Annual report 2024

SELVAAG BOLIG

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ABOUT SELVAAG BOLIG

ORGANISATION AND BUSINESS DESCRIPTION

A LEADING HOUSING AND URBAN DEVELOPER

Selvaag Bolig ASA is a residential development company that manages the entire value chain from acquisition of land to completed residential and urban areas. The company represents a continuation of Selvaag's more than 75-year history and experience and has several thousand homes under development in growth areas in and around the largest cities in Norway and Sweden. Selvaag Bolig offers a broad variety of housing types, including the lifestyle concept Selvaag Pluss®, which features homes with shared spaces and services.

Our vision: **We make cities better.**

Selvaag Bolig is a safe and secure partner for our customers' most important investment. Our customers say that choosing us is choosing expertise, seriousness and high ambitions.

We like to call ourselves housing specialists – building over 60 000 homes does something to you.

Since the very beginning, Selvaag and all of us who work in Selvaag Bolig have loved smart solutions. We have challenged the authorities and the industry itself about what is possible to build, and we continue to do so. Every day we are working to develop homes, neighbourhoods and solutions that simplify people's lives. We make sure that long-lasting and sensible projects are built in areas where they are needed, in growing cities. That is sustainability in action.

No project is too big or too complex for us. At Løren in Oslo, we transformed a shuttered military camp to become an entire new neighbourhood. At Kaldnes in Tønsberg, a dead industrial zone got a new life as a new and vibrant residential area. At Fornebu, a new city will emerge where an airport once stood. When we create the cities of the future, it is our task to ensure that people's homes and neighbourhoods create a secure setting for a good life. Our long history as the homebuilder for the people gives us a responsibility. We build housing that is highly needed, at a price most people can afford.

Everything we do is carefully contemplated, down to the smallest details.

WE ARE READY FOR GROWTH

LETTER FROM THE CEO

The entire new home industry has experienced falling profitability and lower order backlogs in recent years, and at the end of 2024 home construction in Norway was at the lowest level since 1946. Selvaag Bolig has, however, done well during the tough times and is now preparing for growth.

In a market characterised by higher costs, lower purchasing power and poor framework conditions for housing investments, we have delivered positive results, managed to avoid losing key competence and succeeded in starting construction on new, profitable projects. Several successful sales and construction starts enabled us to increase the number of homes under construction during the year and we ended the year with 829 units under construction with a combined sales value of NOK 6.1 billion.

Trend shift in the housing market?

There are several indications that the downturn is over. In 2024 we sold 230 more units with a value that was NOK 1.8 billion higher than in 2023. And sales in the fourth quarter of 2024 alone were twice as good as the same period of 2023. Better sales have allowed us to successfully increase the number of units under construction significantly. We now have a solid order backlog which we are planning to increase further going forward. We have good reasons to be optimistic now that the equity requirements in the Norwegian Mortgage Lending Regulations have been eased, and interest rate cuts and wage growth have been predicted. At the same time, we know that housing needs are high because of low home construction over time. The coming years could therefore give good sales and increased activity. We are ready to meet this with over 400 units for sales in solid projects in the right locations, and are planning sales launches for several of our major new projects in the years ahead.

During the year we reached agreements for new land plots for 880 units in Greater Oslo, Bergen and Stockholm. We believe that there are opportunities to purchase good land plots now, and we are working on further investments. That will strengthen our already solid land bank and give us more projects going forward. Our focus, when the housing normalises in both Norway and Sweden, will be to raise our production volumes. We have both the key personnel, land bank, financial muscles and the products needed to achieve this.

New forms of housing are increasingly important

One of the reasons that Selvaag Bolig has managed well through downturns is that we have products that stand out from the rest of the market, especially the lifestyle concept Selvaag Pluss. Demand for Selvaag Pluss is high, a concept of homes with access to exclusive, staffed common areas and service offerings, and such offerings make up a rising share of our portfolio. Our experience is that the concept meets the municipalities' wishes for housing projects which cover many more interests and needs than before, including stricter requirements for climate and the environment, social housing models and living forms that facilitate a simpler life for people of all ages and life situations. In addition, the concept fills home buyers wish for homes that are more than four walls and a roof, facilitating a simpler and more inclusive everyday life.

Both customer satisfaction surveys and evaluations of the concept confirm that residents in Selvaag Pluss are more satisfied than residents of standard housing projects. They experience better quality of life, reduced loneliness, and older residents are able to stay longer in their own homes. So far, we have built and developed more than 2 000 homes across 15 projects since 2004, and Selvaag Pluss will be an important and growing part of our offering going forward. Interest in the concept is increasing from both home buyers and municipalities. Thus Selvaag Pluss is steadily becoming a larger part of our product offering. We now have about

3 000 such homes under development within our new projects. At the same time, we are continuously refining the concept, both when it comes to the service offering and for the flats themselves, making it accessible to more people, both in existing and new development areas. An example of this is the compact flat concept Selvaag City, which is based on Selvaag Pluss, but has more small flats with lower unit prices, and Selvaag Nabolag (Neighbourhood) which offers staffed meeting places, arrangements and services to entire housing areas.

Increased environmental efforts

Our other ESG efforts continued unabated in 2024. We are working with a full focus on reducing negative impacts on climate and the environment, and contributing in a positive manner whenever possible. In addition, we are strengthening our efforts to ensure good social conditions in our entire value chain. One prerequisite to achieve this is that we have good routines, management systems and access to correct data. We have a solid basis in data in all our projects and we have defined our level of ambition when it comes to reducing carbon emissions and climate risk.

We conduct a carbon footprint assessment for all our projects, and check that all our large suppliers have decent working conditions and human rights. As part of our ESG work we have changed our routines and require our entire supplier chain to meet requirements regarding both climate impact and human rights. The sustainability information in this annual report follows the Global Reporting Initiative (GRI), and follows the same principles as the 2023 annual report.

Co-ownership is profitable

At the same time as a home purchase from Selvaag Bolig is a safe and good investment, another important parameter for success is that we have satisfied customers and engaged employees. We are thus very pleased to see that this year’s customer satisfaction survey showed high satisfaction and that our employees greatly enjoy their jobs. Selvaag Bolig made it through the year without significant staffing changes, and the year’s employee satisfaction survey “Great Place to Work” showed that Selvaag Bolig is still one of Norway’s best workplaces.

In addition to a strong professional and social environment and competitive salary conditions, I believe that co-ownership contributes to having employees who go the extra mile. We have share programmes which stimulate to broad and long-term ownership, and give all the employees the opportunity to participate directly in the company’s value creation. Around 60 per cent of us are now shareholders in Selvaag Bolig and at the end of 2024 we own shares valued at nearly NOK 109 million in total. So far that has been not only profitable for the participating colleagues, but has without a doubt also strengthened engagement and loyalty. I believe that a company that is both competent and profitable, with satisfied colleagues, will deliver good returns in both good and difficult times. In 2023 and 2024, which both were challenging years, shareholder returns (Total Swap Return) were 12.6% and 12.0%, respectively, which we are very satisfied with in today’s market. Long-term ownership in Selvaag Bolig has been profitable.

Our goal is that it should be profitable to work for us, to invest in our company and to be a homeowner in a Selvaag Bolig property. All signs indicate that we will achieve that going forward.

Sverre Molvik
President and CEO

Key figures 2024:

Operating revenues IFRS (NOK million)	1 971
Operating profit (NOK million)	198
Pre-tax profit (NOK million)	209
Units sold (Selvaag Bolig's share)	568
Net sales value (NOK million)	3 673
Number of construction starts	559
Number of units delivered	532
Number of units completed	514
Number of units under construction	829
Number of employees	83
Turnover	12.8 %
Sickness absence	3.0 %
Equal opportunities on the board (shareholder-elected board members)	40% females, 60% males
Calculated CO_2-intensity total (tCO_{2e})	10 948
Calculated emissions per m^2 GFA* completed units ($kgCO_2e$)**	179.25

*Gross floor area (GFA) is a measure of the total gross area of the home and includes the external walls.

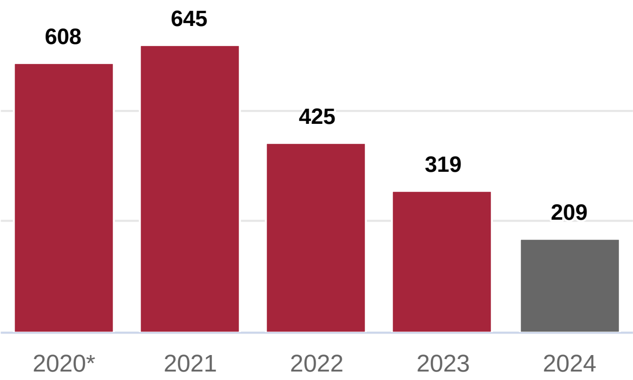
** Kilograms of CO_2-equivalents ($kgCO_2e$) per gross floor area (GFA). Conversion of climate gasses to CO_2-equivalents is performed by multiplying the number of tonnes of each individual gas by the global warming potential (GWP) of each gas. That is the global warming potential in a 100-year time horizon. The cellar and foundation are included.

The greenhouse gas calculation is carried out for a calculation period of 50 years for the building. This period is used for climate gas calculations in most European counties and the level(s) is/are according to EU guidelines for sustainable buildings.

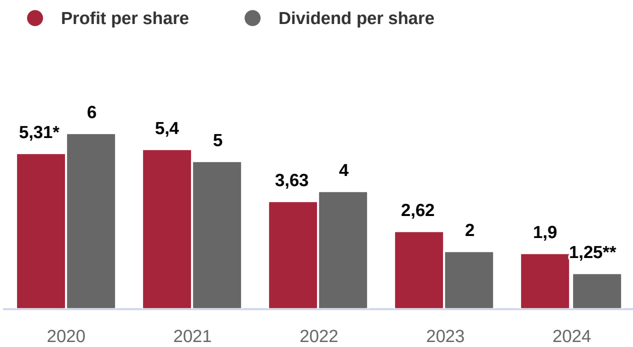
All figures are Selvaag Bolig's share.

KEY FIGURES

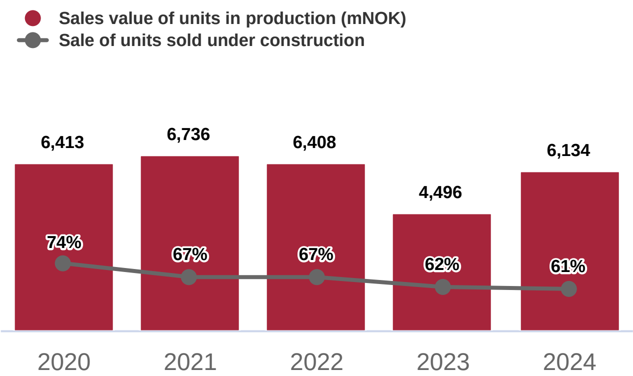
PRE-TAX PROFIT (NOK MILLION)



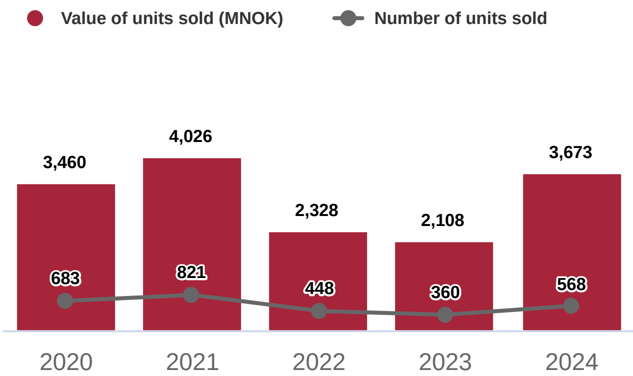
ANNUAL DIVIDEND AND PROFIT PER SHARE[1)]



RESIDENTIAL UNITS IN PRODUCTION



RESIDENTIAL UNIT SALES[2)]



(Amounts in NOK million)	2024	2023	2022	2021	2020
IFRS highlights					
Operating revenue	1 971	3 254.7	2 896.4	3 402.7	2 698.0
Operating profit	198.2	300.9	422.4	648.3	1 643.8
PRE-TAX PROFIT	209.2	319.5	425.1	645.3	1 653.5 [3)]
Cash flow from operations	87.6	1 196.6	63.4	392.6	1 615.7
Net cash flow	117.1	-346.1	85.2	-357.9	-293.4
Equity ratio	46%	49%	39%	43%	41%
EARNINGS PER SHARE IN NOK	1.90	2.62	3.63	5.40	16.33
Units under construction	829	784	1 253	1 323	1 310

*) Does not include earnings of NOK 11.02/share from UP transaction

**) Proposed dividend for 2nd half 2024: NOK 1.25 per share

1) Not including gain and dividend from UP transaction

2) Units sold are sales contracts entered into in accordance with the Housing Construction Act in Norway and the Swedish Tenancy Act. Pursuant to the IFRS, these are recognised on delivery.

3) Pre-tax profit in 2020, adjusted for UP transaction, is NOK 608 million.

Note: Number of units sold and value of units sold are adjusted for Selvaag Bolig's share of joint ventures.

EXECUTIVE MANAGEMENT OF SELVAAG BOLIG ASA, 20 MARCH 2025

Sverre Molvik
Group CEO

Øystein Klungland
COO

Line Lian Mjell
EVP marketing, strategy and sustainability

Christopher Brunvoll
CFO

DESCRIPTION OF THE BUSINESS

Selvaag Bolig is a housing development company that offers homes tailored for various customer groups in the growth areas in and around the largest cities in Norway and Sweden. By offering good housing at competitive prices, the company will give as many people as possible, in all phases of their lives, the opportunity to own a home. The company does not have an in-house construction arm, and concentrates primarily on developing large housing projects with more than 150 homes – mostly in the NOK 5.5-7.5 million price category. By subjecting construction to competitive tendering, the company reduces risk and achieves better prices. Selvaag Bolig has also employed service people in the wholly owned subsidiary Selvaag Pluss service AS. They work as hosts and with operations and maintenance at the company's Pluss Homes – homes with shared facilities and services which Selvaag Bolig operates after delivery to the customer.

