production Economics 2 years.

BACKGROUND: 8 years as a technical officer in the army at Livgardet, 10 years in the Scania Group and SKF, and third-party logistics on behalf of Swedish industry and retailers.

YEAR APPOINTED: 2013

Erik Laurenius

Head of Strategy & Business Development

BORN: 1988

EDUCATION: MSc, Lund Institute of Technology, Lund University.

BACKGROUND: 8 years of sales and marketing roles at Verisure, 3 years of corporate finance at SEB.

YEAR APPOINTED: 2023

Gustav Paringer

Head of Acquisitions

BORN: 1979

EDUCATION: Upper secondary school, science with specialisation in civil protection, university courses (no degree).

BACKGROUND: Ambulance paramedic, SAR paramedic and founder and CEO of Aptum AB in 2005.

YEAR APPOINTED: 2018

Karin O'Connor

Head of Marketing, Brand & Culture

BORN: 1965

EDUCATION: MSc in Business & Economics, The Gothenburg School of Business, Economics and Law and Degree of Bachelor of Arts, major in Journalism, Gothenburg University.

BACKGROUND: CMO and transformation director at various companies, financial journalist.

YEAR APPOINTED: 2023

Ola Persson*

Head of Sweden Operations

BORN: 1980

EDUCATION: Upper secondary school, specialising in economics, courses in economics at Växjö University (no degree).

BACKGROUND: CEO & owner of Svensk Uppdragsutbildning AB since 2012. Previously an entrepreneur and owner of other companies.

YEAR APPOINTED: 2020

Laura Peters

Head of German Operations

BORN: 1991

EDUCATION: MSc, Cologne University of Applied Sciences.

BACKGROUND: CEO & owner of Jockel Brandschutztechnik Service GmbH since 2020.

YEAR APPOINTED: 2023

Tero Roivainen

Head of Finland Operations

BORN: 1973

EDUCATION: MSc, Helsinki University of Technology.

BACKGROUND: Owner and CEO of Suomen Ensiapukoulutus Oy. Various international management positions at Konecranes Corp.

YEAR APPOINTED: 2020

Line Gundersen

Head of Norway Operations

BORN: 1980

EDUCATION: Within tourism from Treider in Oslo.

BACKGROUND: Within sales and management. 17 years in different leading roles in the electronic security industry; Verisure and Stanley Security/Securitas Technology.

YEAR APPOINTED: 2023

*Ola Persson left Presto on 31th of December 2023. Joakim Malmberg was appointed Head of Sweden on 1st of March 2024. His previous role was Group Sales Director at Sector Alarm Group.

Management Report

Operations
The object of the Company's operations is, directly or indirectly, to own and manage shares and participations in subsidiaries and related activities, and to manage real and movable property for its operations.

Presto Holding AB and subsidiaries are leaders in the Nordic region and Germany in the safety industry and a full-range partner specialising in safety services, products and installations in fire protection, along with associated nationwide servicing and safety-related training and first aid. Today, via its subsidiaries, the Group assists companies and organisations with risk management, developing customised and effective fire protection, training for customers' personnel in safety at work and ensuring access to first aid equipment.

Significant conditions and material events
Group:
The Group is 85 % owned by Sileda IV Group Holding AB, corporate identity number 559214-7366, and F3 Presto Holding AB, corporate identity number 559443-0554, both with their registered office in Stockholm.

Parent Company:
Presto Holding AB 559176-1399 was registered on 19 October 2018 with its registered office in Stockholm.

In 2023, the Group expanded into two new geographical markets, Denmark and Germany. In Denmark, three businesses in first aid and safety training have been acquired: First-8 (March), SafetyGroup (October) and Parat (December). Together, these businesses will form the platform enabling Presto to establish operations in Denmark. Fire protection services are also offered to the market.

In September, the Group took an important step into Europe through the acquisition of Jockel Brandschutztechnik-Service GmbH. Jockel is a leading player in Germany's fire protection market, offering a comprehensive range of fire protection products and services.

In connection with the acquisition of Jockel, the Group was refinanced via a combination of bank loans and contributions from the main shareholder. The bank loans mature in December 2029.

In addition to these platform acquisitions, further add-on acquisitions have been made in several geographies and business areas. Despite a challenging macro environment, the Group has experienced solid organic growth during the year.

Significant post balance sheet events
Sileda IV Group Holding AB has divested its holding mainly to FCV Presto HDV AB, a fund controlled by Adelis Equity Partners, which remains the principal shareholder.

Anticipated future developments
The Company does not issue forecasts. The underlying demand for the Group's services is expected to remain high, driven by enhanced customer offerings, underlying growth at customers and increased regulatory compliance.

Significant risks and uncertainties
The Group is exposed to market risks deriving from the economic situation of its customers, as well as regulatory factors such as changes in regulations with impact on demand for its services. Purchases are in part made in currencies other than SEK and hence the Group is exposed to currency risks as prices of input goods may fluctuate. The Group is partly financed via bank loans, which involves a financing risk. Most of the loans mature in 2029.

Research and development
The Group is engaged in the development of fire protection equipment, as well as in the development of online courses in safety training.

Non-financial information
The Group works on gender equality, work environment, competence development, quality and sustainability issues on an ongoing basis.

Activities subject to authorisation or notification under the Swedish Environmental Code
The Group conducts activities subject to notification under the Swedish Environmental Code. The obligation to notify relates to the recovery of waste generated the Group's own operations. The Group works according to a set self-assessment programme for monitoring of and compliance with laws and requirements, mapping and assessment of health and environmental risks, preventive and remedial measures, emergency preparedness, management of chemicals and waste management.

Multi-year overview

SEK th.	2023	2022	2021	2020	2019
Net sales	1,871,175	1,353,319	1,025,821	705,389	675,122
EBITDA	240,792	175,072	97,581	79,797	-6,318
EBITDA margin, %	13%	13%	10%	11%	neg.
Equity ratio, %	31%	26%	24%	39%	52%

2019 is reported in accordance with K3.

Proposal for appropriation of unappropriated profit or loss

Funds available for appropriation by the Annual General Meeting:	
Retained earnings	113,725,773
Share premium reserve	811,080,476
Profit for the year	10,388
Total	**924,816,637**

The Board of Directors proposes that the profit be appropriated as follows:	
To be carried forward	924,816,637
Total	**924,816,637**

Consolidated income statement

SEK th.	Note	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Revenue	7	1,871,175	1,353,319
Other income	8	16,485	3,807
Change in inventories of products in progress, finished goods and work in progress		19,270	-324
Total income		**1,906,930**	**1,356,802**
Operating expenses			
Raw materials and consumables		-573,531	-377,810
Other external expenses	9	-331,874	-219,343
Employee benefits	10	-756,863	-582,829
Depreciation and amortization Tangible and Intangible assets	16, 17	-96,823	-71,679
Other operating expenses	11	-3,870	-1,747
Total operating expenses		**-1,762,961**	**-1,253,409**
Operating profit / loss		**143,969**	**103,393**
Financial income	12	3,342	10,437
Financial expenses	12	-84,011	-31,814
Result from financial items		**-80,669**	**-21,377**
Profit/Loss before tax		**63,300**	**82,016**
Income tax	13	-20,372	-16,719
Profit / Loss for the year		**42,928**	**65,297**

Consolidated statement of comprehensive income

SEK th.	Note	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Profit / Loss for the year		**42,928**	**65,297**
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Translation differences		-18,057	-8,248
Other comprehensive income for the year, net of tax		**-18,057**	**-8,248**
Total comprehensive income for the year		**24,871**	**57,048**
Net profit attributable:			
Parent company shareholders		42,266	65,297
Non-controlling interests		663	–
Total comprehensive income attributable to:			
Parent company shareholders		24,871	57,048
Non-controlling interests		663	–
Earnings per share, before dilution (SEK)			
Earnings from continuing operations		–	–
Earnings from discontinued operations		–	–
Earnings per share, after dilution (SEK)			
Earnings from continuing operations		–	–
Earnings from discontinued operations		–	–

Consolidated balance sheet

SEK th.	Note	31/12/2023	31/12/2022
ASSETS			
Non-current assets			
Intangible fixed assets			
Goodwill	16	1,251,155	610,117
Other intangible assets	16	324,680	142,171
Total intangible assets		**1,575,835**	**752,288**
Tangible fixed assets			
Buildings and land	17	116,865	27,475
Machinery and other technical equipment	17	55,477	22,185
Right-of-use assets	18	168,396	75,766
Total tangible assets		**340,738**	**125,426**
Financial assets			
Participations and securities in other companies	19	45	712
Long-term receivables	19	4,247	–
Deferred tax assets	21	3,465	1,206
Total financial assets		**7,757**	**1,918**
Total fixed assets		**1,924,330**	**879,632**
Current assets			
Inventories	22	368,148	113,040
Trade receivables	20, 23	352,347	195,046
Current tax assets		3,977	905
Other current receivables		8,028	7,927
Prepaid expenses and accrued income	24	40,787	19,530
Cash and bank	20, 25	167,285	71,038
Total current assets		**940,572**	**407,486**
TOTAL ASSETS		**2,864,902**	**1,287,118**

Consolidated balance sheet (cont.)