There have not been changes in the company's areas of business or value chain in 2024.

Company structure

At Selvaag Bolig, all projects are placed in separate project companies. Most of the project companies are wholly owned by Selvaag Bolig ASA, and do not have their own employees. They are subsidiaries that are consolidated 100% in the group accounts. In addition, Selvaag Bolig ASA has joint venture projects that are mainly owned 50/50 with other players, and are classified as joint ventures/associated companies. The earnings from them are included in the consolidated accounts according to the equity method. For more information, see 2.6 Investments in associates in the group accounts. Selvaag Bolig has also separated operations of Pluss homes into a separate company. Selvaag Bolig has 83 employees of which 56 are employed in Selvaag Bolig ASA. The remainder are employed in Selvaag Pluss Service AS, Selvaag Eiendomsoppgjør AS and in Selvaag Bostad AB, including its subsidiaries.

Homes and housing concepts tailored to the market

Selvaag Bolig mainly constructs flats and large projects in urban areas in Norway and Sweden. The average home size is around 65 square metres of living space, and the types of homes and concepts are tailored to target groups with varying needs and preferences. The largest share of homes is designed for the biggest customer group – households with normal incomes- The share of Pluss homes, i.e., homes with shared facilities and services, has increased in recent years. Thanks to the size of the Selvaag Bolig projects, the different types of homes can be combined in each project. This contributes to creating socially sustainable neighbourhoods by offering homes for people in all life situations and age groups. The combination of housing types also leads to a product offering that reaches a larger share of the market and optimises the sales and income profile of each project.

Competitive tendering for all contracts

Selvaag Bolig is solely a developer without its own construction organisation, and manages the whole value chain from the purchase of land to the sale of turnkey homes. The company has an efficient approach to housing development which helps to ensure cost efficiency and reduce market risk. The key to this is the competitive tendering of all construction activities, and that the company mainly enters into turnkey contracts. This offers several advantages:

- Focused organisation: Approximately 60 employees in the core business. A small organisation focusing on development and sales.

- **Predictable and competitive construction costs:** Tenders from several contractors, based on standard descriptions, always ensuring the right market price and construction at fixed prices. Costs are fixed before sales start. Collaboration exclusively with contractors who have leading-edge expertise in implementing assignments.
- **Lower execution risk:** Using turnkey contracts reduces execution risk in the construction phase.
- **Lower market risk:** Construction costs are locked before sales start and the need for big staffing adjustments in the event of market fluctuations is low.
- **Improved capacity:** Scalable model and no capacity problems when several projects are being built simultaneously.

Land purchasing and financing

In addition to subjecting construction to competitive tendering, Selvaag Bolig's strategy for buying and developing new sites is central to value creation at the company. The company has access to a substantial portfolio of land. That permits purposeful selection of new sites which fit with the existing portfolio and meet the company's current requirements, including sustainability, location, size, price and development potential. The company purchases land in line with an acquisition strategy which gives priority to large land plots in its defined core areas.

Land purchasing and financing in Norway

A large part of Selvaag Bolig's available land portfolio is owned by the company's financing partner Urban Property, who sells land back to Selvaag Bolig when construction starts on the projects. This model makes it possible for Selvaag Bolig to refine its core activities, increase its operational focus and manifest value in Selvaag Bolig's day-to-day activity. Urban Property is a financially sound, well-capitalised and predictable partner for Selvaag Bolig. The cooperation is long-term and strategic.

The collaboration agreement with Urban Property, summarised:

- Urban Property has a pre-emptive right to purchase new land in Norway that Selvaag Bolig wants to develop. If Urban Property does not exercise this right, Selvaag Bolig can use other financing solutions and/or collaborate with others.
- Selvaag Bolig has an option to buy back the land from Urban Property.
- The land is bought back in stages by Selvaag Bolig at the original purchase price plus an annual option premium of Nibor plus 3.75 per cent. A transaction fee of 0.5 per cent is also payable when Urban Property buys land from the landowner, and 2.0 per cent when Selvaag Bolig buys the land from Urban Property.
- The agreement contains financial covenants. See note 29 for further information about the covenants.

Advantages for Selvaag Bolig:

- Limited need for equity to buy land. Selvaag Bolig pays 50 per cent of the purchase price to Urban Property when taking over a site (at the start to construction) and 50 per cent on project completion.
- Higher return on equity because of less use of equity.

- Ability to pay out a higher share of profit as dividend over time.
- Efficient and predictable financing of existing and new sites.
- Downside risk for Selvaag Bolig if it does not exercise the option is limited to 48 months of option premiums (break fee).

Selvaag Bolig has several joint ventures with a 50 per cent ownership stake. The land is either jointly owned in a project company or owned by the joint venture until the construction starts on the project. Fornebu Sentrum, FMV Vest in Fredrikstad and Høyda in Moss are examples of such joint venture projects. In addition, Selvaag Bolig also has some land on its own balance sheet.

Land purchasing and financing in Sweden

In Sweden, Selvaag Bolig primarily makes agreements on land purchases through land allocation by local authorities. The allocation is normally in conjunction with a bidding competition with many actors where price is one of several criteria. Payment for the land typically occurs when the land is ready for construction to begin, and the planning permission risk is thus eliminated. In addition, an agreement has been made that Urban Property can finance land plots that are acquired in Sweden.

The collaboration agreement with Urban Property in Sweden, summarised:

- Urban Property has a pre-emptive right to purchase new land in Sweden which Selvaag Bolig wants to develop. If Urban Property does not exercise this right, Selvaag Bolig can use other financing solutions and/or collaborate with others.
- Selvaag Bolig has an obligation to buy back the land from Urban Property.
- The land is bought back in stages by Selvaag Bolig at the original purchase price plus an annual return of STIBOR plus lending margin plus 1.25 per cent. A transaction fee of 1.0 per cent is also payable when Urban Property buys land from the landowner, and 1.5 per cent when Selvaag Bolig buys the land from Urban Property.
- Urban Property is protected against exchange rate fluctuations between NOK and SEK on contributed equity during the project period.
- The agreement contains financial covenants. See note 29 for further information about the covenants.

Sales strategy

The company's sales strategy is key to ensure optimal progress and profitability in the projects. Segmentation of housing projects and optimisation of complex projects with a broad range of housing types, including extensive use of its trademark-protected lifestyle concept Pluss, have yielded positive sales and a favourable progression of sales. As a general rule, Selvaag Bolig does not start construction until 60 per cent of the value of a building stage has been sold. In a tough market in recent years, some construction phases were started with a somewhat lower sales ratio, but the general rule still applies in a normal market. The goal is that the rest of the units are sold during the period up to completion. This makes it possible to price the units in the project in line with market price developments, and ensures revenue optimisation. Furthermore, the attention devoted to detailed planning, standardisation, site utilisation and strategic land development helps to secure sustainability, low construction costs and good project margins for the company and competitive house prices.

Quality requirements and ESG

Selvaag Bolig sets high standards for quality at all levels internally and imposes stringent requirements for products, operations and ESG compliance among its suppliers. This helps to reduce the risk of errors in the projects, and ensure that all the homes have a high standard and meet the company's ESG requirements. Read more about this in the ESG chapter in this report.

Goals

Selvaag Bolig aims to be one of Norway's leading housing builders, and contribute to inclusive local communities and facilitate a sustainable lifestyle. The company has a long-term objective of growth, which will not be pursued at the expense of profitability. The company's strategy helps to secure its position as market leader and to strengthen its competitiveness. Selvaag Bolig has a stated goal of achieving project margins of at least 10 per cent.

Dividend policy

Selvaag Bolig's ambition is to pay high and stable dividends to its owners. The company aims to pay dividends of minimum 60 per cent of net profit, paid in two instalments over the year. However, the size of the dividend will be weighed against the company's liquidity forecasts and capital adequacy.

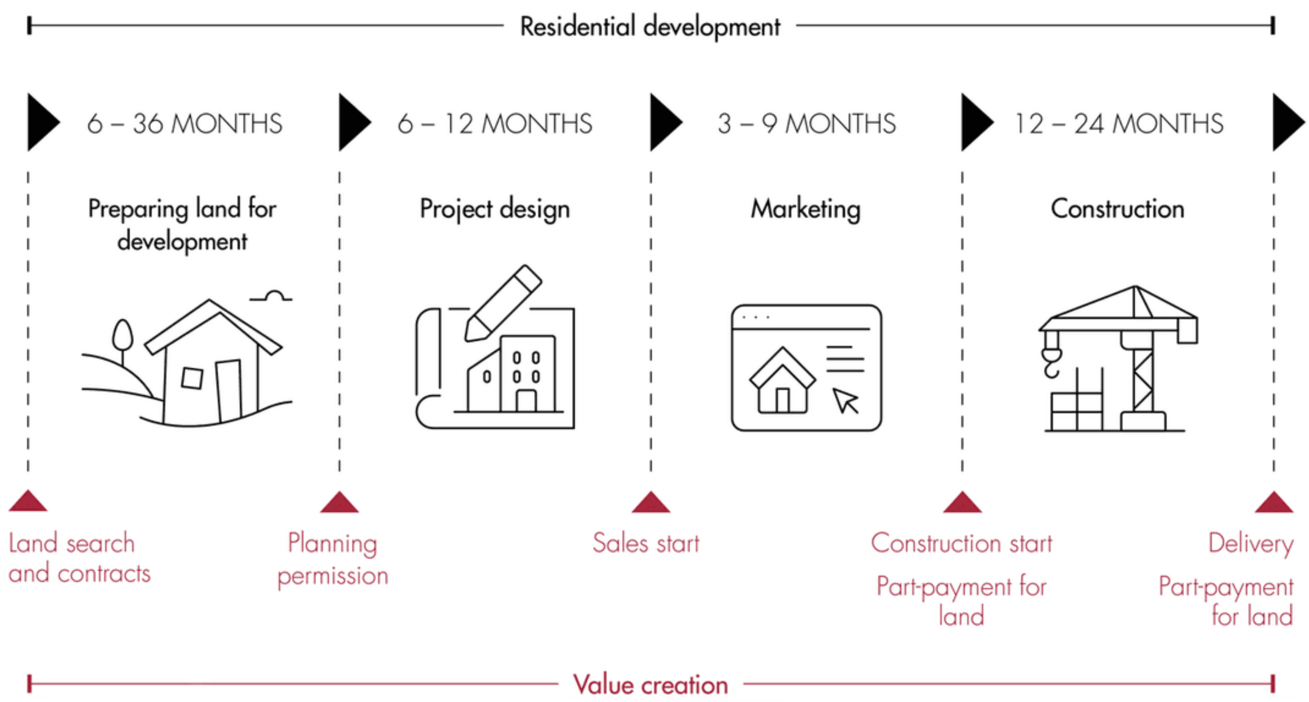
Work in progress risk

Selvaag Bolig works actively to reduce the risk of cost overruns and delays. This is minimised by the company mainly entering turnkey contracts with solid construction companies which have a high level of expertise as well as a documented ability to deliver. The turnkey contractor is responsible for delivering the project on time and within budget. In addition, the majority of the project cost is assured because construction does not start before advance sales, measured in value, reach 60 per cent. Furthermore, a high degree of standardisation, combined with detailed specifications for contractors, reduces the risk of delays in the construction process. Continuous learning at the contractors contributes further to efficient project execution and reduced risk of errors and delays.

External risk factors

Low interest rates, low unemployment, substantial household purchasing power and a high level of population growth in urban areas have contributed to a large demand for new housing – particularly in Greater Oslo, where Selvaag Bolig has the bulk of its business. However, in recent years, purchasing power and demand for new housing were negatively impacted by interest rate increases, energy prices, inflation and geopolitical tension. In addition, higher construction costs have delayed sales and construction starts. This improved somewhat during 2024. In total, Selvaag Bolig's sales were significantly better in 2024 than in the prior year, and the company started construction of more homes than it completed. Negative shifts in demand could also occur because of regulatory changes that impact purchasing power or construction costs. One example of this is that stricter environmental requirements can influence project development and affect access to new land and raw materials. See the separate section about risk in the chapter about corporate governance.

VALUE CREATION IN SELVAAG BOLIG



Value drivers in Selvaag Bolig

Competitive products in growth areas

- Concentrates exclusively on urban growth areas with high demand for housing and market depth.
- Competitive prices providing a large customer base.
- A broad range of house types which reach more market segments and maximise income in the projects.

Large, actively managed land bank

- Land bank owned by others ties up less capital.
- Value creation through initial and further development of land as well as its optimisation.
- Flexibility to develop several thousand homes in urban growth areas.
- Active capital management.

Effective and flexible cost structure

- External construction organisation gives flexibility, reduced risk and cost optimisation.
- Project-based business model increases flexibility and reduces risk.
- Large projects with more than 150 homes provide economies of scale.
- Lean and efficient organisation reduces overhead costs.

Capital-efficient business model backed by solid balance sheet

- 60 per cent advance sales as the main rule before project start reduces the need for project finance and the risk of inventory build-up.
- Healthy debt structures and financial flexibility.

Cooperative partners

Selvaag is a member of the Confederation of Norwegian Enterprise (NHO) and associated with the Federation of Norwegian Construction Industries (BNL) and the industry association Home Builders (Boligprodusentene). The company is also member of the Norwegian Green Building Council, and a member, contributor and an active force in a number of local and industry-specific institutions and forums. Selvaag Bolig also supports culture and sports, especially in local communities where the company has projects.

BOLIGPRODUSENTENE

ESG IN SELVAAG BOLIG

Contributing to society has been a key component of Selvaag's DNA since the beginning in 1948, when the focus was to build homes at prices most people could afford. With climate change, the environmental crisis, demographic changes and increasing social inequalities, both the area of responsibility and the efforts of the company are expanding. Selvaag Bolig considers an increased focus on sustainability in all phases of the business to be essential, and therefore is working systematically to make environment, social and governance (ESG) issues an integrated part of the business. This includes ensuring that decent working conditions and human rights are safeguarded throughout the value chain, that enough housing is built at a price that as many people as possible can afford, that good concepts are developed for young and old, and that climate and nature risks are mapped, at the same time as climate gas emissions during the construction process and the building's life are reduced. The latter is achieved by reducing the buildings' need for supplied energy, and by reducing the residents' need for personal vehicles using fossil fuels. Selvaag Bolig sees business opportunities in the transition to a low-emission society, and believes that handling ESG well is a prerequisite for the company to be successful in the future.

Selvaag Bolig has activity in Norway and Sweden which are countries that already place strict public requirements on responsible operations, construction and quality. It has nevertheless been extensive and demanding for the company to meet expectations from different authorities and interest groups for more information about ESG. One of the reasons for this has been the lack of standardised measurement parameters, the difficulty in obtaining correct data, and uncertainty about the implementation of statutory requirements.

In the past year, Selvaag Bolig has made a significant effort to meet expectations for non-financial reporting. This includes the continued systematisation and digitisation of data acquisition, implementation of KPIs and targets, and ensuring compliance by employees and in the supply chain. The company has also conducted a new assessment of material topics (Double Materiality Assessment).

In February 2025, the EU Commission presented its proposal to simplifications in the sustainability regulations (Omnibus). If it is passed as proposed, Selvaag Bolig will not be covered by CSRD. In light of this change, Selvaag Bolig will review the scope and focus of the company's sustainability reporting in 2025. The company recognises the importance of the green transition and will continue to work purposefully to contribute to emission reductions going forward.

There were no known breaches of laws, regulations or guidelines in 2024.

ABOUT THIS REPORT

This ESG report has been prepared in accordance to The Global Reporting Initiative (GRI) Standards for the reporting year 2024 in the same way as in 2023. Changes to KPIs and goals have been commented on. The report has been prepared by Selvaag Bolig's executive management and processed and approved by Selvaag Bolig's board. The ESG report has not been verified externally.

Scope and limitations

The report includes all business areas in Selvaag Bolig ASA and its subsidiaries and joint ventures. This corresponds to the areas that are covered by the company's financial reporting. The climate gas accounts encompass own emissions and emissions from purchased services. The HSE report includes data from the company’s construction sites.

Contact

For questions or feedback about this report, contact the Executive Vice President marketing, strategy and sustainability Line Lian Mjell: limj@selvaagbolig.no

GOVERNANCE

Selvaag Bolig's board is responsible for compliance with all relevant government requirements, legislation and statutory regulations and has established overarching principles for corporate governance. These are enshrined in the company’s key guidelines and procedures. The principles apply to the board, CEO, all managers, employees and colleagues in all the companies belonging to the Selvaag Bolig group. The principles are followed up in planning and management systems, and in the daily operation of the company. For more information, refer to a separate chapter about corporate governance in this annual report.

The coordinating responsibility for ESG was in 2024 under the control of the Executive Vice President for communication, sustainability and corporate strategy. ESG is a central theme at the board's annual strategy seminar with the company's management, where targets for the coming business year are set, among other things. In 2024, a revision of the double materiality analysis (DMA) was conducted and the strategic goals for ESG were further developed. In 2023, Selvaag Bolig reported climate data to the Carbon Disclosure Project (CDP) for the first time and achieved a score of B-, which is in line with the European sector average that has been measured. Third party verification was mentioned as a potential improvement. Since the transition to CSRD/ESRS would have led to significant changes in the reporting, Selvaag Bolig decided to not report to CDP in 2024. The board receives reports which include ESG information from the company's management in board meetings during the year, and the adoption of KPIs and assessment of target achievement takes place annually. The board's audit committee also receives ongoing information on ESG work from the company's management.

ESG-related governance documents:

- Ethical guidelines
- Values manual
- Supplier code of conduct
- Environmental policy
- Human rights policy
- Guidelines for IT security and GDPR
- Guidelines on pay for senior executives

Selvaag Bolig will revise and develop governing documents during 2025.

Risk

The company carries out an extensive biennial risk survey where a number of ESG-related topics such as climate risk, labour conditions at sub-suppliers, compliance with requirements for non-financial reporting and governance issues are handled. The risk mapping was last carried out in January 2025. See the separate chapter on risk in the chapter Corporate governance.

Reputation

Using a stakeholder survey carried out by a third party, Selvaag Bolig surveyed its reputation with politicians, administrative staff in municipalities, owners and investors, partners and suppliers, and the media. These stakeholder groups play a crucial role in influencing the company's operational parameters within the core geographical areas of the company, as well as influencing the reputation and value of the company.

Themes considered in the survey were trust, management, competence, organisation, innovation, sustainability, communication and openness. The peers selected for comparison were all classified as the most serious players in the market, and Selvaag Bolig was ranked highest on several of the parameters and top three on all.

The survey showed that Selvaag Bolig has a good starting point to secure good operational parameters and gain the acceptance required to carry out major projects. The last survey was conducted in 2021.

Incentives

Management incentives for ESG have been introduced. The entire company's executive management has parts of its variable salary linked to ESG. For the business year 2024, this included, among other things, preparations for reporting according to ESRS, work with social sustainability, as well as the audit of KPIs and goals, and other compliance work. In the long term, the incentives will be linked more closely to the achievement of goals for several of the ESG KPIs. The company must both exploit opportunities and take corrective measures if necessary. The company's project management team has ESG KPIs tied to their variable salary.

Quality management of projects

Selvaag Bolig has a quality management system that safeguards and ensures quality and regulatory requirements in all phases of project development. The system consists of checklists and decision documents that must be followed in the projects' respective phases, from acquisition to planning, receiving tenders, implementation and the guarantee period. Examples of elements that are considered are costs, housing and location quality, biological diversity, intervention in nature, climate risk, climate gas, as well as health, safety and working environment (HSE). It is a requirement that all checklists and decision documents in the system are used in all project development, and that ESG gap analyses are performed in the early phase of new projects. The latter requirement should assure that all relevant ESG issues are addressed in project development and that the company achieves its communicated targets. The chief operating officer (COO) is in charge of the system. Decision documents are acknowledged by the project manager and reviewed by the COO.

WHISTLEBLOWER ROUTINES

Selvaag Bolig wants to receive notifications about censurable conditions which violate laws or the company's ethical guidelines. Examples of censurable conditions could be danger to life or health, danger to climate or the environment, corruption or other financial crime, abuse of authority, unsatisfactory working environment, including harassment and breach of personal data security.

Selvaag Bolig strives to have a threshold as low as possible for a whistleblower to be able to send a notification about censurable conditions. The company has thus established a whistleblowing office which is available to its employees and for external stakeholders at https://www.selvaagboligasa.no/en/governance/whistleblowing. The procedures for sending a notification are available on the company's home page and intranet. Anonymous notifications may be sent. There are routines for reporting to the company's board.

The company has informed employees and suppliers about the notification routines and possibilities, and encourages all censurable conditions to be reported. Selvaag Bolig received no notifications about censurable conditions in 2024.

DIGITALISATION OF DATA

Selvaag Bolig believes that one of the main challenges for the company's non-financial reporting is the increased scope of parameters to be measured, as well as the uneven quality of reported data. Selvaag Bolig has therefore invested in digital systems that enable easier collection, quality assurance and availability of data. Digitalisation includes, among other things, HSE data from all construction projects, climate gas accounting and a systematic assessment of how suppliers and partners handle social conditions and human rights in their own businesses and supply chains. The system was put into use in January 2023. The company has experienced that the data quality has become significantly better during 2024.

STRATEGIC PRIORITIES

An important task in 2024 has been to continue the implementation of the company's ESG strategy with clear measurement parameters and goals. The main purpose of the strategy is to ensure that Selvaag Bolig contributes to comprehensive, long-term and sustainable value creation in society, that the business model is adapted to a climate-neutral economy, and that the company's work with social conditions and the environment provides a competitive advantage.

Vision:
We make cities better
Mission:
We make it easier for more people to live better
Ambition:
We contribute to inclusive local communities and facilitate a sustainable lifestyle

Stakeholder dialogue and double materiality

The current strategy and material topics covered in this report are based on a materiality analysis last updated in 2024 in accordance with the CSRD/ESRS principle of a double materiality assessment (DMA). This means that the reporting and selected themes are both assessed from a two-dimensional approach that includes the impact the company has on society and stakeholders (influence materiality), as well as how ESG issues affect the company's opportunity for long-term value creation, for more information please see: ESG: MATERIAL TOPICS. Both internal and external stakeholders were consulted in the work, including experts on working conditions, finance and climate and environment to ensure a broad understanding of which topics are considered to be the most material for the company.

Through the DMA assessment process, Selvaag Bolig has identified the following topics as material:

Environment	Social	Governance
Climate change mitigation	**Health and safety in the value chain**	**Corporate culture**
Climate change adaptation	**Working conditions in the value chain**	**Corruption and bribery**
Energy consumption	**Area development**	
Resource use	Working hours	
Waste	Equal treatment and opportunities for all own workers	
Pollution of air	Equal treatment and opportunities in the value chain	
Pollution to soil, air and water in the supply chain		
Water consumption in the value chain		
Biodiversity loss in the value chain		
Restoration of green areas		

*The table shows all material topics for Selvaag Bolig based on double materiality. In this year's report, the highlighted topics align with previously assessed material GRI themes.

Selvaag Bolig has refined its role as a developer, and projects are therefore built by subcontractors. The company's biggest impact on the climate and environment, society and the economy occurs in the development of the housing projects and in the supply chain. The 2024 analysis covers more topics than before and will be used for future management and follow-up.

The UN's Sustainable Development Goals

The UN's Sustainable Development Goals provide a working plan for efforts to eliminate poverty, fight inequality and halt climate change by 2030. They comprise 17 main goals and 169 subsidiary targets. Selvaag Bolig is working on relevant topics, including the UN's "Framework Convention on Climate Change" (the Paris agreement).

Goal	8: Decent work and economic growth	11: Sustainable cities and communities	12: Responsible consumption and production	13: Climate action
Sub-goals	8.8	11.3, 11.4, 11.7	12.2, 12.5	13.1, 13.2
Important topics				
	Health and safety on construction sites	Climate-related risk	Material use	Greenhouse gas emissions
	Human rights in the supply chain	Waste and pollution	Waste and pollution	Energy-efficient buildings
	Social dumping	Loss of biodiversity		
	Ethics in the supply chain	Impact on local communities		
	Ethics in own organisation			
Contribution				
	Ensure good and fair working conditions on construction sites, in supply chains and in the business	Reduce the risk of physical damage to buildings, the local environment and people	Reduce waste	Reduce emissions in Selvaag Bolig's value chain
			Increase recycling	
		Efficient use of land in urban areas and at hubs		Build energy-efficient homes
			Reduce material use	
		Safeguard and increase biological diversity		
Goals for Selvaag Bolig				
	0 cases of social dumping/ labour crime	No new plot purchases of cultivated land (except at hubs)	Reduction in waste	Energy label for completed homes: Average B
	0 accidents with personal injuries	Assess physical climate risk in all projects	Sorting rate: > 75%	Scope 1 and 2 must be climate neutral by 2030
	> 40% of each gender in the entire company	Assess biological diversity in all new projects		Scope 3: 2024-2030: 20% lower emissions per m^2 utility floor space than in the base year 2022. After 2030: 30% lower emissions per m^2 utility floor space than in the base year 2022.
	> 40% of each gender in the company's management			

Hornsberg, Stockholm

In light of the new DMA analysis and achieved targets for emission reductions, Selvaag Bolig will review and update its sustainability goals, including emission reduction targets, as well as KPIs for sustainability reporting.

CLIMATE AND ENVIRONMENT (E)

The company's guidelines for the environment state that Selvaag Bolig must always seek environmentally friendly solutions that can contribute to reduced climate emissions in the construction process and throughout the building's lifetime. All the company's projects must be built in accordance with Norwegian and European building regulations. These set strict requirements for material selection and energy efficiency in the homes, and for operations in general through the construction process.

SELVAAG BOLIG'S APPROACH

Selvaag Bolig prioritises building area-efficient homes in urban areas with high housing demand. These are areas where it is possible to transform outdated commercial buildings and industrial areas into high-quality residential and urban areas with blue-green outdoor areas and good urban qualities. The company's biggest footprint on the climate and the environment is in the supply chain and the biggest emissions come from the materials used in the buildings. Reducing negative impacts requires good planning and cooperation between Selvaag Bolig as the developer, regulatory authorities and the contractors who carry out the construction.

The approach affects which land plots are purchased, which suppliers are chosen, requirements that are set and routines for follow-up. Selvaag Bolig's contracts clearly require contractors to operate in line with the laws and regulations in force at all times and in accordance with the company's guidelines and code of conduct. No violations of these were discovered during 2024.

The company performs thorough due diligence assessments of climate and environment throughout the project process, from acquisition of land and planning to the choice of contractor and development. Ground conditions, biological diversity and available energy sources are mapped early to decide how a project can be designed. All projects also have an environmental plan that defines overall green goals and addresses the project's environmental and climate footprint before work begins. This includes solutions for energy-efficient buildings, carbon intensity, choice of materials, waste handling and interaction with the surroundings. In addition, assessments are made about how the development can stimulate residents and users to choose an environmentally friendly lifestyle, for example through the sharing of common areas, carpools and energy solutions.