SEK th.	Note	31/12/2023	31/12/2022
EQUITY			
Equity attributable to owners of the parent			
Share capital	26	1,964	1,595
Other contributed capital		811,098	278,442
Reserves		-28,432	-10,264
Retained earnings including profit or loss for the period		111,539	69,272
Non-controlling interest		4,999	–
Total equity, Group		**901,168**	**339,045**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	20, 27, 31	1,021,385	546,052
Long-term lease liabilities	27, 31	99,320	47,277
Deferred tax liability	21	84,931	26,881
Total non current liabilities		**1,205,637**	**620,209**
Current liabilities			
Current lease liabilities	20, 27, 31	71,726	33,114
Accounts payable	20	126,295	68,932
Advances from customers		3,302	2,445
Income Tax liabilities		23,263	17,389
Other current liabilities	28	138,729	52,137
Accrued expenses and deferres income	29	394,781	153,847
Total current liabilities		**758,097**	**327,864**
TOTAL EQUITY AND LIABILITIES		**2,864,902**	**1,287,118**

Consolidated statement of changes in equity

SEK th.	Note	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit for the year	Total equity share-holders	Non-controlling interests	Total equity
Opening balance equity 2022-01-01	26	**1,568**	**261,427**	**-1,345**	**3,973**	**265,624**	**–**	**265,624**
Comprehensive income								
Profit/loss for the year		–	–	–	65,297	65,297	–	65,297
Other comprehensive income for the year		–	–	-8,918	–	-8,918	–	-8,918
Total comprehensive income		**–**	**–**	**-8,918**	**65,297**	**56,379**	**–**	**56,379**
Transactions with owners								
New share issue		27	17,015	–	–	17,042	–	17,042
Total transactions with shareholders		**27**	**17,015**	**–**	**–**	**17,042**	**–**	**17,042**
Closing balance equity 2022-12-31		**1,595**	**278,442**	**-10,264**	**69,272**	**339,045**	**–**	**339,045**
Opening balance equity 2023-01-01	26	**1,595**	**278,442**	**-10,264**	**69,272**	**339,045**	**–**	**339,045**
Comprehensive income								
Profit/loss for the year		–	–	–	42,266	42,266	663	42,928
Other comprehensive income for the year		–	–	-18,168	–	-18,168	-178	-18,346
Total comprehensive income		**–**	**–**	**-18,168**	**42,266**	**24,098**	**485**	**24,582**
Transactions with owners								
New share issue		369	519,629	–	–	519,998	–	519,998
Non-registered new share issue		–	13,027	–	–	13,027	–	13,027
Acquisition of non-controlling interest		–	–	–	–	–	4,513	4,513
Total transactions with shareholders		**369**	**532,656**	**–**	**–**	**533,025**	**4,513**	**537,538**
Closing balance equity 2023-12-31		**1,964**	**811,097**	**-28,432**	**111,538**	**896,168**	**4,999**	**901,168**

Consolidated statement of cash flows

SEK th.	Note	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Cash flow from operating activities			
Profit after financial items		63,300	82,016
Adjustment for items not included in cash flow	30	106,406	38,907
Tax paid		-23,548	-2,675
Cash flow from operating activities before change in working capital		**146,158**	**118,248**
Changes in working capital			
Increase/decrease in inventories		-11,818	-22,531
Increase/decrease in accounts receivables		32,322	-32,587
Increase/decrease in other current receivables		-18,649	9,131
Increase/decrease in accounts payable		-5,240	1,028
Increase/decrease in other current liabilities		31,493	23,048
Total change in working capital		**28,108**	**-21,913**
Cash flow from operating activities		**174,266**	**96,335**
Cash flow from investing activities			
Investments in subsidiaries		-847,047	-99,949
Investments in intangible assets		-19,226	-6,408
Investments in tangible fixed assets		-20,760	-5,397
Sales of tangible non-current assets		388	–
Sale of financial fixed assets		2,895	-462
Cash flow from investing activities		**-883,751**	**-112,216**
Cash flow from financing activities			
New share issue, net after expenses		490,310	4,097
Amortization of lease liability		-44,522	-41,253
Borrowings		1,082,335	55,776
Amortisation of borrowings		-721,949	-23,725
Cash flow from financing activities		**806,174**	**-5,106**
Cash flow for the period		**96,689**	**-20,986**
Translation difference, cash and cash equivalents		-444	-1,160
Cash and cash equivalents at beginning of the period		**71,038**	**93,183**
Cash and cash equivalents at end of period		**167,285**	**71,038**

The notes on pages 66 to 94 form an integral part of these consolidated accounts.

Notes to the financial statements

Note 1 General

Presto Holding AB, corporate identification number 559176-1399, is a limited liability company registered in Sweden. Its registered office is in Stockholm. The address of the head office is Presto Holding AB, Box 315, SE-641 23 Katrineholm, Sweden. Presto Holding AB and subsidiaries are leaders in the Nordic region in the safety industry. It is a full-range partner specialising in safety services, products and installations in fire protection, along with relating nationwide servicing and training.

The Board of Directors has authorised these consolidated accounts for publication, the date of which is indicated by the electronic signatures.

Note 2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated accounts are set out below. Unless otherwise indicated, all amounts are reported in thousands of SEK (SEK th.). Figures in brackets refer to the period for comparison. The consolidated accounts comprise the legal Parent Company Presto Holding AB and its subsidiaries. A list of subsidiaries is provided in Note 15.

2.1 BASIS OF PREPARATION

The consolidated accounts for Presto Holding AB have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as with International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC), as adopted by the EU. Unless otherwise indicated, these policies have been applied consistently for all the years presented.

The consolidated accounts have been prepared using the cost convention, other than for contingent purchase considerations, which are measured at fair value via profit or loss.

The Parent Company prepares its accounts in accordance to RFR 2 Accounting for Legal Entities standard. The effect of applying RFR 2 is that the Parent Company prepares its accounts in accordance to RFR 2 Accounting for Legal Entities standard. For information on the cases where the Parent Company applies different accounting policies than those of the Group, please see note 37.

Preparation of financial statements in accordance with IFRS requires the use of a number of significant estimates for accounting purposes. It also requires certain judgements by management in the application of the Group's accounting policies. The areas involving a high degree of judgement and complexity, and areas where assumptions and estimates are significant in terms of the consolidated accounts, are described in Note 6 Significant accounting estimates and judgements.

2.2 NEW AND AMENDED STANDARDS NOT YET APPLIED BY THE GROUP

The new and amended standards applicable from the financial year beginning January 1, 2023, that have had an impact on the group's annual report are changes in IAS 1, changes in disclosure requirements and accounting policies. Information on accounting policies have been reduced and only material accounting policies have been disclosed. No published standards that have not yet come into force are expected to have any significant impact on the Group when they are applied.

2.3 CONSOLIDATED ACCOUNTS

Subsidiaries

Subsidiaries are all entities over which the Group has a controlling influence. The Group controls an entity when it is exposed to or has rights to variable returns from its holding in the entity, and has the ability to affect those returns through its influence over the entity. Subsidiaries are included in the consolidated accounts from the date on which control is transferred to the Group. Subsidiaries are excluded from the consolidated accounts from the date on which control ceases.

In accounting for the Group's business combinations, the purchase method is used. The purchase consideration for acquisition of a subsidiary is the fair value of the assets transferred to and the liabilities incurred by the Group to the former owners of the acquired company. The purchase consideration also includes the fair value of any assets or liabilities resulting from a contingent consideration agreement. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at fair value at the acquisition date. Acquisition-related costs are expensed as incurred.

Where appropriate, the accounting policies of subsidiaries have been amended to ensure consistent application of the Group's policies.

2.4 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision-maker. The CEO is the highest executive decision-maker in the Group and evaluates the Group's financial position and performance and takes strategic decisions. The Group has six identified segments. The CEO uses Net sales and EBITDA to assess the performance of the operating segments.

2.5 FOREIGN CURRENCY TRANSLATION

Functional currency and presentation currency

The various entities in the Group use the local currency as their functional currency since the local currency has been defined as the currency that is used in the primary economic environment in which each entity mainly operates. The consolidated accounts are stated in Swedish krona (SEK), which is the functional currency of the Parent Company and the presentation currency of the Group.

2.6 INCOME RECOGNITION

The Group's policies on recognition of income from contracts with customers are presented below. Income from contracts with customers consists mainly of income from servicing fire protection systems, installation of fire protection systems, fire protection training, sale of fire protection equipment and licensing of proprietary fire protection systems.

Servicing

Servicing is mostly performed annually and income is recognised in the period in which servicing is provided.

Training
Income is recognised in the period in which training is provided.

Equipment
Income from the sale of goods is recognised when control is transferred to the customer in accordance with the terms and conditions of delivery.

Fire protection systems
Implementation of fire protection systems is mainly provided on a fixed price basis. In the case of fixed price contracts, income is recognised on the basis of the proportion of the overall agreed service that has been delivered. This is based on costs incurred relative to the total cost of the project.

Licences
A licence is considered to represent "Software as a Service" (SaaS) and so is reported as a service and not a licence. Licensing income is recognised on a straight-line basis over the life of the contract.

Transport services
Transport services constitute a separate performance obligation as control of the goods is transferred to the customer before transport. Freight income is recognised in the period in which the transport is provided.

2.7 INTEREST INCOME

Interest income is recognised as income using the effective interest method.

2.8 LEASING

Group as lessee
Leases where the Group is the lessee essentially relate to cars and business premises.

In all leases, other than the exceptions mentioned below, a right-of-use asset and a corresponding lease liability are recognised on the date the leased asset is available for use by the Group. Every lease payment is divided into an amortisation and a financial expense. The financial expense is to be spread over the lease term so that every accounting period is charged with an amount corresponding to a fixed interest rate for the liability recognised in the period concerned.