In order to ensure good environmental management, Selvaag Bolig has decided that all construction projects shall use an environmental certification system starting from the project's early phase. The requirement has been included in the company's quality control system, and the goal is to identify the need for measures that will reduce the project's environmental influence. Earlier, Selvaag Bolig used BREEAM NOR pre-analysis as an environmental management tool. In 2024, Selvaag Bolig developed its own ESG checklist, which to a greater extent is adapted to the company's sustainability goals than the BREEAM NOR pre-analysis, and at the same time it documents goal achievement versus the EU taxonomy. In addition, the company's ESG checklist tracks relevant KPIs through the entire project life, instead of just the start-up phase. The project's climate and environmental results are compared with the company's own KPIs and goals, and relevant reporting requirements. The ESG checklist has replaced BREEAM NOR pre-analysis in the company's management system and was adopted during 2024.

CLIMATE RISK

Climate risk consists of physical climate risk and transition risk. Physical risk is associated with increased extreme weather and ecosystem changes, among other things. Transition risk is associated with changes in regulations, technology and the market situation in connection with the transition to a low-emission society. The construction and real estate industry accounts for significant emissions in a life-cycle perspective, and must therefore expect changes in regulations and the market in the transition to a low-emission society. At the same time, the industry is exposed to the risk of physical climate change, where assets can be lost or suffer significant damage.

In 2021, Selvaag Bolig undertook a mapping of potential climate risks and opportunities, and the company's management of them in accordance with the guidelines of Task Force on Climate-related Financial Disclosures (TCFD) at that time. The assessment concluded that Selvaag Bolig and the property sector as a whole have a significant exposure to both physical risk and transition risk, and has defined which areas are significant. Selvaag Bolig plans to update the analysis in accordance with the latest guidelines from TCFD and ISSB (The International Sustainability Standards Board).

As Selvaag Bolig develops homes and commercial premises which are taken over by the buyer on completion, and there are strict legal and regulatory requirements for property developers where the company has activity, physical climate risk primarily applies to the selection of land. Topics such as extreme weather, sea level rise, storm surges, rainfall, landslides, frost and drought are handled by the company's management systems and mapped in all projects through a risk and vulnerability analysis (RVA analysis). The analysis reveals conditions that are important for whether the area is suitable for development purposes, and any changes in such conditions as a result of planned development. Elements that are mapped follow the thematic guide for social security in spatial planning from the Norwegian Directorate for Civil Protection (DSB). [1]

Selvaag Bolig is exposed to transition risk. Since the property sector has significant climate emissions, there are increased requirements for transparency, non-financial reporting and emission cuts, especially from financial stakeholders and authorities. Selvaag Bolig has thus set targets for the reduction of climate gas and is continuously working on reducing the company's emissions. This is covered in other sections of this report. Selvaag Bolig will continue to map transition risk in 2025.

GREENHOUSE GAS EMISSIONS

About 40 per cent of the world's greenhouse gas emissions are linked to the construction, use and demolition of buildings.[2] On 1 July 2022, changes were introduced in the Norwegian building regulations (TEK17) which will help to reduce these emissions. Among other things, requirements have now been introduced for greenhouse gas accounting for residential buildings and commercial buildings. The accounting shall as a minimum show the emissions from production, transportation, waste, maintenance and replacement of materials used in the building. The rules have a transitional arrangement of one year, and for building applications submitted before 1 July 2023, the property developers can thus choose to follow the new provisions. In practice, this will mean that the requirement for climate accounting will apply to buildings that are completed from 2025 at the earliest, taking into account the construction time.

[1] DSB (2017) *Samfunnssikkerhet i kommunens arealplanlegging* Available from: https://www.dsbinfo.no/DSBno/2017/tema/samfunnssikkerhet-i-kommunens-arealplanlegging-metode-for-risiko-og-saarbarhetsanalyse/ (Retrieved 23 February 2025)

[2] Circle Economy (2024) *Circularity gap report 2024* Available from: https://www.circularity-gap.world/2024#download (Retrieved 23 February 2025)

However, Selvaag Bolig decided to conduct climate accounting starting from the business year 2021, which included both emissions from Selvaag Bolig's administration, and emissions in the buildings' value chain, construction and parts of the usage phase. The climate accounting thus encompasses more elements than TEK17 requires. The company has worked further during 2022, 2023 and 2024 to improve data quality, adjust measurement methods to the new regulation and establish requirements for suppliers.

Targets for emission reduction

In 2022, Selvaag Bolig set targets for climate neutrality by 2030 for both indirect and direct emissions (Scope 1 and 2). This will be done through cuts in emissions from operating assets where the organisation has operational control (Scope 1) and indirect emissions linked to purchased energy (Scope 2). However, almost all of the company's emissions (85 per cent) come from emissions from purchased goods and services (Scope 3). In 2022, the reference project used in BREEAM NOR v. 6.0 was set as the starting point, and Selvaag Bolig's aim was that the company's completed homes must have 20 per cent lower emissions per GFA/year than the reference project in the period 2023-2025, and 30 per cent lower in the period 2025-2030. Both emission goals were already achieved in 2023, primarily due to improved data quality and reduced use of carbon-intensive materials, and in 2023 the year 2022 was thus defined as the base year.

The results for 2024 show that the emissions were significantly lower than in 2022 and 2023. However, the company believes that it is important to consider the development over several years, and in conjunction with the new rules being developed, before it is appropriate to set new targets for emission reductions. New requirements are expected in the Norwegian building regulation TEK17, and several municipalities have expressed goals that all construction activity in the municipality must be emission-free in 2030. The last requirement will require that all construction machinery must be electric, and that emissions from foundation work and demolition must be included in the climate gas accounts even if they represent a very minor part of Selvaag Bolig’s total emissions.

Results 2024

Selvaag Bolig wishes to be open about its emissions and follows the GHG protocol method for calculations.[3] The company's climate accounting includes Selvaag Bolig's operations in Norway and Sweden, including offices and viewing centres.

The carbon accounting report include administrative emissions and emissions from all construction projects that were completed in the reporting year. Since the number of home completions vary every year, the total amount of emissions will vary significantly from year to year. Selvaag Bolig thus reports emissions per gross floor area (GFA), which better reflects the company’s efforts to reduce climate gas emissions.

The total accounts show that 99.97 per cent of the company's emissions in 2024 came from the supply chain. 85 per cent were linked to extraction and production of materials used in the company’s construction projects, and of these, steel, reinforcement steel and concrete account for around 82 per cent. The company is therefore focusing on reducing emissions from these input factors by increasing recycling and by using types of concrete and materials with lower CO_2 intensity.

Scope 1

[3] Greenhouse gas protocol. Available from: https://ghgprotocol.org (Retrieved 23 February 2025)

The emissions linked to Selvaag Bolig's administration (Scope 1) accounted for 0.01 per cent of the total emissions. Scope 1 only includes emissions from one company car which uses fossil fuels, and it was sold mid-year 2024. These emissions decreased from 2.55 tCO_2e in 2023 to 1.27 tCO_2e in 2024.

Scope 2

Emissions related to electricity consumption (Scope 2) accounted for 0.02 per cent of the total emissions, and declined by 19 per cent from 2023. Scope 2 includes emissions from electric company cars, as well as energy usage in offices and showrooms. The decrease is mainly due to Selvaag Bolig reducing the area used at its headquarters in Silurveien 2.

Scope 3

Emissions related to indirect factors (Scope 3) accounted for 99.97 per cent of total emissions. Scope 3 includes purchased goods and services including building materials, transport and distribution, waste from construction sites, energy use in completed buildings and business travel. Emissions related to materials used in Selvaag Bolig's construction projects represent 81 per cent of the Scope 3 emissions.

In 2024, Selvaag Bolig completed a total of 60 821 square metres of residential buildings, and the associated emissions were 10 945 tCO_2e, of which building materials accounted for 8 877 tCO_2e. Total emissions from input factors in Scope 3 had a decline of 47 per cent from 2023 til 2024. The reduction was largely due to a decline in the number of completed homes, from 744 homes in 2023 to 514 in 2024. Emissions per completed square metre of GFA, which gives a more correct picture of Selvaag Bolig's work to reduce climate gas emissions, were 179.3 $kgCO_2e$ in 2024, which is 25 per cent lower than in 2023.

One reason for the reduction per completed GFA was that a large rehabilitation project was completed, in which the entire foundation and parts of the supporting construction from the original building were reused. In addition, several materials with lower emissions were used in the completed housing projects, including the use of low-carbon concrete in several projects. There has also been better access to Environmental Product Declarations (EPD) for materials in several completed projects and overall better quality. In the absence of EPD, generic emission factors are used, resulting in higher emissions for the material. According to TEK 17, all materials without EPDs are given an emission surcharge of 25 per cent. The 2024 accounts were largely calculated based on actual consumption data and EPDs, providing a more accurate and specific emission per project. Therefore, the more accurate data has also led to a corresponding reduction in emissions per square metre of gross floor area.

As the development of buildings in Norway is heavily regulated, including requirements for energy use and materials, the levels are probably in line with the emissions of comparable players. In the future, Selvaag Bolig will work to reduce the projects' emissions, and at all times monitor new construction technical solutions and construction methods that reduce unnecessary material use and make it possible to increase the proportion of climate-friendly materials.

Key indicators

Goal	Year 2024	Year 2023	Year 2022	Goal
Direct emissions (Scope 1) (sum tCO2e)*	1.3	2.5	3.1	Climate neutral by 2030
Indirect emissions from energy consumption, location-based (Scope 2) (sum tCO2e)	2.4	3	4.1	Climate neutral by 2030
Indirect emissions from input factors. (Scope 3) (sum tCO2e)	10 944	20 818	25 556	
Emissions per m2 GFA (kgCO2e) with basement and foundation	179	238	343	2030: 20% lower than basis year 2022 2050: 30% lower than basis year 2022

ENERGY EFFICIENCY

According to the International Energy Agency (IEA), the operation of buildings and the construction sector together account for more than 30 per cent of global energy consumption and 27 per cent of energy-related emissions in the world.[4] Norway has among the world's strictest requirements for new buildings, and with access to green energy, this is not considered to have a significant direct impact on the climate and environment. However, energy saving in buildings can release energy that can contribute to emission reduction in other sectors.

The energy situation in Norway and Europe is a reminder that energy-efficient homes are cost-saving for homeowners, and Selvaag Bolig has experienced increased demand for energy-efficient homes. In line with this, and considering that energy efficiency is a criterion in the EU's taxonomy, energy efficiency is strategically important for the company. Energy efficiency and the buildings' need for supplied energy are included in early-stage calculations in all projects. The energy profile of the planned building is an integral part of the project development, and renewable energy sources must always be considered.

Goals for energy efficiency

Selvaag Bolig aims for the company's homes to have a maximum net energy requirement of 95 kWh per m^2/heated utility floor space, including shared areas.[5] This is handled in the requirements set out in Norwegian building regulation TEK17. In 2024, the average energy demand in the homes that were completed was 92.8 kWh per m^2/heated utility floor space for whole buildings including common areas.

Selvaag Bolig wants to reduce energy requirements in completed homes as this reduces emissions and makes it cheaper for customers to operate their homes. The company therefore aims for energy label[6] B on average in all completed homes. For a flat of 75 square metres, the upper limit for supplied energy is 108.33 kWh per m^2 of heated area inside the flat. In 2024, all the company's homes had an energy label of A, B or C. The proportion of homes with energy label A has increased and the share with energy labels B and C have declined. No completed homes received energy label D in 2024. The fact that some homes have an energy label of C is due to the fact that these are exposed to a larger proportion of the building's outer wall and roof surface. In 2024, 59 per cent of the homes had energy label A. This is attributed, among other things, to these homes having better density

[4] IEA (2021) *Buildings: A source of enormous untapped efficiency potential.* Available from: https://www.iea.org/topics/buildings (Downloaded 23 February 2025)

[5] Utility floor space is a measure of the area within the surrounding walls of the dwelling.

[6] TEK10 (2015) *Energikarakterskalaen.* Available from: www.energimerking.no/no/energimerking-bygg/om-energimerkesystemet-og-regelverket/karakterskalaen/ (Retrieved 19 February 2025)

than the minimum requirement and the use of windows with a good U-value. Selvaag Bolig will also strive to reduce the proportion of homes with an energy label lower than B in the future and will implement solutions that reduce the homes' primary energy needs, taking into account the homes' self-produced energy.

Key indicators

	2024	2023	2022	Goal
Net energy demand (kWh per m^2/heating utility floor space in completed home)	92.8	92.2	93	≤ 95 kWh per m2/ heated utility floor space in completed homes
Proportion of completed homes with Energy Labelling A-D	A: 59% B: 33% C: 8%	A: 30% B: 49% C: 20% D: 1%	A: 30% B: 38% C: 30% D: 2%	Average energy label B

RESOURCE USE IN SELVAAG BOLIG'S PROJECTS

According to Circle Economy[7], the construction and demolition of buildings accounts for almost one third of the total material consumption in the world and generates an approximately equal share of waste. Furthermore, the extraction of metal and non-metallic minerals such as sand and gravel for construction is a cause of climate disasters and a threat to biological diversity. Production of cement, steel and glass are water-intensive processes that can contribute to water shortages.

Material consumption is also a major source of emissions and thus a driver of climate change. Cement production alone accounts for approximately 7 per cent of global CO_2 emissions. 81 per cent of Selvaag Bolig's emissions in 2024 were linked to material consumption and 82 per cent of these originate from steel, reinforcement steel and concrete.

Selvaag Bolig uses CO_2-intensive materials and recognises that both the industry and the company have significant potential to reduce negative impacts on climate and the environment. The company believes that the solution partly lies in a more circular business model that reduces the consumption of materials, increases reuse and reduces waste.

According to building regulations[8] in Norway, new buildings must be built so that they can later be dismantled, and materials must be mapped for re-use during major works in existing buildings. An exception has also been made to the requirement for documentation for the sale of used building materials that are removed from a construction site, provided that no significant changes have been made to them if they are to be used again in a construction site. The exception is intended to make it easier to trade in used building materials while at the same time meeting requirements for health, safety and environment in construction. Selvaag Bolig considers the exception to documentation to be positive as this will enable increased reuse in new housing projects.

[7] Circle Economy (2024) *Circularity gap report 2024*. Available from: https://www.circularity-gap.world/2024#download (Retrieved 21 February 2024)

[8] Norwegian Building Authority (2022) *Rule change from 1 July 2022*. Available from: https://dibk.no/om-oss/Nyhetsarkiv/regelendringer-fra-1.-juli/ (Version of 14 February 2023)

Goal for resource use

Selvaag Bolig works purposefully to reduce material use and waste through better engineering and ordering to general contractors, as well as mapping opportunities for the reuse of existing building elements. The company has set at target of sorting rate higher than 75 per cent for waste from construction sites. The KPIs and targets for indirect emissions from input factors are primarily to be reached through increased reuse of building elements and increased use of materials with lower CO_2 intensity. Examples of this are wood and low-carbon concrete, which have a significantly lower CO_2 footprint than ordinary concrete.

Results and reflections

Over the past four years, Selvaag Bolig has mapped material consumption to understand the scope and opportunities to reduce consumption and the impact on the climate. The availability and quality of data improved significantly from 2021, when the company started collecting climate data, to 2024 and the carbon accounting report now give a more accurate picture of the emissions. More data has been collected, revealing the basis for reduction, and the company has established procedures to gain greater insight into negative environmental impacts within the supply chain. Based on this, the company has updated KPIs and targets related to resource use in recent years. KPIs and targets will be further refined when the framework is clearer. Figures for 2023 and 2024 are not directly comparable because the number of homes completed varied, the 2024 numbers included a rehabilitation project, and it was the first year that terraced homes were included.

Selvaag Bolig mainly builds projects in urban areas where existing buildings need to be replaced. In the projects where existing building buildings and/or material are reused, this has contributed to savings and reduced climate emissions. At Ringve Pluss in Trondheim municipality, there was a large rehabilitation of the old Autronica building, where the entire foundation and parts of the supporting systems were reused. The reuse of these building parts gave a significant reduction in the project's climate emissions. The Autronica building had more than 30 per cent lower emissions per $kgCO_2e$/gross area compared to the average for construction projects completed in 2024. At Skårerbyen in Lørenskog roughly 3 500 square metres concrete from base plate was reused in two construction phases. That led to approximately 30 per cent lower emissions and the estimated construction cost was reduced by approximately NOK 25-30 million. The second section of the base plate is planned for reuse in upcoming construction stages with a total of 195 flats scheduled to be completed in 2025 and 2026. The goal is to achieve similar savings in emissions and finances.

Key indicators

	2024	2023	2022	Goal
Waste (tonnes)	2 131	3 650	3 362	
Waste (tonnes)/sq. meter gross floor area	35.0	41.9	62.5	
Sorting rate (per cent)	91	89.1	91.2	> 75
Material use (tonnes) including basement/foundation	67 850	208 730	205 720	Increased reuse of building elements and increased use of materials with lower CO2 intensity
Material use per square meter gross floor area (tonnes) incl. basement/foundation	1.1	2.4	3.8	

** Parts of the 2022 accounts are estimated. See the Carbon accounting REPORT.*

Mathildetunet, Skårerbyen, Lørenskog

BIOLOGICAL DIVERSITY

Loss of biological diversity is increasing globally, and poses a threat to the planet's carrying capacity. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) stated in 2019 that the reduction of species diversity is happening ten to a hundred times faster today than in the last 10 million years. 87 per cent of the threatened species in Norway are threatened due to land changes such as deforestation, drainage and construction.[9]

Selvaag Bolig primarily builds homes in urban areas where there already are buildings. This often means that outdated industrial and commercial buildings and paved areas are transformed into residential areas with new parks and blue-green infrastructure that facilitate increased biological diversity. Examples of planting and measures from completed and planned projects are hardwoods, conifers and fruit trees, wildly growing meadows, perennials, berry bushes, heather as well as bird boxes and insect hotels.

[9] Vitenparken (no date given) *Tap av naturmangfold* Available from: https://vitenparken.no/plantearv/tap-av-naturmangfold/ (Retrieved 23 February 2025)

However, Selvaag Bolig recognises that the company's operations can negatively affect biological diversity. Routines have therefore been established so that all new projects early on map and assess the risk of loss of biological diversity, or other conditions that may deteriorate nature, in connection with the purchase and development of plots of land. In 2022, Selvaag Bolig's Board decided that the company will not buy plots of arable land. Exceptions to this apply if the plot is approved for residential purposes and/or is located at a hub and the development is socially and environmentally profitable. In 2023 and 2024, no plots were purchased with arable land or forests.

During the construction process, there is a risk that the discharge of stormwater and chemicals could lead to water pollution in nearby areas. This could have a negative impact on both people and nature. The company follows the requirements of the pollution regulations,[10] municipal regulatory plans for handling stormwater and the thematic guide for civil protection in spatial planning from the Norwegian Directorate for Civil Protection (DSB).[12] *[Block footnote omitted]* Compliance is ensured through the company's quality management system and contracts with suppliers. This means, among other things, that the contractor must, when using chemicals hazardous to health, document that a risk and substitution assessment has been carried out, and that statutory safety data sheets for chemicals to be used have been submitted to the construction industry's substance directory. There was no water pollution from the company's construction projects in 2024.

SELVAAG BOLIG'S CONCEPTS

Through the housing concepts Selvaag Pluss and Selvaag City, Selvaag Bolig develops lifestyle homes with shared facilities and services. These concepts are concrete contributions to more residents sharing the social costs of social and technical infrastructure, and more people being able to live in urban areas, on a smaller area, and with a lower need for energy and transport.

Both concepts have common areas, host, and services that simplify the residents' everyday life. Residents have access to guest flats, gyms, function rooms, meeting rooms and a number of other communal facilities. In 2021, Selvaag Bolig carried out an evaluation report of the Pluss concept, which shows that residents also experience an increased quality of life, increased security and reduced loneliness. Further evaluation reports from 2023 and 2024 confirm these findings.

Pluss homes now make up a larger proportion of the company's development portfolio than before. No City projects have yet been built as the concept is under development. City is a compact variant of Pluss with several small flats that will contribute to reduced land use per resident and lower unit prices. Selvaag Bolig is now planning a City project at Hornsberg in Stockholm with an expected sales start in 2027.

In addition, Selvaag Bolig established the concept Selvaag Nabolag (Neighbourhood) in Skårerbyen, which is a concept with a host and some shared functions which are accessible for the residents in the area. The goal of the concept is to create a meeting place which contributes to a better and safer neighbourhood. The neighbourhood concept differs from Selvaag Pluss and City by having more residents sharing in the offer, smaller common areas and lower costs.

[10] Miljødirektoratet (2023) *Forurensningsforskriften* Available from: https://www.miljodirektoratet.no/regelverk/forskrifter/forurensningsforskriften/ (Retrieved 15 March 2024)

SOCIAL CONDITIONS (S)

The development of urban and housing projects often takes many years and affects many parties. Selvaag Bolig's handling of projects affects the local population around the construction projects, contractors and suppliers who work on the construction sites, and future users of the areas being developed. A prerequisite for success is the well-being and good working conditions for the employees in all the companies that contribute to the project. At the same time, the needs of existing and new users must be taken care of.

SELVAAG BOLIG'S APPROACH

Selvaag Bolig strives to be one of Norway's most attractive workplaces and to ensure that employees have good opportunities for professional development.

Selvaag Bolig's ambition is to build homes that contribute to an inclusive local community and a sustainable lifestyle. The housing projects are fashioned to make it possible for everybody, at every age, regardless of functional ability, to live well and in an environmentally friendly way.

The company builds large projects with a wide selection of housing types and is working to develop housing that as many people as possible can afford to buy. Most of the homes In 2024 were in the price range NOK 5.5 to 7.5 million, and the average size was around 65 square metres.

Due Diligence Assessments

Large development projects involve deliveries from a wide range of national and international suppliers, which increases the risk of human rights violations and labour-related crime. It is the company's responsibility to ensure responsible processes throughout the projects' total development period and to set clear requirements for partners; construction sites must be safe, all workers in the value chain must have good working conditions and human rights must be safeguarded in the entire value chain.

Selvaag Bolig's work to ensure that human rights and decent working conditions are safeguarded throughout the value chain is anchored in the company's ethical guidelines, supplier declaration and human rights policy. These governing documents describe how the company works to ensure good business practices in line with the UN's Guiding Principles for Business and Human Rights, as well as the UN Global Compact's ten principles.

Selvaag Bolig aims to gain better insight into its supply chain and has therefore implemented routines for the control of new and existing suppliers and partners. Daily operations are primarily managed through the company's control procedures and management system, consisting of governance documents with checklists and procedures for assessment and execution in each phase of project development. The overall work is led by the company's compliance group, which has consisted of the Legal director, Project director and the Executive Vice president for communication, sustainability and corporate strategy. The group had four meetings during 2024.

Selvaag Bolig has implemented a number of measures since 2022 to enhance the handling and integration of human rights and decent working conditions within the organisation. In 2022, an assessment was conducted to identify which human rights are relevant to the company and where in the value chain there is a risk of these rights not being upheld. By identifying them, the company can use more targeted efforts to reduce actual or potential negative impacts. The assessments were continued and repeated in 2023 and 2024.

The risk of violations of the most important human rights are in these parts of the company's value chain:

- Health and safety on the construction site
- Social dumping and use of foreign labour
- Use of subcontractors
- Purchase of materials

Selvaag Bolig maps and categorises existing suppliers and partners continuously. Companies that, during a year, deliver goods and/or services with a total gross value exceeding NOK 10 million and/or are considered to engage in business representing significant risk are subject to extended control. The selection is made based on both risk and significant contract values and is not limited to where in the supply chain the risk lies.

See the statement on due diligence assessments for further information.

SAFE CONSTRUCTION SITES

Construction is one of the most accident-prone industries in Norwegian working life, and health and safety is therefore an important topic in the construction industry. Labour-related crime and social dumping are violations of human rights, and a recurring problem in parts of the industry.

In 2024, Selvaag Bolig had 10 construction sites, and the goal is that it should be safe to work in these. The company has declared zero tolerance for labour-related crime and social dumping, and aims for zero harm to people and the environment.

Health and safety

The company's guidelines for health, safety and the environment (HSE) are based on requirements in the Construction Client Regulations and Internal Control Regulations. As the general contractor, it is Selvaag Bolig's responsibility to create the project's HSE plan and appoint the general contractor's representative and coordinators in the preparation and execution phase.

HSE is a fixed item on the agenda at the construction client meetings that are carried out on average twice a month in projects in the construction phase, and the turnkey contractor has its own routines for implementation and follow-up of HSE work on the construction site. In order to minimise the risk of injuries and adverse events, safe job analysis (SJA)** is also carried out for complicated work tasks.

There is no requirement for workers to have a trade certificate, but the company prioritises contractors who have an apprenticeship scheme, as well as schemes for trade and master craftsman's diplomas, to ensure that skills are developed and to help recruitment.

Labour-related crime and social dumping

All Selvaag Bolig's suppliers are mapped according to relevant social criteria. See the statement on due diligence assessments for further information. The contracts awarded set clear requirements for suppliers and subsuppliers to operate in compliance with the legislation and statutory regulations applicable at any given time, including those applying to pay and working conditions. All work done in Norway by suppliers and/or partners complies with Norwegian collective pay agreements and legislation, and contractors must be able to document at all times that the labour force used on the building sites is legal. In line with the building owner's regulations and the duty to carry out inspections, Selvaag Bolig carries out regular inspections to ensure that the contract conditions are complied with. On average, safety rounds and checks are carried out on the company's construction sites every other week.

Control routines

Both the construction client and contractor (also using an independent third party) carry out inspections to ensure that applicable legislation and statutory regulations are followed. All damage and unwanted incidents are registered continuously and reported to the construction client. Both Selvaag Bolig's executive management and the board receive HSE reports from all projects every quarter, and any serious incidents are reported immediately.

The HSE routines include safety rounds that will ensure that the construction site is operated with adequate safety in accordance with plans and routines. In addition, random spot checks are carried out to fulfil "duty to see"*** obligations, to ensure that wage and working conditions on the construction sites are in line with current regulations.

Results for 2024

Selvaag Bolig has not uncovered any violations of the Working Environment Act or human rights in 2024.

There have been few absenteeism injuries on Selvaag Bolig's construction sites, and the company continuously works to improve the overall control level and further reduce the number of injuries. As the number of construction sites in operation varies from year to year, the company believes that injuries per hour are a more accurate measurement parameter than the number of injuries. Therefore, the KPI was changed in 2023. Data is not available for 2022. Lost-time injuries per million hours worked were reduced from 1.9 in 2023 to 1.0 in 2024. Recordable injuries per million hours worked fell from 20.4 in 2023 to 18.3 in 2024.