Right-of-use assets are amortised on a straight-line basis over the asset's useful life or the lease term, whichever is the shorter. Leases run for periods averaging 1–6 years.

The Group applies the exemption for non-lease components and has elected to separate these from lease payments on premises but not on cars.

The Group applies the exemption in IFRS 16, according to which lease charges attributable to short-term leases and leases for which the underlying asset is of low value are not recognised as a right-of-use asset and lease liability but as an expense on a straight-line basis over the lease term. Short-term leases are contracts with a lease term of 12 months or less. Leases in which the underlying asset is of low value relate essentially to office equipment.

Recognition in subsequent periods
The lease liability is remeasured if there are any amendments to the lease or if there are changes in the cash flow that are based on the original condition in the lease. Changes in cash flows based on original lease terms arise when: the Group changes its initial assessment of whether extension and/or cancellation options will be exercised; there are changes in previous assessments of whether a call option will be exercised; lease charges change due to changes in indices or interest rates. Any remeasurement of the lease liability will result in a corresponding adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset has already been reduced to zero, the remaining remeasurement is recognised in the income statement. Right-of-use assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Presentation
Right-of-use assets and lease liabilities are recognised on a separate line on the balance sheet. In the income statement, amortisation of right-of-use assets is recognised on the line depreciation/amortisation and the interest expense on the lease liability is recognised as a financial expense. Lease charges related to low-value and short-term leases are recognised in the income statement on the line other external expenses. Amortisation of the lease liability is recognised as cash flow from financing activities. Payments of interest and charges on short-term and low-value leases are recognised as cash flows from operating activities.

2.9 CURRENT AND DEFERRED INCOME TAXES

The tax expense for the period consists of current tax calculated on the taxable profit for the period at current tax rates. The current tax expense is adjusted to reflect changes in deferred tax assets and liabilities due to temporary differences and unused tax losses.

The current tax expense is calculated on the basis of the tax rules enacted or substantively enacted at the balance sheet date in the countries where the Parent Company and its subsidiaries operate and generate taxable income.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated accounts. However, a deferred tax liability is not recognised if it arises from the initial recognition of goodwill. Deferred tax is also not recognised if it arises from a transaction that represents the initial recognition of an asset or liability that is not a business combination and that, at the time of the transaction, affects neither recognised nor taxable profit. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets and liabilities and when the deferred tax assets and liabilities relate to taxes levied by a single taxation authority on either the same taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

Current and deferred tax is recognised in the statement of comprehensive income, except when the tax relates to items recognised in other comprehensive income or directly in equity. In such cases, the tax is recognised in other comprehensive income or equity.

2.10 INTANGIBLE ASSETS

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the amount by which the purchase consideration exceeds fair value of the identifiable net assets acquired. Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate a possible impairment. Goodwill is recognised at cost less accumulated impairment losses. When an entity is sold, the carrying amount of goodwill is included in the resulting gain/loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Each entity or group of entities to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored for internal management purposes. Goodwill is monitored at operating segment level. Impairment loss on goodwill is never reversed in a subsequent period.

Other intangible assets
Capitalised development expenditure
Software maintenance costs are expensed as incurred. Development costs directly attributable to development and testing of identifiable and unique software products controlled by the Group are recognised as internally developed intangible assets when the criteria for recognition in accordance to IAS 38, Intangible assets, are fulfilled.

Capitalised development expenditure is recognised as intangible assets and is amortised from the point in time that the asset is ready for use.

Other development expenditure that does not meet the above criteria is expensed in the consolidated income statement as incurred. Development expenditure previously expensed is not recognised as an asset in the subsequent period.

The cost of capitalised development expenditure and the like acquired in a business combination is recognised at fair value at the acquisition date. In subsequent periods, such intangible assets are recognised at cost less accumulated amortisation and impairment losses.

Amortisation is based on an estimated useful life of normally 5 years, which represents the estimated period over which they are expected to generate cash flow.

Customer contracts, trademarks, technology and licences, patents and similar rights.
Separately acquired intangible assets in the form of licences, patents and similar rights are recognised at cost less accumulated amortisation and any impairment losses.

Customer contracts, brands and technology acquired through a business combination are recognised at fair value at the acquisition date and amortised on a straight-line basis over their estimated useful lives.

Intangible assets with finite useful lives are amortised on a straight-line basis over the following periods:

Licences, patents and similar rights	5 years
Customer contracts	7 years
Trademarks	5 years
Technology	5 years

2.11 PROPERTY, PLANT AND EQUIPMENT

Subsequent expenditure is added to the asset's carrying amount or is recognised as a separate asset, as appropriate, only when it is likely that the future economic benefits associated with the asset will flow to the Group and that the cost of the asset can be measured reliably. The carrying amount for the replaced part is removed from the statement of financial position. All other forms of repair and maintenance are recognised as expenses in the statement of comprehensive income in the period in which arise.

Depreciation on property, plant and equipment for the purpose of allocating their cost down to the estimated residual value over their estimated useful lives, is calculated on a straight-line basis as follows:

Buildings and land	50 years
Inventories	5 years
Machinery and equipment	5 years

The residual values and useful lives of the assets are reviewed at the end of each reporting period and adjusted if necessary.

The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds from sale with the carrying amount, and are recognised in the statement of comprehensive income as other operating income or other operating expenses.

2.12 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill and intangible assets with an indefinite useful life and intangible assets that are not ready for use are not amortised but are tested for impairment annually or when there is an indication of impairment. Assets subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised at the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the asset's fair value less costs to sell or its value in use, whichever is the higher. In determining impairment, assets are grouped at the lowest levels for which there are essentially independent cash flows (cash-generating units). For assets (other than goodwill) that have previously been impaired, an assessment is made at each balance sheet date as to whether a reversal should be made.

2.13 FINANCIAL INSTRUMENTS

a) Initial recognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets and liabilities are recognised on the trade date, the date on which the Group commits to buy or sell the asset.

Financial assets are initially measured at fair value plus, where the asset is not recognised at fair value via profit or loss, transaction costs directly attributable to the purchase. Transaction costs attributable to financial assets recognised at fair value via profit or loss are expensed directly in the income statement.

b) Financial assets – Classification and measurement
The Group classifies and measures its financial assets in the category of financial assets recognised at amortised cost and fair value via profit or loss.

Note 2 (Continued)

Classification of investments in debt instruments is determined by the Group's business model for managing financial assets and the contractual terms of the cash flows for the assets. The Group reclassifies debt instruments only in cases where the Group's business model for the instruments changes.

Financial assets at amortised cost
Assets held for the purpose of collecting contractual cash flows, where those cash flows consist solely of principal and interest, are recognised at amortised cost. Interest income from financial assets of this kind is recognised as financial income via the effective interest method.

The Group's financial assets, measured at amortised cost, consist of the items other non-current receivables, trade receivables, other receivables and cash and cash equivalents.

Financial assets measured at fair value via profit or loss
The Group measures all equity instruments at fair value. Changes in fair value are recognised in the statement of comprehensive income.

c) Derecognition of financial assets
Financial assets are derecognised from the statement of financial position when the right to receive cash flows from the instrument has expired or has been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Gains and losses arising from derecognition from the balance sheet are recognised directly in profit or loss in other operating income and other operating expenses.

d) Financial liabilities – Classification and measurement
The Group classifies and measures its financial liabilities in the categories financial assets measured at amortised cost and financial liabilities measured at fair value via profit or loss.

Financial liabilities measured at fair value via profit or loss
Financial liabilities measured at fair value via profit or loss consist of a contingent purchase consideration. Any change in value is recognised in the statement of comprehensive income.

Financial liabilities measured at fair value via profit or loss are classified as current liabilities if they fall due within 12 months of the balance sheet date. Financial liabilities falling due later than 12 months from the balance sheet date are classified as non-current liabilities.

Financial liabilities measured at amortised cost
The Group's remaining financial liabilities are measured after initial recognition at amortised cost using the effective interest method. Remaining financial liabilities consist of liabilities to credit institutions, trade payables and other current liabilities.

e) Derecognition of financial liabilities
Financial liabilities are derecognised from the statement of financial position when the obligations are settled, cancelled or otherwise extinguished. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

When the terms of a financial liability are renegotiated, and not derecognised from the statement of financial position, a gain or loss is recognised in the statement of comprehensive income. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted to the original effective interest rate.

f) Offsetting of financial instruments
Financial assets and liabilities are offset and netted in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. The legal right must not be dependent on future events and must be legally binding on the company and the counterparty, both in the normal course of business and in the event of default, insolvency or bankruptcy.

g) Impairment of financial assets recognised at amortised cost
The Group assesses the future expected credit losses associated with assets recognised at amortised cost. The Group recognises a credit reserve for such expected credit losses at each reporting date.

In the case of trade receivables, the Group applies the simplified approach to credit provisioning, i.e. the provision will be equal to the expected loss over the entire life of the trade receivables. To measure the expected credit losses, trade receivables are grouped on the basis of allocated credit risk characteristics and days overdue. Expected credit losses are recognised in the consolidated statement of comprehensive income under the heading other external costs.

2.14 INVENTORY
Inventory is recognised at cost or net realisable value, whichever is the lower. The cost of goods for resale is determined after deduction of discounts. Net realisable value is the estimated selling price in activities, less estimated costs of completion and estimated costs necessary to make a sale.