Key indicators

	2024	2023	2022	Goal
Suppliers mapped vs. social criteria	100%	100%	N/A	100%
Number of construction sites/projects	10	11	19	-
Lost-time injuries* per million hours worked	1.0	1.9	N/A	0
Recordable injuries* per million hours worked	18.3	20.4	N/A	0
Adverse incidents	2 524	2 488	2 666	-
Safety rounds completed	253	315	330	-
SJAs** performed	95	136	175	-
Random spot checks, duty to see***	13	12	32	-

* Injuries were previously reported in numbers. Data is not available for 2022.

** Safe Job Analysis (SJA): This is a method to systematically review complex or risky job tasks to reduce or remove risk before the job is performed. SJA does not replace HSE risk evaluations or Risk and Vulnerability Analysis (RVA) but is a supplement in situations where those methods do not cover a specific job task or activity to be performed. The number of SJAs performed will of course vary depending on the job tasks at hand.

*** According to regulations on information and duty of care and right to access, the main supplier has the duty to ensure that wage and working conditions at subsuppliers are in accordance with applicable general regulations. For more information: www.arbeidstilsynet.no/regelverk/forskrifter/forskrift-om-informasjons--og-paseplikt-mv/2/6/.

In the annual report for 2022, Selvaag Bolig reported the number of random checks conducted by both the contractor and the client as two separate KPIs. A review conducted by an external adviser in 2023 showed that the client is not obliged to conduct its own random checks in projects using turnkey contracts as this work is carried out by the general contractor. After 2022, the two KPIs have therefore been combined into "random spot checks for duty to see", including checks conducted by the client in projects with subcontracts managed by the construction clients. Furthermore, Selvaag Bolig has introduced extended control of contractors at the contract signing stage, improving the overall level of control compared to previous practices.

INCLUSIVE LOCAL COMMUNITIES

Selvaag Bolig aims to create inclusive neighbourhoods that meet the needs of both new and existing users and stakeholders.

Selvaag Bolig acknowledges that the company's construction projects can have a negative impact on the local community. Increased traffic, noise in connection with development, protection of biological diversity, access to green areas, the need for recreational areas and the preservation of existing buildings are typical aspects that the stakeholders are concerned about.

Regardless of the size of the project, the company sees to it that all affected parties are involved at an early stage. This ensures that the development contributes to improving the respective areas' quality and has as few negative consequences as possible, both during both construction and when it is completed. Involvement ensures input and that the areas are developed holistically.

Function and aesthetics

Selvaag Bolig must facilitate so that everybody, at every age, regardless of functional ability, can live well and in an environmentally friendly way. This means having social meeting places outside and inside, ensuring that residents are within walking distance of everything they need on a daily basis, and that the building projects have a high aesthetic quality.

The architecture must therefore consider the surroundings around the respective projects, so that the buildings, the landscape architecture and the nearby natural areas are in harmony. Architecture is an integral part of Selvaag Bolig's project management system, and it is required, among other things, that recognised architects are used and that participation processes are carried out in the development phase.

Results in 2024

During the year, Selvaag Bolig carried out dialogue and participation processes in all projects that were under development, but where construction had not yet started. This was in the form of dialogue with politicians and planning authorities and/or in participation meetings with other stakeholders. The company has also been involved in a number of debates about architecture.

CUSTOMER SATISFACTION (CSI)

The customer satisfaction index (CSI) is a measure of how satisfied the company's customers are, and an assessment of the quality of the company's products and delivery. This is important for the company's brand and reputation, and affects sales, the possibility of collaboration with other actors and the regulatory processes in the municipalities. Selvaag Bolig works systematically with customer satisfaction throughout the customer journey, from marketing and sales to the construction period and through the guarantee period. The company has a dedicated department that follows up customers from the signing of the purchase contract until the end of the five-year guarantee period after the home has been completed. Customer satisfaction is measured using the Prognosesenteret's CSI surveys both at handover time and after one year. The measurement includes the nine categories "value for money", "loyalty", "expectations", "reliability", "the home", "employees", "information", "design and decoration" and "outside the home". The CSI score is calculated based on questions about the customer's assessment of the company as a whole and whether the company has met the customer's expectations.

Results 2024

Selvaag Bolig's goal is to achieve a CSI when handing over the home that is on par with or higher than the average for the industry. For 2024, Selvaag Bolig achieved a CSI score of 80 per cent when handing over the home, seven percentage points higher than the industry average (73). The improvement is largely due to systematic work with quality and customer experience, in addition to close follow-up of customers in the event of delays or other challenges. The housing projects Skifabrikken House E and F in Ås municipality and Lille Løren Park in Oslo received the top three spots in the Prognosesenteret’s annual KTI awards. Selvaag Bolig had several other projects in the top ten lists for 2024.

Prognosesenteret also measures customer satisfaction for Selvaag Pluss Service, which operates the company's Pluss projects. Customer satisfaction among those living in Selvaag Pluss® homes was 82 per cent in 2024.

The company considers the results to be good, but nevertheless is working systematically to improve both products and routines. Selvaag Bolig will continue to work on customer satisfaction to achieve the goal of being on par with or above the industry average.

Key indicators

	2024	2023	2022	Goal
CSI Score (sector average)	80% (73%)	74% (73%)	75% (74%)	≥ the sector average

INSPIRING WORKING CONDITIONS FOR EMPLOYEES

Selvaag Bolig strives to be one of Norway's most attractive workplaces and employees must have good opportunities for professional development.

At the end of 2024, the company had a total of 83 employees, five of whom were part-time employees. Six were employed in Sweden, and the remainder in Norway. The main functions are project management, and support functions such as finance, HR, legal, settlement, marketing, customer care and sales. The company also has service personnel who work in completed Pluss projects through operating agreements with the residential cooperatives.

Selvaag Bolig desires a good, diverse and inclusive working environment characterised by mutual trust and respect. Management shall provide employees with engaging tasks and contribute to low sickness absence. Being a result-oriented and innovative company are crucial requirements. The strategic goal is to create a performance culture. This will be achieved through a strong commitment by top management. The approach will be based on strength, meaningful goals, and broad employee involvement.

A fundamental principle in the organisation is to emphasise expertise and value it, and the company has zero tolerance for discrimination. As pointed out in the ethical guidelines, Selvaag Bolig does not accept any form of harassment or discrimination, whether based on race, religion, nationality, sexual orientation, gender or otherwise. Nor does the company tolerate any behaviour which could be perceived as threatening or degrading. Selvaag Bolig received no notifications about discrimination in 2024.

Employee satisfaction

The company pays special attention to employee satisfaction. For the ninth year in a row, Selvaag Bolig was certified as a «Great Place to Work» and is ranked as one of Norway's best workplaces.[12] In 2024, the overall score was 87 per cent, which was the same score as 2023 and three percentage points lower than in 2022. Results are particularly strong in dimensions such as pride and community. 99 per cent of employees are proud to work at Selvaag Bolig, and 90 per cent feel that the company contributes positively to society. This reflects the systematic work on ESG and the implementation of KPIs and goals throughout the organisation. Identified areas for improvement from this year's survey include increased collaboration between management and employees and improved information flow. The company's executive management and department leaders, involving all employees, are systematically addressing these issues through department meetings, management meetings, and all-hands meetings.

Sickness absence

Selvaag Bolig has a goal of sickness absence being below 3.0 per cent. The company has a good picture of the reasons for sickness absence and follows closely up on employees who are on sick leave. Close attention is paid to make a healthy work-life balance possible, and the company encourages physical activity by offering subsidised training and group activities.

In 2024, Selvaag Bolig had a sickness absence of 3.0 per cent, which was a decline of 2.5 percentage points from 2023. Short-term sickness is low, and the decline is primarily due to the company having less long-term sickness absence. Since the company has fewer than 100 employees, this can have a big impact on the total level of sickness absence. The company has a good understanding of the reasons for sickness absence, follows routines for following up sick employees. The occupational health service provides assistance as needed.

[12] The annual employee survey and following certification are performed by the company Great Place to Work Institute which is a leading global expert at developing, maintaining and recognising good workplaces. Great Place to Work 2024. Available at: https://www.greatplacetowork.no. (Retrieved 23 February 2025)

Annual reviews and expertise enhancement

All employees in Selvaag Bolig shall have an annual "employee review". The review gives the employee the opportunity to express wishes about development paths and to clarify work-related issues, while getting feedback about the job the employee has done. The review is an important tool for the organisation to map and plan the further development of the expertise of each employee. During 2024, 97 per cent of Selvaag Bolig's employees had employee reviews.

All employees are given opportunities for professional development and expertise enhancement, including through courses, seminars and professional gatherings both in-house and externally. The company does not keep track of the number of courses, seminars and get-togethers are held, but all employees have participated in one or more during 2024.

Co-ownership and benefits

Selvaag Bolig has a philosophy that co-ownership promotes value creation through increased engagement and loyalty. At the end of 2024, about 61 per cent of Selvaag Bolig's employees owned shares in the company.

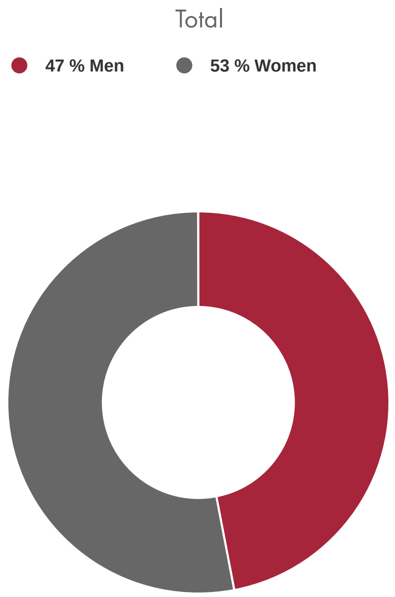
In addition, Selvaag Bolig has a number of benefits for employees. These include a mobile phone and broadband subscription, access to a subsidised cafeteria, discounted training at a fitness centre, as well as good pension and insurance schemes.

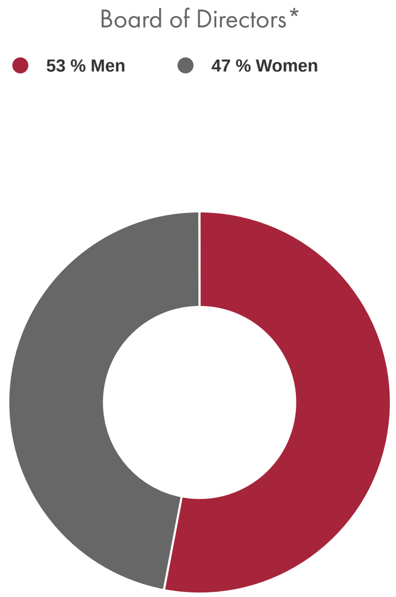
Equality and diversity

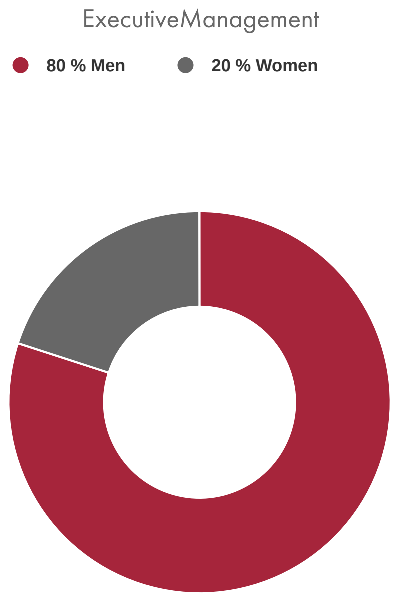
Selvaag Bolig has a specific goal of achieving gender balance in the various types and levels of jobs. The company follows the principle of equal pay for equal work.

Hiring at Selvaag Bolig will be decided based on expertise and experience, regardless of the job level or function. The company shall, however, always try to obtain the best possible gender balance with a minimum of 40 per cent women or men.

The overall gender balance in 2024 was 42 per cent men and 58 per cent women, and thus in line with targets. 50 per cent of the company's middle managers are women. The gender balance on the board of directors is in accordance with the 40-60 per cent gender balance requirement in the Norwegian Public Limited Liability Companies Act, with 40 per cent women and 60 per cent men among the shareholder-elected directors. The company's executive management still had a skewed distribution in 2024, with 20 per cent females and 80 per cent males. Over time, Selvaag Bolig will strive to have a better gender balance in the executive management.







* Including employee representatives

One measure to contribute to equality is to arrange for a flexible and good arrangement in connection with employees' parental leave. Selvaag Bolig covers the basic salary above the mandatory 6G in connection with parental leave, facilitates graded or increased leave taking, and encourages men to take more leave than the minimum quota. In 2024, one man and one woman took a total of 21 weeks of parental leave. The company considers that the scheme is good as everyone entitled to parental leave has taken it.

According to the Equality and Anti-Discrimination Act, Selvaag Bolig has mapped wage levels distributed by gender. The survey shows the average fixed salary according to the type of position and gender. Variable wages are not included in the survey as they vary greatly between different types of positions. Women and men in the same type of position and with the same experience shall be equally paid. The main reason for the wage gap between men and women is the uneven distribution in the type and level of position.

Number of employees and full-time equivalents

	2024	2023	2022
Employees	83	86	86
Full-time equivalents (FTE)	81	84	84,6
FTE in parent company	56	61,6	67
FTE in subsidiaries (incl. Sweden)	25	22,4	27
FTE of part-time employees (minimum 40% position)	5	5	4
Employees in Sweden	6	6	6

Sickness absence, turnover, employee satisfaction and appraisal interviews

	2024	2023	2022	Goal
Employee satisfaction	87%	87%	90%	> 80%
Sickness absence	3.0%	5.4%	4.9%	< 3%
Turnover	12.8%	8.1%	7.0%	-
Appraisal interview	97%	98%	100%	100%

Gender balance	Year 2024		Year 2023		Year 2022		Goal	
	Women	Men	Women	Men	Women	Men	Women	Men
Overall gender balance	58%	42%	53%	47%	55%	45%	> 40%	> 40%
Gender balance, shareholder-elected board members	40%	60%	40%	60%	40%	60%	> 40%	> 40%
Gender balance, employee-elected members	50%	50%	50%	50%	50%	50%	50%	50%
Gender balance in group management	20%	80%	20%	80%	20%	80%	> 40%	> 40%
Parental leave	6 weeks (1 person)	15 weeks (1 person)	6 weeks (1 person)	15 weeks (1 person)	27 weeks (1 person)	15 weeks (1 person)	-	-

Average fixed salary, by position (NOK 1000)	Year 2024			Year 2023			Year 2022		
	Women	Men	All	Women	Men	All	Women	Men	All
All positions	851	1 727	1 229	807	1 546	1 168	818	1 342	1 071
Group management	1 772	3 178	2 897	1 703	3 019	2 755	1 630	2 7888	2 636
Non-core activities	623	Only part-time	698	572	Only part-time	618	571	323 (part-time)	558
All positions other than group management and non-core activities	1 029	1 575	1 388	981	1 439	1 268	893	1 312	1 114

GOVERNANCE (G)

Selvaag Bolig is a pure residential property developer that controls the entire value chain from acquisition of land to sale of turnkey homes. The company does not have an in-house construction arm but signs contracts with contractors for each project. It is Selvaag Bolig's responsibility to ensure that applicable legislation and statutory regulations are followed in its own business and the human rights, for working conditions and safety are assured at construction sites.

For further information about governance, see the chapter about Corporate governance.

Ethics in its own activities

As a general contractor, Selvaag Bolig works with, among other things, public contact, significant financial transactions and agrees to large turnkey contracts. The company's ethical guidelines state that Selvaag Bolig does not accept any form of corruption. Conditions that can affect decision-making processes, or that may give others reason to believe such conditions exist, are not accepted. Nor should employees contribute to any kind of price cooperation that can distort or contravene current competition regulations. No cases of price cooperation or corruption were revealed in 2024.

Selvaag Bolig has established ethical guidelines for all employees. New employees are introduced to the guidelines through training programmes and joint meetings, and are required to conduct e-learning courses in ethics and corporate social responsibility. The course ensures that all employees know what the requirements and expectations are, and is an important tool for building a company culture with high standards. All employees have completed and passed the course.

Ethics in the supplier chain

The greatest risk of breaches of good business practice, such as corruption, working conditions and price cooperation lies in the supplier chain, and is addressed every other year in the company's overall risk mapping process. Selvaag Bolig has clear requirements for suppliers by using a supplier declaration and contracts, and has routines that include the annual assessment of its main partners and suppliers. No violations of the company's guidelines were revealed in 2024.

Privacy (GDPR)

Selvaag Bolig receives personal information from both own employees and from customers who buy housing, and processes them in line with the EU General Data Protection Regulation (GDPR) and the Privacy Regulation. The company has strict routines for how such information is collected, stored, used and deleted. One meeting was held in the company's privacy group during 2024. Regular spot checks were performed. The company received no data subject requests and recorded no data breaches during the year.

IT security

Selvaag Bolig works continuously to protect IT equipment, networks and information from unwanted access and attacks. Several measures have been implemented to increase IT security in recent years, including more advanced security monitoring, an updated information security management system and continuous work on improving the awareness of employees. All employees take an annual class in IT security using an e-learning platform and with user instructions for information security.

GROUP FINANCIAL STATEMENTS

CORPORATE GOVERNANCE

Selvaag Bolig wishes to maintain a high standard of corporate governance. This will strengthen confidence in the company, and contribute to long-term value creation by regulating the division of roles between shareholders, the board and executive management over and above legal and regulatory requirements.

Corporate governance in Selvaag Bolig is based on the following main principles:

- Relevant, reliable and identical information is provided to all stakeholders and shareholders.
- An autonomous board which is independent of the company's executive management.
- A clear internal division of roles and duties is established between the board and executive management.
- Equal treatment of all shareholders in accordance with applicable legislation.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Compliance

Selvaag Bolig ASA is a Norwegian public limited liability company listed on the Oslo Stock Exchange. The company is subject to section 3, sub-section 3b of the Norwegian Accounting Act, which requires it to provide an annual statement of its principles and practice for corporate governance. This rule specifies the minimum information which the presentation must provide.

The Norwegian Corporate Governance Board (NCGB or NUES) has established the Norwegian code of practice for corporate governance (the code). Listed companies are required by the Oslo Stock Exchange to provide an annual overall presentation of their principles for corporate governance in line with the prevailing code. The current obligations for listed companies are available at www.euronext.com, and the NCGB code can be found at www.nues.no.

Selvaag Bolig observes the applicable code, published on 17 October 2018, and updated 14 October 2021, in accordance with the "comply or explain" principle. This means that the individual points in the code are observed, but possible variances are explained. The company provides an annual overall presentation of its principles for corporate governance in its annual report, and this information is available at www.selvaagboligasa.no.

2. THE BUSINESS

The business purpose of Selvaag Bolig ASA is to "acquire and develop residential housing projects for the purpose of sale, purchase and sale of property, as well as other affiliated business, hereunder commercial property. The company may participate in other companies at home and abroad in relation to residential housing development." This appears in article 3 of the company's articles of association, which are available at www.selvaagboligasa.no. Selvaag Bolig's goals and principal strategies are described in this annual report and at www.selvaagboligasa.no. The board sets clear goals for the business with the aim of creating value for the shareholders and the rest of society. Through annual strategy processes, the board considers whether the goals and guidelines derived from the strategies are unambiguous, adequate, well operationalised and communicated to employees, customers and other stakeholders.

Selvaag Bolig has formulated guidelines for corporate social responsibility (CSR) and other policy documents in accordance with the company's values base. CSR is described in more detail in the ESG chapter of this annual report. Selvaag's core values are "care and creativity", and these are well entrenched throughout the business.

The guidelines contain general principles for business practice and personal behaviour, and are intended to serve as a starting point for the attitudes and basic views which will characterise the corporate culture and day-to-day work in Selvaag Bolig.

3. EQUITY AND DIVIDENDS

Selvaag Bolig had an equity of NOK 2 393 million at 31 December 2024, including non-controlling interests. The board regards the equity as acceptable, and financing of the company is tailored to its business purpose, strategy and risk profile.

Dividend

The board has a clearly communicated dividend policy tailored to the company's goals, strategy and risk profile. Selvaag Bolig's ambition is to pay high and stable dividends to its owners. The goal is that the dividend should be a minimum of 60 per cent of net profit and paid twice a year. However, the size of the dividend must be balanced against the company's liquidity forecasts and capital adequacy.

No dividend was paid for the first half of 2024. The board has proposed a dividend of NOK 1.25 per share for 2024, amounting to NOK 117.2 million. The dividend for 2024 corresponds to 66 per cent of net profit.

The board has received a mandate from the general meeting which allows it to determine dividend payments continuously throughout the year, should the financial basis for these be present. Such a decision must formally be taken on the basis of the approved annual financial statements for 2024, and would in that event supplement the regular dividend approved by the general meeting. A mandate of this kind must be adopted by the general meeting and will apply until the next AGM but no later than 30 June in the following year.

Purchase of treasury shares

It is appropriate that the board has a mandate to purchase the company's own shares, partly to implement the group's share savings programme and remuneration arrangements for employees, and partly to use shares as a means of settlement in connection with the possible acquisition of enterprises. The board was mandated by the AGM of 25 April 2024 to acquire the company's own shares up to a total nominal value of NOK 18 753 137, corresponding to 10 per cent of the share capital. This mandate can be used for a possible later reduction in the share capital with the consent of the general meeting, for remuneration of the directors, for incentive programmes or as settlement for the possible acquisition of businesses, and for the purchase of shares where this is financially advantageous. The mandate can be exercised several times, and remains valid until the AGM in 2025 and in any event no longer than to 30 June 2025. The board will propose to the AGM that it be extended by one year. Selvaag Bolig owned 341 of its own shares at 31 December 2024.

Share savings programme for all employees and share purchase programme for executive management

The company has a share savings programme for employees working more than half-time. This is because co-ownership by the workforce is expected to promote value creation through increased commitment and greater loyalty. The share savings programme shall encourage broad and long-term ownership and gives employees the opportunity to acquire a direct stake in the company's value creation.

Employees can purchase shares for up to a value of NOK 200 000 per year. The price per share is the stock market price (volume-weighted average price for the final 10 days of stock exchange trading before the programme opens) less a discount of 20 per cent, conditional on a two-year lock-up period. For the same incentive and reason, the company also has a share purchase programme for its executive management. The ceiling for annual investment in the executive share purchase programme is the individual's annual pay. The price per share is the stock market price (volume-weighted average price for the final 10 days of stock exchange trading before the programme opens), less a discount of 30 per cent as compensation is provided for the employee's tax disadvantage, conditional on a three-year lock-up period.

The 2024 programme was conducted from 25 to 29 November, and the trades were done 29 November. 38 employees took advantage of the offer, and 796 935 shares were purchased at NOK 31.92 per share before the discount. Since the share programmes will continue in 2025, the board will propose to the AGM that the mandate to purchase the company's own shares, as described in the previous section, be extended by one year.

Capital increase

The same AGM on 25 April 2024 mandated the board to increase the company's share capital by up to NOK 18 753 137. This mandate can be exercised several times, and remains valid until the AGM in 2025 and in any event no longer than to 30 June 2025. It replaces earlier mandates for similar purposes, and embraces capital increases in exchange for non-monetary considerations or the right to involve the company in special obligations. The mandate has not been utilised, and the board will propose to this year's AGM that it be extended by one year.

Deviation from the code: The NCGB believes that grounds should be given for such mandates and that they should be restricted to defined purposes. However, the board believes that some flexibility is needed. As long as the mandates are clearly limited in time and scope, the ability to take such decisions should form part of the board's administrative authority rather than requiring that an extraordinary general meeting be held.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH RELATED PARTIES

Equal treatment of shareholders

Selvaag Bolig has one class of share, and all shares have equal voting rights. Emphasis is placed on the work of the board and the executive management to treat all shareholders equally and to give them the same opportunities to exercise influence. The company's articles of association impose no restrictions on voting rights.

The company's transactions in its own shares are conducted via the stock exchange or in other ways at the stock market price. In the event of an increase in share capital, existing shareholders will have a pre-emptive right to subscribe unless special considerations justify waiving this right. Any such waivers will be justified and published in a stock exchange announcement in connection with the increase in share capital.

Conflicts of interest and transactions with related parties

Selvaag Bolig is committed to transparency and caution in connection with investments on terms which could be perceived as an undesirably close transaction or relationship between the company and a large shareholder, a board member, a senior executive or related parties of these. This is outlined in the company's ethical guidelines and instructions for the board.

Where transactions take place with related parties, they must be conducted at arm's length and on market terms. In the event of not immaterial transactions between the company and related parties, the board will commission an independent valuation. The audit committee reviews all significant transactions with related parties. Transactions with related parties are described in note 23 in the company's annual report, as well as in the quarterly reports.

The board has also established guidelines which require executive management to report to the board if they have a material interest, directly or indirectly, in a contract entered into by the company.

Principal shareholder

Selvaag AS is the principal shareholder in Selvaag Bolig ASA with 53.5 per cent of the shares as at 31 December 2024.

5. FREELY NEGOTIABLE SHARES

No restrictions are placed by the articles of association on the ability to own, sell or vote for shares in Selvaag.

6. GENERAL MEETING

About the general meeting

Shareholders exercise the highest authority in Selvaag Bolig ASA through the general meeting. The board makes provision to ensure that the general meeting is an effective forum for shareholders. The company facilitates the appointing of proxies and for voting outside the physical meeting.

Notice

The AGM is scheduled to take place from 10.00 on 24 April 2025 in the company's premises at Silurveien 2 in Oslo.

Before the meeting, shareholders have good opportunities to contact the company, either to clarify issues or to obtain help in submitting proposals to the general meeting. Detailed supporting documentation is posted to the company's website no later than 21 days before the general meeting. See article 9 in the articles of association. Shareholders who have not asked to receive the supporting documentation for the general meeting electronically will have this sent to them by post, as specified in the company's articles of association. The supporting documentation must contain all the details required for the shareholders to form a view of every item on the agenda.

All shareholders registered in the Norwegian Central Securities Depository (VPS) will receive the notice, and have the right to submit motions and to vote directly or by proxy. A financial calendar, which includes the date of the AGM, is available on the company's website.

Registration and proxy form

Registration must be made in writing, by post, VPS account or e-mail. The board wishes to facilitate attendance by the largest possible number of shareholders at the general meeting. Shareholders who cannot attend in person are encouraged to appoint a proxy. Provision is made for the shareholder to specify separate voting instructions to their proxy for every item on the agenda. All information on the appointment of a proxy and the appropriate forms can be found on the company's website.

Agenda and execution

The general meeting elects its own chair. The meeting is opened by the chair of the board, who also arranges for the election of a chair for the meeting. The AGM's duties include adopting the annual financial statements and directors' report and considering the board's guidance and report about remuneration to leading employees.

Members of the nomination committee and its chair are elected by the general meeting. In addition, the general meeting considers such other matters as are assigned to it by legislation or the articles of association. The minutes of the general meeting are published via a stock exchange announcement and are made available on the company's website at www.selvaagboligasa.no after the meeting.

The AGM in 2024 took place on 25 April, and 65.6 per cent of the total issued shares and votes were represented.