2.15 CASH AND CASH EQUIVALENTS
Cash and cash equivalents in the statement of cash flows include bank balances.

2.16 SHARE CAPITAL
Ordinary shares and H-shares are classified as equity. These shares are subordinated to the preference shares outstanding, which are classified as equity in the balance sheet. Transaction costs directly attributable to the issue of new shares or warrants are recognised, net of tax, in equity as a deduction from the issue proceeds.

2.17 EMPLOYEE BENEFITS
Post-employment benefits
The Group operates pension plans solely based on defined contributions. A defined contribution plan is a pension plan under which the Company pays fixed contributions to a separate legal entity. The Group has no further payment obligations once the fees are paid. The contributions are recognised as personnel expenses in the statement of comprehensive income, as they fall due.

2.18 STATEMENT OF CASH FLOWS
The statement of cash flows is prepared using the indirect method. The cash flow reported includes only transactions that resulted in cash receipts or payments

Note 3 Financial risk factors

Through its activities, the Group is exposed to a variety of financial risks, including: various market risks (currency risk and interest rate risk), credit risk, liquidity risk and refinancing risk. The Group seeks to minimise potential adverse effects on the Group's financial performance.

The objective of the Group's financial activities is to:
- ensure that the Group can fulfil its payment obligations,
- manage financial risks,
- ensure access to the necessary funding; and
- optimise the Group's net financial position.

Risk management in the Group is overseen by the Chief Financial Officer who identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units.

(A) MARKET RISK
Currency risk
The Group's exposure to currency risk arises from transactional exposures in foreign currencies, above all from purchases in USD and CNY. Currency risk arises through future transactions and when recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. To mitigate currency risk, currency accounts in EUR, USD, CNY and NOK are used.

Transaction exposure as per balance sheet date

SEK th.	USD	CNY	Total
Closing balance, 31/12/2023			
Trade payables	314	344	658
Closing balance, 31/12/2022			
Trade payables	246	4,969	5,214
Closing balance, 31/12/2021			
Trade payables	–	10	10

Sensitivity analysis
If the Swedish krona had weakened/strengthened by 10 per cent relative to the USD, all other variables being constant, the restated profit after tax for the 2023 financial year would have been SEK 2,410 thousand (2,600) lower/higher, largely as a result of purchases in USD.

If the Swedish krona had weakened/strengthened by 10 per cent in relation to the CNY, all other variables being constant, the restated profit after tax for the 2023 financial year would have been SEK 4,195 thousand (4,654) lower/higher, largely as a result of purchases in CNY.

Interest rate risk
The Group's primary interest rate risk arises from long-term floating-rate borrowings, which expose the Group to cash flow interest rate risk. The Group also has loans in currencies other than the entity's functional currency.

(B) CREDIT RISK
Credit risk arises from balances held with banks and credit institutions, together with customer credit exposures including outstanding receivables. Credit risk is managed by the Group's finance function and by line managers for customer credit exposures. Only banks and credit institutions with a high credit rating by independent evaluators are accepted.

In cases where no independent credit assessment is available, a risk assessment regarding the customer's creditworthiness is carried out, taking into account the customer's financial position, past experience and other factors. Individual risk limits are set based on internal or external credit assessments in accordance with the limits set by the Board of Directors. The use of credit limits is monitored regularly. In view of historical outcomes, the credit risk is deemed to be low.

(C) LIQUIDITY RISK
Through prudent liquidity management, the Group ensures that sufficient cash is available to meet the needs of its operating activities. At the same time, the Group ensures that it has sufficient scope within agreed credit facilities to enable debts to be paid when they fall due. Management monitors rolling 12-month forecasts for the Group's liquidity reserve (including unutilised credit facilities) and cash and cash equivalents based on expected cash flows. Analyses are normally performed centrally on the basis of the guidelines and constraints established by Group Management. Restrictions vary from region to region, taking into account the liquidity in different markets.

At the end of the reporting period, the Group had access to unutilised overdraft facilities amounting to SEK 30 million (30).

(D) REFINANCING RISK
Refinancing risk is defined as the risk that difficulties arise in refinancing the Group, that funding cannot be obtained, or that it can only be obtained at higher cost. This risk is limited by the Group evaluating different financing solutions on an ongoing basis. 100 percent of the Group's financing matures in 2029.

The table in Note 5 shows a breakdown of the Group's financial liabilities according to the time remaining at the balance sheet date until the contractual maturity date.

The amounts shown in the table are the contractual undiscounted cash flows. Balances falling due within 12 months are equal to their carrying amounts, as the effect of discounting is insignificant.

Note 4 Measurement and disclosure of fair value

The various levels of financial instruments measured at fair value are defined as follows:

(A) LEVEL 1 FINANCIAL INSTRUMENTS
Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(B) LEVEL 2 FINANCIAL INSTRUMENTS
Observable data for the asset or liability other than quoted prices at Level 1, either directly (i.e. as price quotes) or indirectly (i.e. derived from price quotes).

(C) LEVEL 3 FINANCIAL INSTRUMENTS
Where one or more significant inputs are not based on observable market information, the instrument concerned is classified at Level 3.

The Group has no financial instruments measured at fair value at Levels 1 or 2. At 31 December 2023, additional purchase considerations are recognised at SEK 103,143 thousand (40,026), which are measured at fair value at Level 3. The fair value of the additional purchase considerations is determined by calculating discounted cash flows. The Group holds shares of insignificant value that are measured at fair value in Level 3. The cost is considered to be a good approximation of fair value.

No changes have taken place between the actual value levels.

Interest-bearing liabilities
The fair value of liabilities to credit institutions is estimated as equal to the carrying amount, as all borrowings are at variable interest rates and the credit risk in the Group has not changed significantly.

Note 5 Management of capital

The Group's objectives for capital structure are to safeguard the Group's ability to continue as a going concern so that it can continue to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital down.

To maintain or adjust the capital structure, the Group may change the dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities.

The Group assesses its capital on the basis of its debt/equity ratio. This key performance indicator is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including bank loans and finance lease liabilities) less cash and cash equivalents. Total capital is calculated as equity as per the consolidated balance sheet plus net debt.

The Group's strategy is to maintain a balanced capital structure where the debt/equity ratio is monitored on an ongoing basis with regard to the Group's need for capital. the debt/equity ratio at each balance sheet date was as follows:

SEK th.	31/12/2023	31/12/2022
Total borrowings (Note 27)	1,192,432	626,443
Less: Cash and cash equivalents (Note 25)	-167,285	-71,038
Net debt	**1,025,148**	**555,405**
Total equity	901,168	339,045
Total capital	**1,926,316**	**894,450**
Debt/equity ratio, %	**53%**	**62%**

The decrease in the debt/equity ratio in 2023 was attributable to profits earned and shareholder contributions.

SEK th.	<1 year	1–2 years	2–5 years	Total contractual cash flows	Carrying amount
Financial liabilities					
Liabilities to credit institutions	69,423	69,423	530,275	669,120	1,021,385
Lease liabilities	74,751	51,416	62,065	188,232	171,047
Trade payables	126,295	–	–	126,295	126,295
Other liabilities	–	–	–	–	–
31/12/2023	**270,469**	**120,839**	**592,340**	**983,647**	**1,318,727**
Financial liabilities					
Liabilities to credit institutions	203	1,326	531,576	533,105	546,052
Lease liabilities	35,430	40,732	9,452	85,615	80,390
Trade payables	68,916	–	–	68,916	68,932
Other liabilities	–	–	–	–	–
31/12/2022	**104,549**	**42,058**	**541,028**	**687,636**	**695,375**

Note 6 Significant estimates and judgements for accounting purposes

The Group makes estimates and assumptions about the future. The resulting estimates for accounting purposes will, by definition, rarely correspond to actual outcomes. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are summarised below.

(A) IMPAIRMENT TESTING OF GOODWILL
The Group tests goodwill for impairment annually or whenever there is an indication of impairment, in accordance with the accounting policies set out in Note 2. The recoverable amount for cash-generating units is established through value-in-use calculations. The calculation of value in use is based on estimated future cash flows before tax. The Group has judged that growth in sales, EBITDA, discount rate and long-term growth are the most significant assumptions in impairment testing. For more information, please see Note 16 Intangible assets.

(B) MEASUREMENT OF TAX LOSS CARRY-FORWARDS
The Group has recognised deferred tax assets relating to tax loss carry forwards. The tax loss carry-forwards are not subject to any final date for utilisation. Deferred tax assets are recognised only for loss carry-forwards for which it is likely that they can be offset against future taxable profits and against taxable temporary differences. As of 31 December 2023, the Group recognises deferred tax totalling SEK 3,465 thousand (1,206) that can be offset against future taxable profits.

C) CONTINGENT PURCHASE CONSIDERATION
Contingent purchase considerations are recognised as a liability at the estimated final figure.

Note 7 Segment information and disclosure of net sales

The Group's highest executive decision maker is the CEO, who uses EBITDA to assess the performance of the operating segments.

The Group's operations are managed and reported on the basis of the six operating segments:

1) Sweden:
The segment offers fire safety products and services, safety training, and first aid equipment to corporate customers in Sweden.

2) Finland:
The segment offers fire safety products and services, safety training, and first aid equipment to corporate customers in Finland.

3) Norway:
The segment offers fire safety products and services and safety training to corporate customers in Norway.

4) Denmark:
The segment offers first aid equipment to corporate customers in Denmark.

5) Germany:
The segment offers fire safety products and services to corporate customers in Germany.

6) Other:
The segment comprises direct sales of fire protection products from factory to retailers and end customers, mainly in the Nordic region.

Group, SEK th., 31/12/2023	Sweden	Finland	Norway	Denmark	Germany	Other	Total
Fire safety	799,093	155,416	98,270	–	197,553	86,232	1,336,564
Training	184,286	139,820	74,691	–	–	–	398,797
First aid	58,614	42,934	–	27,486	–	–	129,034
Other	132	6,632	-11	–	–	29	6,781
Total net sales	**1,042,124**	**344,801**	**172,950**	**27,486**	**197,553**	**86,261**	**1,871,175**
31/12/2022							
Fire safety	726,816	134,652	91,953	–	–	70,458	1,023,880
Training	170,852	136,341	13,056	–	–	–	320,249
First aid	9,190	–	–	–	–	–	9,190
Other	–	–	–	–	–	–	–
Total net sales	**906,859**	**270,993**	**105,009**	**–**	**–**	**70,458**	**1,353,319**

Note 7 (Continued)

The CEO uses EBITDA as a measure to assess the performance of the operating segments. Interest income and expenses are not allocated to the segments, as this type of business is managed by the central treasury function, which manages the Group's liquidity.

Inter-segment sales are conducted on market terms and eliminated on consolidation. The amounts presented to the CEO in respect of segment income are measured in a manner consistent with the financial statements.

Assets, breakdown by country

Non-current assets other than financial instruments and deferred tax assets per physical location are shown in the table below:

SEK th.	31/12/2023	31/12/2022
Sweden	749,081	550,041
Norway	140,273	73,205
Finland	315,983	254,469
Denmark	113,493	–
Germany	597,743	–
Total assets as per balance sheet	**1,916,573**	**877,714**

Note 8 Other operating income

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Bad debts recovered	10	5
Public support received	1,571	1,673
Lease income	–	91
Exchange rate differences	510	375
Capital gains	2,472	463
Other	11,922	1,200
Total other operating income	**16,485**	**3,807**

Note 9 Remuneration of auditors

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
PwC		
Audit services	1,554	1,090
Other services	–	–
Total	**1,554**	**1,090**
Other auditors		
Audit services	1,660	701
Tax advice	–	–
Other services	–	341
Total	**1,660**	**1,042**

Note 10 Remuneration of employees

Remuneration of employees

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Salaries and other remuneration (of which, profit shares)	3,252	2,779
Bonuses	–	–
Social security contributions	1,119	923
Pension expenses – defined contribution plans	470	471
Other expenses	–	–
Total, Board of Directors, CEO and other senior executives	**4,841**	**4,173**
Salaries and other remuneration (of which, profit shares)	511,298	399,239
Bonuses	1,590	118
Social security contributions	140,898	113,063
Pension expenses	47,462	42,337
Other expenses	8,017	7,355
Total, other employees	**709,265**	**562,112**
Group, total	**714,106**	**566,284**

Average number of employees

	2023		2022	
	Average number of employees	Of whom, men	Average number of employees	Of whom, men
Parent Company				
Sweden	–	0%	–	0%
Parent Company, total	**–**	**0%**	**–**	**0%**
Subsidiaries				
Sweden	666	80%	647	83%
Norway	79	81%	61	92%
Finland	152	70%	131	73%
Denmark	23	65%	–	–
Germany	462	76%	–	–
Subsidiaries, total	**1,382**	**77%**	**839**	**82%**
Group, total	**1,382**	**77%**	**839**	**82%**

Note 10 (Continued)

Gender representation, Board members and other senior executives

	2023		2022	
	Number at balance sheet date	Of whom, men	Number at balance sheet date	Of whom, men
Group				
Board members	14	86%	62	97%
CEO and other senior executives	14	93%	20	100%
Group, total	**28**	**90%**	**82**	**98%**

Guidelines

By resolution of the AGM, a fee of SEK 300,000 per year is paid to the Chairman of the Board of Directors and SEK 150,000 per year to other members, other than members who work for the Group's principal owner, in which case no Board fees are paid.

The Annual General Meeting has adopted the following remuneration guidelines. Remuneration to the CEO and other senior executives shall consist of basic salary, variable remuneration, other benefits, pension etc.

Pension benefits and other benefits to the CEO and other senior executives shall be paid as a constituent of total remuneration.

Defined-contribution pensions

The Group solely operates defined-contribution pension plans. Pension expense refers to the expense that was charged to profit for the year.

The retirement age for the CEO is 65 years. Pension premiums shall be based on 35 per cent of pensionable salary. Pensionable salary shall consist of basic salary plus an average of variable remuneration over the past three years.

No pension commitments have been entered into on behalf of Board members who are not permanently employed by any Group company.

Severance pay

No agreements have been made regarding severance pay for the CEO or other senior executives.

Note 11 Other operating expenses

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Exchange rate differences	-1,178	-46
Capital losses	-141	-30
Other	-2,551	-1,672
Total, other operating expenses	**-3,870**	**-1,747**

Note 12 Financial income and expenses

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Financial income		
Exchange rate differences	508	9,556
Interest income	2 995	881
Other financial income	-161	–
Total financial income	**3 342**	**10,437**
Financial expenses		
Exchange rate differences	-12 983	-1,170
Interest expenses	-57 912	-30,644
Other financial expenses	-13 116	–
Total financial expenses	**-84 011**	**-31,814**
Net financial items	**-80 668**	**-21,377**

Note 13 Income taxes

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Current tax for the year	-27,280	-20,492
Change in deferred tax	6,908	3,772
Tax on profit for the year	**-20,372**	**-16,720**

Income tax on the Group's profit before tax differs from the theoretical amount that would have resulted from applying the Swedish tax rate to the profit for the consolidated companies as follows:

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Pre-tax profit	63,300	82,016
Tax calculated according to tax rate in Sweden	-13,040	-16,895
Non-deductible expenses	-9,239	-7,538
Non-taxable income	1,336	5,857
Tax on profit for previous year	-340	-540
Tax effect on standard interest rate on tax allocation fund	–	1,270
Tax effect from unrecognised tax on tax losses	–	453
Effect of change in tax rate	-46	–
Tax effect of non-taxable income	650	–
Tax effect of temporary differences	-402	148
Effect of foreign tax rates	709	526
Adjustment of current tax relating to previous years	–	–
Other	–	–
Income taxes	**-20,372**	**-16,720**
Weighted average tax rate within Group:	-32,18%	-20,39%

Note 14 Exchange rate differences – net

Group, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Other operating income (Note 8)	510	375
Other operating expenses (Note 11)	-1,178	-46
Financial income (Note 12)	508	9,556
Financial expenses (Note 12)	-12,983	-1,170
Total exchange rate effects, net	**-13,143**	**8,715**

Note 15 Investments in subsidiaries

Name	Percentage of capital	Number of shares	Corp. id. no.	Registered office
Presto Group AB	100%	50,000	559160-1660	Stockholm

The Group company Presto Group AB in turn owns 100% of Presto AB.

Name	Corp. id. no.	Registered office
- Presto AB	556112-0584	Stockholm
- Presto Oy	0520704-3	Helsingfors
- Suomen Ensiapukoulutus Oy	2171281-6	Helsingfors
- Uudenmaan Koulutuskeskus Oy	2629271-8	Helsingfors
- Safedo Oyj	1979493-9	Kuopio
- Sammuntinhuolto Santtu Aitala Oy	2508230-5	Kouvola
- Presto AS	955037111	Oslo
- Human Verneservice AS	979962258	Sandefjord
- Trygg Kurs AS	987735155	Oslo
- Arcos AS	897079232	Tromsø
- Presto Försäljning AB	559312-1204	Katrineholm
- Säkerhetshuset AB	556537-0557	Katrineholm
- Dahl Medical AB	556482-6351	Stockholm
- STF Ingenjörsutbildning AB	556134-8946	Stockholm
- BFAB, Bygg och Fastighetssektorns Fortbildningsinstitut AB	556239-5508	Stockholm
- Presto GMBH	HRB130352	Frankfurt
- Presto Brandshutztechnik-Service GmbH	HRB41354	Köln
- Jockel Bramax GmbH	HRB9116	Gladbeck
- Öcontronic Steuer- und Meldegeräte GmbH	HRB4687	Ranstadt
- PlanTec GmbH	HRB41336	Friedberg
- Refisa rent-fire-safety GmbH	HRB14136	Augsburg
- Graul DST GmbH	HRB46889	Düsseldorf
- Presto Denmark AB	43920197	Köpenhamn
- First-8 ApS	37222070	Köpenhamn
- Safety Group ApS	31494362	Kalundborg
- Parat ApS	34883971	Billund

Note 16 Intangible non-current assets

Group, 31 December 2023, SEK th.	Capitalised development expenditure	Ongoing development work	Licences, patents and similar rights	Goodwill	Customer relationships	Technology	Trademarks	Other	Total
Opening balance, cost	38,500	–	85	610,117	137,689	2,365	6,951	–	795,707
Via acquisitions	10,698	–	3,279	639,082	189,471	–	29,746	1,621	873,897
Investments	1,623	830	–	–	–	–	–	76	2,529
Reclassifications	–	–	2,365	–	–	-2,365	–	–	–
Translation differences	-488	–	138	1,955	-4,920	–	-476	1,692	-2,099
Closing balance, cost	50,333	830	5,867	1,251,154	322,240	–	36,221	3,389	1,670,034
Opening balance, depreciation and amortisation	-8,327	–	-30	–	-32,975	-1,025	-1,063	–	-43,420
Depreciation and amortisation for the year	-14,811	–	-1,022	–	-28,658	–	-3 457	-376	-48,324
Reclassifications	–	–	-1,025	–	–	1,025	–	–	–
Translation differences	-1,438	–	10	–	-648	–	-57	-325	-2,458
Closing balance, depreciation and amortisation	**-24,576**	**–**	**-2,067**	**–**	**-62,281**	**–**	**-4,577**	**-701**	**-94,202**
Closing balance, net carrying amount	**25,757**	**830**	**3,800**	**1,251,154**	**259,959**	**–**	**31,644**	**2,688**	**1,575,832**

Group, 31 December 2022, SEK th.	Capitalised development expenditure	Ongoing development work	Licences, patents and similar rights	Goodwill	Customer relationships	Technology	Trademarks	Other	Total
Opening balance, cost	11,456	6,991	609	501,892	111,603	2,365	2,672	–	637,589
Via acquisitions	11,974	–	58	103,090	26,086	–	4,280	–	145,488
Investments	1,279	5,354	–	–	–	–	–	–	6,634
Reclassifications	13,027	-12,345	-587	–	–	–	–	–	95
Translation differences	764	–	5	5,134	–	–	–	–	5,902
Closing balance, cost	**38,500**	**–**	**85**	**610,117**	**137,689**	**2,365**	**6,951**		**795,708**
Opening balance, depreciation and amortisation	-4,192	–	-31	–	-15,335	-552	-184	–	-20,294
Depreciation and amortisation for the year	-3,936	–	-23	–	-18,108	-473	-967	–	-23,506
Reclassifications	-26	–	26	–	–	–	–	–	–
Translation differences	-173	–	-2	–	467	–	88	–	380
Closing balance, depreciation and amortisation	**-8,327**	**–**	**-30**	**–**	**-32,976**	**-1,025**	**-1,063**	–	**-43,420**
Closing balance, net carrying amount	**30,174**	**–**	**56**	**610,117**	**104,713**	**1,340**	**5,888**	–	**752,287**

Note 16 (Continued)

Impairment testing of goodwill
The CEO monitors operational performance based on the Group's four operating segments: Sweden, Norway, Finland, Denmark and Germany. Goodwill is monitored at operating segment level. In impairment testing, goodwill is allocated to each operating segment.

31/12/2023	Sweden	Norway	Finland	Denmark	Germany	Total
Goodwill	443,723	95,397	248,286	92,390	371,360	**1,251,155**

The recoverable amount for goodwill has been determined based on value-in-use calculations. The Group has judged that growth in sales, EBITDA, discount rate and long-term growth are the most significant assumptions in impairment testing. Value-in-use calculations are based on estimated future pre-tax cash flows in turn based on financial budgets approved by Management covering a five-year period. Calculations are based on Group Management's experience and historical data. The long-term sustainable growth rate for the operating segments has been assessed on the basis of industry forecasts.

For each of the above operating segments to which a significant amount has been allocated for goodwill, the key assumptions – long-term growth rate and discount rate used to calculate the value in use – are set out below.

Key assumptions used to calculate value in use:

	31/12/2023
Pre-tax discount rate (varies slightly between different cash-generating units)	8-9%
Long-term growth rate	2%

Management has determined the values assigned to each of the above key assumptions as follows:

Long-term growth rate: This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The growth rate is in line with the forecasts included in the sectoral reports.

Pre-tax discount rate: Reflects specific risks attributable to the segments concerned, and the countries in which they operate.

Sensitivity analysis, goodwill:
The recoverable amount exceeds the carrying amount for goodwill by a margin. This also applies to assumptions that:
- the pre-tax discount rate was 2 percentage points higher,
- the estimated growth rate to extrapolate cash flows beyond the five-year period was 1 percentage point lower.

The most significant assumptions, apart from the discount rate and long-term growth, are EBITDA margin and sales growth. Any change in these two assumptions, separately, by 2 and 3 percentage points would not result in an impairment.

Note 17 Property, plant and equipment

31/12/2023	Buildings and land	Machinery and other technical equipment	Total
Opening balance, cost	30,786	73,106	103,892
Purchases	–	20,760	20,760
Sales and retirements	–	-1,693	-1,693
Increase through business combinations	107,728	57,798	165,526
Reclassifications	–	283	283
Exchange rate differences	-3,602	–	-3,602
Closing balance, accumulated cost	**134,912**	**150,254**	**285,166**
Opening balance, depreciation and amortisation	-3,310	-50,921	-54,231
Disposals and retirements	–	–	–
Increase through business combinations	-12,044	-28,244	-40,288
Depreciation and amortisation for the year	-3,180	-14,497	-17,677
Reclassifications		-764	-764
Exchange rate differences	487	-351	136
Closing balance, accumulated depreciation	**-18,047**	**-94,777**	**-112,824**
Closing balance, carrying amount	**116,865**	**55,477**	**172,342**

31/12/2022	Buildings and land	Machinery and other technical equipment	Total
Opening balance, cost	30,838	59,682	90,520
Purchases	–	5,397	5,397
Sales and retirements	–	-417	-417
Increase through business combinations	–	8,926	8,926
Reclassifications	-64	-1,636	-1,700
Exchange rate differences	11	1,154	1,165
Closing balance, accumulated cost	**30,786**	**73,106**	**103,892**
Opening balance, depreciation and amortisation	-2,329	-46,596	-48,925
Disposals and retirements	–	43	43
Increase through business combinations	–	44	44
Depreciation and amortisation for the year	-977	-4,812	-5,789
Reclassifications	–	956	957
Exchange rate differences	-4	-558	-562
Closing balance, accumulated depreciation	**-3,310**	**-50,922**	**-54,232**
Closing balance, carrying amount	**27,475**	**22,185**	**49,660**

Note 18 Right-of-use assets

Amortisation of right-of-use assets

Group, SEK th.	31/12/2023	31/12/2022
Buildings	-28,802	-25,731
Inventories, tools and installations	-484	-294
Cars	-13,763	-14,711
Total	**-43,049**	**-40,736**

The following amounts attributable to leases are recognised in the income statement:

Group, SEK th.	31/12/2023	31/12/2022
Interest expenses (included in financial expenses)	-5,581	-3,665
Expenses attributable to short-term and low-value leases (included in other external expenses)	-4,545	-2,697
Expenses attributable to variable lease payments not included in lease liabilities (included in other external expenses)	-15,129	-6,089

The total cash flow attributable to leases amounted to SEK 50,103 thousand (44,918).

Rights of use acquired in 2023 amounted to SEK 102,499 thousand (10,076).

A maturity analysis of lease liabilities is presented in Note 5.

Right-of-use assets

SEK th.	31/12/2023	31/12/2022
Buildings	100,713	48,890
Inventories, tools and installations	1,719	1,052
Cars	65,963	25,824
Total	**168,396**	**75,766**

Lease liabilities

SEK th.	31/12/2023	31/12/2022
Current	71,726	33,114
Non-current	99,320	47,277
Total	**171,047**	**80,390**

Note 19 Other non-current holdings of securities

Right-of-use assets

SEK th.	31/12/2023	31/12/2022
Participations in other enterprises	45	22
Other non-current receivables	4,247	690
Total	**4,292**	**712**

Cost is regarded as a good approximation of fair value.

Note 20 Financial instruments by category

Financial assets measured at amortised cost

Group, SEK th.	31/12/2023	31/12/2022
Trade receivables	352,347	195,046
Cash and cash equivalents	167,285	71,038
Total	**519,631**	**266,084**

Financial liabilities measured at amortised cost

Group, SEK th.	31/12/2023	31/12/2022
Liabilities to credit institutions	1,021,385	546,052
Trade payables	126,295	68,932
Other current liabilities	142,031	54,582
Total	**1,289,712**	**669,566**

Note 21 Deferred tax

Group, SEK th.	31/12/2023	31/12/2022
Deferred tax liabilities		
Business combinations	84,391	26,881
Total deferred tax liabilities	**84,391**	**26,881**
Deferred tax assets		
Right-of-use assets	–	–
Business combinations	3,464	1,206
Total deferred tax assets	**3,464**	**1,206**
Deferred tax liabilities, net	**-80,927**	**-25,675**

Breakdown of deferred taxes:

Group, SEK th.	01/01/2023–31/12/2023	01/01/2022–31/12/2022
Deferred tax liabilities to be utilised after more than 12 months	84,391	26,881
Total deferred tax liabilities	**84,391**	**26,881**
Deferred tax assets to be utilised within 12 months	3,464	1,206
Total deferred tax assets	**3,464**	**1,206**

Deferred tax liabilities

Group, SEK th.	Business combina-tions	Rightof-use-assets liabilities	Other	Total
31/12/2022	**26,880**	**–**	**–**	**26,880**
Recognised in the income statement	6,233	–	–	6,233
Via business combinations	51,278	–	–	51,278
31/12/2023	**84,391**	**–**	**–**	**84,391**

Deferred tax assets

Group, SEK th.	Business combina-tions	Lease Liabilities	Other	Total
31/12/2022	**-201**	**1,025**	**382**	**1,206**
Recognised in the income statement	46	-402	1,030	675
Via business combinations	–	–	1,584	1,584
31/12/2023	**-154**	**623**	**2,996**	**3,464**

Note 22 Inventory

Book value of inventory

Group, SEK th.	31/12/2023	31/12/2022
Raw materials and supplies	152,708	95,891
Work in progress	28	2
Finished goods	13,934	17,197
Contract work in progress	201,478	-51
Total book value	**368,148**	**113,040**

During the 2023 financial year, costs of goods totalling SEK 425,350 thousand (314,895) were recognised in the income statement under the heading Goods and services.

Impairment of the inventory to the net realisable value totalled SEK 979 thousand (1,494).

The impairment is recognised in the income statement under the heading goods for resale and services.

Note 23 Trade receivables

Group, SEK th.	31/12/2023	31/12/2022
Trade receivables	361,270	198,995
credit losses	-8,923	-3,948
Trade receivables – net	**352,347**	**195,046**

Trade receivables, by currency

Group, SEK th.	31/12/2023	31/12/2022
SEK	192,230	192,520
EUR	144,775	3,158
NOK	19,061	3,317
DKK	5,205	–
	361,270	**198,995**

Note 24 Prepaid expenses and accrued income

Group, SEK th.	31/12/2023	31/12/2022
Prepaid rent	893	905
Prepaid lease charges	191	855
Prepaid insurance	625	769
Accrued income	142	751
Other items	38,935	16,250
Total prepaid expenses and accrued income	**40,787**	**19,530**

Note 25 Cash and cash equivalents

Group, SEK th.	31/12/2023	31/12/2022
Cash and bank deposits	167,285	71,038
Short-term deposits in banks	–	–
Total cash and cash equivalents on the balance sheet	**167,285**	**71,038**

Note 26 Share capital and other contributed capital

	Number of ordinary shares (thousands)	Quota value	Number of redeemable preference shares (thousands)	Quota value	Share capital	Other contributed capital (thousands)	Total
Closing balance, 31/12/2021	**105,466**		**114,948**		**1,568**	**261,427**	**262,996**
New share issue	2,134		1,590		27	17,015	**17,042**
Closing balance, 31/12/2022	**107,601**		**116,538**		**1,595**	**278,442**	**280,038**
New share issue	23,316	0,01	28,497	0,01	369	519,629	**519,997**
Unregistered new share issue	–		–		–	13,028	**13,028**
Transaction with owners	–		–		–	–	**–**
Closing balance, 31/12/2023	**130,917**		**145,036**		**1,964**	**811,098**	**813,063**

On 31 December 2023, the share capital comprised 145,035,705 preference shares with a quota value of SEK 0.0135 and 130,917,026 ordinary shares with a quota value of SEK 0.0150.

Ordinary shares and preference shares each carry an entitlement to 1 vote.

The number of shares shall be no less than 200,000,000. and no more than 800,000,000 shares.

The share capital may be no less than SEK 1,000 thousand and no more than SEK 4,000 thousand.

Other contributed capital of SEK 811,098 thousand (278,442) consists of the share premium reserve and proceeds from share issues.

Retained earnings, including profit of SEK 111,539 thousand (69,272) for the year, comprise accumulated profit.

Note 27 Borrowing

Group, SEK th.	31/12/2023	31/12/2022
Long-term		
Bank loans	1,021,385	546,052
Lease liabilities	99,320	47,277
	1,120,705	**593,329**

Group, SEK th.	31/12/2023	31/12/2022
Short-term		
Bank loans	–	–
Lease liabilities	71,726	33,114
	71,726	**33,114**
Total borrowing	**1,192,431**	**626,443**

Conditions

The loans are conditional on the Group meeting certain measures regarding indebtedness in relation to EBITDA and interest expense in relation to EBITDA. All conditions were met during the year.

For liabilities to credit institutions, collateral has been provided in the form of share pledges and floating charges.

For further information, please see Note 34.

Note 28 Other current liabilities

Group, SEK th.	31/12/2023	31/12/2022
VAT liability	34,691	27,077
Personnel-related liabilities	28,157	21,175
Other	75,881	3,885
Total other current liabilities	**138,729**	**52,137**

Note 29 Accrued expenses and deferred income

Group, SEK th.	31/12/2023	31/12/2022
Accrued salaries	21,631	18,367
Accrued holiday pay	64,248	50,627
Accrued social security contributions	42,909	40,527
Accrued interest	–	278
Deferred income	–	1,221
Other	265,993	42,827
Total accrued expenses and deferred income	**394,781**	**153,847**

Note 30 Statement of cash flows

Group, SEK th.	31/12/2023	31/12/2022
Depreciation, amortisation and impairment	96,823	71,679
Unrealised exchange rate differences	–	–
Interest	–	–
Capital gain on sale of property, plant and equipment	–	513
Acquisition-related transactions	-15,519	-32,573
Change in deferred tax due to change in accounting policy	–	–
Other	25,102	-712
	106,406	**38,907**

Interest	31/12/2023	31/12/2022
Interest received	2,280	881
Interest paid	-57,483	-30,644
	-55,203	**-29,763**

Note 31 Changes in liabilities related to financing activities

				Non-cash items		
Group, SEK th.	**01/01/2023**	**Cash inflow**	**Cash outflow**	**Additional leases**	**Other changes**	**31/12/2023**
Liabilities to credit institutions	546,052	1,082,335	-721,949	–	114,947	1,021,385
Lease liability	116,209	–	-44,522	102,499	-3,139	171,046
Closing balance, cost	**662,261**	**1,082,335**	**-766,471**	**102,499**	**111,808**	**1,192,431**

				Non-cash items		
Group, SEK th.	**01/01/2022**	**Cash inflow**	**Cash outflow**	**Additional leases**	**Other changes**	**31/12/2022**
Liabilities to credit institutions	497,954	55,776	-23,725	–	16,048	546,052
Lease liability	130,582	–	-41,756	10,076	17,307	116,209
Closing balance, cost	**628,535**	**55,776**	**-65,481**	**10,076**	**33,355**	**662,261**

Note 32 Related-party transactions

Related parties are Adelis Equity Partners, all subsidiaries within the Group, as well as senior executives of the Group and their related parties. Disclosures regarding remuneration to the senior executives of the Group are provided in Note 10. During the year, Adelis invoiced SEK 500 thousand in management fees to Presto Group AB. Otherwise, there have been no related party transactions..

Note 33 Acquisitions

In 2023, the Group expanded into two new geographical markets, Denmark and Germany. In Denmark, three businesses in first aid and safety training have been acquired: First-8 (March), SafetyGroup (October) and Parat (December). Together, these businesses will form the platform enabling Presto to establish operations in Denmark. Fire protection services are also offered to the market.

In September, the Group took an important step into Europe through the acquisition of Jockel Brandschutztechnik-Service GmbH in September. Jockel is a leading player in Germany's fire protection market, offering a comprehensive range of fire protection products and services.

Details of the purchase consideration paid and net assets acquired are shown in the table below:

Group, SEK th.	2023
Purchase consideration paid	
– Paid in cash	956,702
– Acquisition debt	81,701
Total purchase consideration paid	1,038,403
Fair value of net assets acquired	439,321
Goodwill	599,082

The assets and liabilities arising from the acquisition are as follows:

SEK th.	Fair value	Carrying amount acquired
Cash and cash equivalents	107,041	107,041
Intangible non-current assets	29,119	5,033
Customer contracts and customer relationships	135,998	–
Property, plant and equipment	108,881	89,830
Inventory	259,285	259,285
Trade and other receivables	214,826	214,826
Borrowing	-42,472	-42,472
Deferred tax liabilities, net	–	–
Trade and other payables	-375,573	-375,573
Fair value of net assets	**439,321**	**260,186**
Goodwill	599,082	
Total purchase consideration paid	**1,038,403**	
Purchase consideration settled in cash	956,702	
Cash and cash equivalents in subsidiaries	-109,654	
Change in the Group's cash and cash equivalents on acquisition	**847,048**	

Income and profit in acquired businesses

The acquisitions contributed income of SEK 343,346 thousand (60,585) and a net profit of SEK 17,167 thousand (3,399) to the Group.

If the acquisitions had been completed on 1 January 2023, the consolidated pro forma figures for income and profit on 31 December 2023 are SEK 1,108,817 thousand (101,267) and SEK 62,370 thousand (9,227) respectively.

Acquisition-related costs

Acquisition-related costs of SEK 15,519 thousand (-1,747), which were not directly attributable to the share issue, are included under other external costs in the income statement and under operating activities in the statement of cash flows.

Note 34 Pledged assets

Group, SEK th.	31/12/2023	31/12/2022
For own liabilities and provisions:		
Property mortgages	2,500	2,500
Floating charges	20,000	20,585
Shares in subsidiaries	525,048	386,037
Bank balances	–	–
Total	**547,548**	**409,122**

Note 35 Contingent liabilities

Group, SEK th.	31/12/2023	31/12/2022
Warranties	10,827	290
Provisions for pensions	2,698	–
Other	129	6,568
Total	**13,653**	**6,858**

Note 36 Post balance sheet events

Sileda IV Group Holding AB has divested its holding mainly of FCV Presto HDV AB, a fund controlled by Adelis Equity Partners, which remains the principal shareholder.

Parent Company income statement

SEK th.	Note	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Operating income			
Operating expenses			
Other external expenses		-48	-296
Employee benefits	38	-993	-792
Total operating expenses		**-1,041**	**-1,088**
Operating profit / loss		**-1,041**	**-1,088**
Other interest income and similar profit (loss) items		10	–
Result from financial items		**10**	**–**
Appropriations			
Group contributions received		1,041	1,087
Profit/Loss before tax	39	**10**	**–**
Profit / Loss for the year		**10**	**–**

In the Parent Company, no items are recognised as other comprehensive income, and so total comprehensive income for the period is equal to income for the period.

Parent Company balance sheet

SEK th.	Note	31/12/2023	31/12/2022
ASSETS			
Financial assets			
Participations in group companies	40	911,301	389,396
Total financial assets		**911,301**	**389,396**
Total fixed assets		**911,301**	**389,396**
Current assets			
Current receivables			
Receivables from group companies		2,842	1,411
Prepaid expenses and deferred income	41	44	41
Total current receivables		**2,886**	**1,452**
Cash and cash equivalents		13,635	3,540
Total current assets		**16,521**	**4,993**
TOTAL ASSETS		**927,822**	**394,388**
EQUITY AND LIABILITIES			
Equity	42		
Restricted equity			
Share capital		1,964	1,595
New share issue in progress		17	–
Total restricted equity		**1,981**	**1,595**
Non-restricted equiy			
Unregistered new share issue		13,010	–
Share premium reserve		798,071	278,441
Retained earnings		113,726	113,726
Profit (loss) for the year		10	–
Total non-restricted equity		**924,817**	**392,167**
Total equity, Group		**926,798**	**393,762**
LIABILITIES			
Current liabilities			
Other current liabilities		100	-100
Accrued expenses and deferres income	43	924	726
Total current liabilities		**1,024**	**626**
TOTAL EQUITY AND LIABILITIES		**927,822**	**394,388**

Parent Company statement of changes in equity

SEK th.	Note	Share capital	Unregis-tered share capital	Premium fund	Retained earnings	This year's results	Total equity
Opening balance equity 2022-01-01		**1,568**	**901**	**260,526**	**-1,274**	**115,000**	**376,721**
New share issue		27	-901	17,916	–	–	17,042
Disposition according to the annual general meeting		–	–	–	115,000	-115,000	–
This year's results		–	–	–	–	–	–
Closing balance equity 2022-12-31		**1,595**	**–**	**278,442**	**113,726**	**–**	**393,763**
Opening balance equity 2023-01-01		**1,595**	**–**	**278,442**	**113,726**	**–**	**393,763**
New share issue		369	–	519,629	–	–	519,997
Non-registered new share issue		–	17	13,010	–	–	13,028
Disposition according to the annual general meeting		–	–	–	–	–	–
This year's results		–	–	–	–	10	10
Closing balance equity 2023-12-31		**1,964**	**17**	**811,081**	**113,726**	**10**	**926,798**

Parent Company statement of cash flows

SEK th.	Note	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Cash flow from operating activities			
Profit after financial items		-1,031	-1,088
Adjustment for items not included in cash flow			
Tax paid		–	–
Cash flow from operating activities before change in working capital		**-1,031**	**-1,088**
Changes in working capital			
Increase/decrease in other current receivables		-392	-1,112
Increase/decrease in other current liabilities		898	257
Total change in working capital		**-525**	**-1,942**
Cash flow from operating activities			
Cash flow from investing activities			
Investments in subsidiaries		-501,068	-22,963
Cash flow from investing activities		**-486,454**	**-22,963**
Cash flow from financing activities			
New share issue, net after expenses		505,688	18,128
Borrowings		5,999	–
Cash flow from financing activities		**496,683**	**18,128**
Cash flow for the period		**10,094**	**-6,777**
Cash and cash equivalents at beginning of the period		3,540	10,317
Cash and cash equivalents at end of period		**13,635**	**3,540**

Notes to the financial statements

Note 37 Parent Company accounting policies

The principal accounting policies applied in the preparation of these annual accounts are set out below. Unless otherwise indicated, these policies have been applied consistently for all the years presented.

The Parent Company's annual accounts have been prepared in accordance with *RFR 2 Accounting for Legal Entities* and the Swedish Annual Accounts Act. Where the Parent Company applies accounting policies other than the Group's accounting policies, as described in Note 2 to the consolidated accounts, they are set out below.

The Parent Company applies different accounting policies to those of the Group in the cases described below:

FORMATS OF ACCOUNTS

The formats used in preparation of the income statement and balance accord with those of the Swedish Annual Accounts Act. The format for Statement of changes in equity accords with that of the Group but includes the columns specified in the Annual Accounts Act. It also involves a difference in headings, compared with the consolidated accounts, primarily regarding financial income and expenses, and equity.

PARTICIPATIONS IN SUBSIDIARIES

Participations in subsidiaries are recognised at cost less any impairment losses. Cost includes acquisition-related expenses and any additional purchase considerations. When there is an indication of any impairment of participations in subsidiaries, the recoverable amount is calculated. If this is lower than the carrying amount, an impairment loss is recognised. Impairment losses are recognised under the heading "Result from participations in Group companies".

SHAREHOLDER CONTRIBUTIONS AND GROUP CONTRIBUTIONS

Group contributions from the Parent Company to subsidiaries and Group contributions received by the Parent Company from subsidiaries are recognised as appropriations in the income statement. Shareholder contributions are recognised in the Parent Company as an increase in the carrying amount of the participation and in the recipient company as an increase in equity.

OPERATING LEASES

The Parent Company has opted not to apply IFRS 16 Leases, but instead applies the exemption provided in RFR 2. All leases are recognised as operating leases, regardless of whether they are financial or operating leases. The lease charge is recognised as an expense on a straight-line basis over the lease term.

FINANCIAL INSTRUMENTS

The Parent Company does not apply IFRS 9. Instead, the Parent Company applies the provisions of RFR 2 (IFRS 9 Financial Instruments, pp. 3–10).

Financial instruments are initially measured at cost. In subsequent periods, financial assets acquired with the intention of being held in the short term will be recognised in accordance with the lowest value principle, at cost or market, whichever is the lower.

When calculating the net realisable value of receivables recognised as current assets, the principles for impairment testing and loss allowance set out in IFRS 9 are to be applied. In the case of receivables recognised at amortised cost at Group level, this means that the provision for loss recognised in the Group in accordance with IFRS 9 is also to be recognised in the Parent Company.

Note 38 Remuneration of employees

Remuneration of employees

Parent Company, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Salaries and other remuneration (of which, profit shares)	788	616
Social security contributions	206	176
Total, Board of Directors, CEO and other senior executives	**994**	**792**
Parent Company, total	**994**	**792**

The Parent Company has no employees.

Gender representation, Board members and other senior executives

	2023		2022	
	Number at balance sheet date	Of whom, men	Number at balance sheet date	Of whom, men
Parent Company				
Board members	5	80%	6	83%
CEO and other senior executives	–	–	–	–
Parent Company, total	**5**	**80%**	**6**	**83%**

Note 39 Tax on profit for the year

Parent Company, SEK th.	01/01/2023 31/12/2023	01/01/2022 31/12/2022
Pre-tax profit	10	–
Tax calculated according to tax rate in Sweden	-2	–
Non-taxable income	–	–
Tax effect from unrecognised tax on tax losses	-8	–
Tax on profit for the year	**–**	**–**

Unutilised loss carry-forwards for which no deferred tax asset has been recognised amount to SEK 1,274 thousand.

Note 40 Participations in Group companies

Name	Corporate identification number	Registered office	Percentage of capital	Number of shares
Presto Group AB	559160-1660	Stockholm	100%	100

Parent Company, SEK th.	31/12/2023	31/12/2022
Opening balance, cost	389,396	366,432
Shareholder contributions	521,905	22,963
Closing balance, carrying amount	**911,301**	**389,396**

Note 41 Prepaid expenses and accrued income

Parent Company, SEK th.	31/12/2023	31/12/2022
Other items	44	41
Total prepaid expenses and accrued income	**44**	**41**

Note 42 Share capital

Please see Note 26 in the Notes to the consolidated accounts.

Note 43 Accrued expenses and deferred income

Parent Company, SEK th.	31/12/2023	31/12/2022
Accrued salaries	700	550
Accrued social security contributions	224	176
Accrued expenses and deferred income	**924**	**726**

Note 44 Related-party transactions

There were no related party transactions during the year.

Note 45 Post balance sheet events

See Note 36.

Note 46 Proposed appropriation of unappropriated profits

Funds available for appropriation by the Annual General Meeting:	
Retained earnings	113,725,772
Share premium reserve	811,080,476
Profit for the year	10,388
Total	**924,816,637**
The Board of Directors proposes that the profit be appropriated as follows:	
To be carried forward	924,816,637
Total	**924,816,637**

Signatures

The Board of Directors and the Chief Executive Officer hereby certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and give a true and fair view of the Group's financial position and performance.

The annual accounts have been prepared in accordance with generally accepted accounting principles and give a true and fair view of the Parent Company's position and results.

The Management Report for the Group and the Parent Company provides a true and fair view of the development of the Group's and the Parent Company's operations, position and results, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm 26 April 2024

Patrik Hofbauer
Chairman

Gina Azaric
Board Member

Erik Hallert
Board Member

Eckhard Karl Heinrich Cordes
Board Member

Dimitri Yakupov
Board Member

Our Audit Report was presented

PricewaterhouseCoopers AB

Nicklas Kullberg
Authorised Public Accountant

Saving lives, together

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