According to the NCGB code, provision should be made to vote for individual candidates for the board and the nomination committee.

Deviation from the code: The nomination committee believes that the board's overall composition is important for the way it functions. For that reason, the company invites the general meeting to vote for the nomination committee's collective recommendations for the election of the board and nomination committee.

According to the code, the board and chair of the nomination committee should attend.

Deviation from the code: The chairs of the board and the nomination committee, as well as the CEO, are always present to answer possible questions. The whole board will attend if this is considered necessary in view of items on the agenda.

7. NOMINATION COMMITTEE

Pursuant to the articles of association, the nomination committee will have three members elected for a one-year term. The majority of these members must be independent of the company's board and executive management, and the committee must act in the interests of shareholders in general. The chair of the nomination committee is elected by the general meeting, which also determines the remuneration of the committee's members. The nomination committee itself recommends members of the committee.

All members of the nomination committee are up for election in 2025. The nomination committee currently comprises:

- Gunnar Bøyum (chair)
- Helene Langlo Volle
- Leiv Askvig

The duties of the nomination committee are to propose candidates for election as directors and to recommend fees for the directors, members of board sub-committees and members of the nomination committee. The report of the board's annual self-assessment is considered by the committee.

The committee will account for its work and present its recommendations, with justifications, to the general meeting. The recommendations must encompass relevant information about the candidates and an assessment of their independence from the company's executive management and board. The committee is in contact with shareholders, directors and the chief executive during its work on proposing candidates for the board, and anchors its recommendations with the company's largest shareholders. The committee's recommendations, with justifications, are made available 21 days at the latest before the general meeting takes place. Recommendations from the committee must meet the requirements for the composition of the board which derive at any given time from applicable legislation and statutory regulations.

Article 7 of the articles of association specifies that the company will have a nomination committee. Guidelines have been established on this committee's duties and composition, and on the eligibility of candidates for election. These guidelines were adopted by the general meeting held on 30 August 2011.

8. COMPOSITION AND INDEPENDENCE OF THE BOARD

Composition of the board

Pursuant to article 5 of the company's articles of association, the board of Selvaag Bolig will comprise three to nine members. The chair and the shareholder-elected directors are elected by the general meeting, based on recommendations from the nomination committee.

The board currently comprises seven directors, of whom three are women, and is composed in such a way that it meets the company's need for expertise, capacity and diversity. Weight is given to the whole board being in possession of a broad business and management background as well as in-depth understanding of the housing industry and property development. An overview of each director's expertise, background and shareholding in the company is available on the company's website at www.selvaagboligasa.no.

Employees of the business are represented on the board, and the number of these worker directors is specified in the applicable agreement on pay and conditions. At present, two directors – one male and one female – are elected by the employees. None of the shareholder-elected directors are employed by or have carried out work for Selvaag Bolig other than work related to their board positions.

Shareholder-elected directors are elected for one-year terms. Employee-elected directors are elected for two-year terms. All shareholder-elected directors are up for election in 2025. Directors' fees are determined by the general meeting based on a recommendation from the nomination committee.

Independence of the board

The composition of the board ensures that it can act independently of special interests, and it must also function effectively as a collective body to the benefit of the shareholders in general.

No shareholder-elected director is involved in the executive management. Chair Olav Hindahl Selvaag and director Tore Myrvold are the chair and CEO of Selvaag AS, respectively. Selvaag AS is the company's principal shareholder and, through subsidiaries and other investments, may have business relations with Selvaag Bolig.

The other shareholder-elected directors are independent of Selvaag Bolig's executive management and significant business relations.

See the remuneration report for 2024 published on the company's home page selvaagboligasa.no. on the shareholdings of directors in Selvaag Bolig at 31 December 2024. By virtue of their position, each director is subject to the regulations on primary insiders, with clear rules related to such issues as the duty to investigate and report in the event of trading in the company's shares.

9. THE WORK OF THE BOARD OF DIRECTORS

The board's duties

The board of directors bears the ultimate responsibility for management of the group and for supervising the chief executive and the group's operations.

That makes the board responsible for ensuring an acceptable organisation of the business and determining strategies, plans and budgets. The board participates in important strategic discussions throughout the year and undertakes an annual audit of the company's strategy. Furthermore, the board is responsible for establishing control systems and for ensuring that the group is operated in compliance with the established values base, the ethical guidelines and the expectations of the owners for socially responsible operation. The board has a duty to ensure that the financial statements and asset management are subject to satisfactory controls. Matters of significant strategic or financial importance are dealt with by the board. The board is responsible for appointing the chief executive, establishing the chief executive's instructions, authorities and terms of employment, and determining the chief executive's remuneration. In addition, the board will protect the interests of the shareholders while also having a responsibility for the company's other interests.

Each director is duty-bound to consider at all times whether conditions exist which, viewed objectively, might weaken general confidence in their impartiality or which might lay the basis for conflicts of interest. The company also follows up the various offices and so forth held by the directors to provide an information base for the company's management in avoiding unintentional conflicts of interest.

12 board meetings were held in 2024, eight as physical gatherings.

Director	Attendance, no. of meetings	Attendance in per cent
Olav Hindahl Selvaag	12 of 12	100
Gisele Marchand	12 of 12	100
Camilla Wahl	11 of 12	92
Øystein Thorup	12 of 12	100
Tore Myrvold	12 of 12	100
Patrik Eriksson	12 of 12	100
Sissel Kragnes	11 of 12	92

Instructions for the board

The board has adopted instructions which specify the rules and guidelines for its work and administrative procedures. These are reviewed annually or as required. The instructions for the board define the duties and obligations associated with its work, and its relationship with the chief executive. The chair is responsible for ensuring that the work of the board is conducted in a correct and efficient manner. The board works on the basis of an annual plan, with specified topics and issues for board meetings. The board evaluates its work and competence on an annual basis. This is done through a self-assessment which is summarised for the nomination committee. At least once a year, the board reviews the most important areas of risk as well as internal control in the company.

Instructions for the chief executive officer

The CEO of Selvaag Bolig ASA is responsible for the executive management of the Selvaag Bolig group. The chief executive must also ensure that the financial statements comply with legislation and other relevant provisions, and that the group's assets are managed in an acceptable manner. The CEO is appointed by the board of directors and reports to it. The CEO is duty-bound to keep the board continuously informed on the group's financial position, operations and asset management. The board has also approved an authority structure for the company which clarifies the authority of the CEO and the executive management in terms of which issues must be considered by the board.

Financial reporting

The board receives periodic reports with comments on the company's financial status. Where interim reporting is concerned, the company observes the deadlines specified by the Oslo Stock Exchange.

Board committees

The board has found it appropriate to establish sub-committees to serve as preparatory and advisory bodies for the board.

Audit committee

The audit committee is a preparatory and advisory body for the board. It is elected by and from among the directors, and must comprise at least two directors. At least one of these should have experience from the exercise of accounting or financial management, or of auditing. Members are appointed by the board, and changes to its composition are made when the board might wish to do so or when the members cease to be directors of the company. The audit committee currently comprises the following members:

- Gisele Marchand (chair)
- Tore Myrvold

The company's auditor also attends all the meetings.

The board has adopted separate instructions for the audit committee, which will, among others:

a. review the company's quarterly, annual and related reports, including ESG reporting, and prepare the board's follow-up of the financial reporting process.

b. maintain ongoing contact with the company's elected auditor concerning the audit of the annual financial statements.

c. assess and monitor the independence and objectivity of the auditor and particularly to what degree services other than audit are provided by the auditor.

d. assess the quality of the external audit, be responsible for preparing the company's choice of auditor and make its recommendation.

e. ensure that the company has established sufficient and suitable processes for internal control and risk management to ensure that laws and regulations closely tied to financial and non-financial reporting are followed.

f. Process all significant transactions with related parties.

The audit committee met seven times in 2024.

The remuneration committee

The remuneration committee serves as a preparatory and advisory body for the board, comprising up to three directors who are independent of the company's executive management. The members of the remuneration committee are appointed by the board for two-year terms or until they cease to be directors of the company. The remuneration committee currently comprises:

- Olav Hindahl Selvaag (chair)
- Gisele Marchand
- Øystein Thorup

The board has adopted separate instructions for the remuneration committee. It must, among other things:

a. prepare issues for consideration by the board concerning salary and terms of the chief executive.

b. prepare the board's processing of scorecards/KPIs as a basis for the bonus assessment for senior executives.

c. prepare the board's consideration of issues of principle related to salary levels, bonus systems, pension terms, employment agreements and the like for the company's senior executives.

d. address special issues related to compensation for employees in the group to the extent that the committee finds that these affect matters of particular importance to the group's competitive position, profile, recruitment ability, reputation, etc.

The committee has held four meetings in 2024.

10. RISK MANAGEMENT AND INTERNAL CONTROL

Responsibility and purpose of the board

Risk management and internal control in Selvaag Bolig are intended to help ensure that the company takes a coherent approach to its operations, financial reporting and compliance with applicable legislation and regulations. The board regularly reviews Selvaag Bolig's risk management and internal control, as well as its guidelines and the like on how the company integrates concern for the world at large with value creation. Internal control also embraces the company's values base, CSR and ethical guidelines, which apply to all company employees.

Board reviews and reporting

An annual strategy meeting is held by Selvaag Bolig to lay the basis for the board's consideration and decisions during the year.

A survey of the company's risk factors and risk management is conducted regularly. This exercise plays a key role for the board's annual strategy meeting, and defines the direction of further work on the company's risk management. An overarching management model has been established for continuous follow-up, based on the group's strategy, values base and ethical guidelines. In addition, principles have been drawn up for reporting in the key areas, as well as guidelines for central processes and activities. An authority matrix has also been established for delegating responsibilities to defined roles in the organisation. All employees have clear guidelines on the scope of their own authority and on the next level up for decisions or approvals.

Selvaag Bolig has established a set of internal procedures and systems which are intended to secure uniform and reliable financial reporting and operations. A quality assurance system has also been established to safeguard quality when executing the group's projects. One component of this system is a review, conducted at least once a quarter, of risk in the projects and other parts of the business. This review identifies the financial development of the company's projects and makes it possible to implement possible risk-reducing measures. Planning, management, execution and financial follow-up of construction and production processes and projects are integrated in the Selvaag Bolig group's commercial operation. Construction projects report systematically to the group management.

Selvaag Bolig's consolidated financial statements are prepared in accordance with the applicable IFRS standards. The board receives periodic reports on the group's financial results as well as a description of the status of the most important individual projects. The auditor attends meetings of the audit committee and board meetings related to the presentation of the preliminary annual financial statements. The company's key risk factors are described in the directors' report.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The general meeting determines directors' fees annually on the basis of a recommendation from the nomination committee.

A total of NOK 2 690 000 was paid in directors' fees for 2024. Shareholder-elected directors are given compensation of NOK 50 000 in addition to ordinary board remuneration, where the net proceeds after tax are assumed to be used for the purchase of shares in the company. Remuneration to the individual directors in 2024 is stated in the executive remuneration report published at www.selvaagboligasa.no. Directors' fees are not linked to the group's performance. No options are awarded to directors, and shareholder-elected directors have no agreement on a pension plan or on payment after their period of service has ended. None of the shareholder-elected directors perform work for the company in addition to their directorship.

Directors observe general insider regulations for trading in the company's shares. See the aforementioned executive remuneration report for an overview of shares owned by directors.

12. REMUNERATION OF EXECUTIVE PERSONNEL

As mentioned in section 9, a remuneration committee comprising up to three directors has been established. The committee shall support the board's work on the strategy for and main principles of remuneration for the company's senior executives, including the determination of scorecards and the conditions of employment for the chief executive.

The individual components in a remuneration package must be assessed collectively, with fixed basic pay, possible variable pay and other benefits such as pension and termination payments viewed as a whole. Variable pay in the form of bonus payments will be based primarily on objective, definable and measurable criteria. Such variable pay (bonuses) cannot exceed 100 per cent of basic pay for the executive personnel. No options have been awarded to employees or elected officers of the company.

The guidelines and report about remuneration of executive personnel are presented annually to the general meeting in connection with its consideration of the financial statements.

13. INFORMATION AND COMMUNICATION

Selvaag Bolig endeavours to ensure that all reporting of financial and other information is timely and correct, and based on openness and equal treatment of players in the securities market. The company observes the recommendations of the Oslo Stock Exchange on reporting investor information, which came into force on 1 January 2012. Information from Selvaag Bolig is published in the form of annual and interim reports, press releases, stock exchange announcements and investor presentations. All information regarded as significant for the valuation of the company is distributed and published via Modular Finance and Oslo Stock Exchange's messaging system www.newsweb.no and at www.selvaagboligasa.no.

The company presents its interim annual results by the end of February. Full financial statements, together with the directors' report and the rest of the annual report, are made available to shareholders every year at least three weeks before the AGM, and by the end of April at the latest. Interim figures are reported within 60 days of the end of the quarter, in accordance with the rules of the Oslo Stock Exchange.

The financial calendar is available on www.selvaagboligasa.no and www.newsweb.no. The primary purpose of information from the company will be to clarify the company's long-term goals and potential, including its strategy, value drivers and important risk factors. The company's guidelines for investor relations provide more detailed specifications of the way information is handled in the group, including defining who will act as the company's spokesperson on various matters. The CEO and CFO of Selvaag Bolig will be the primary spokespersons to the financial market on behalf of the company.

14. TAKEOVERS

The company's articles of association place no restrictions on the purchase of shares in the company. In the event of a possible takeover bid, the board will help to ensure that the company's shareholders are treated equally and that the group's day-to-day operations are not disrupted unnecessarily. The board will seek to help ensure that the shareholders have sufficient information and adequate time to form an opinion on a takeover bid.

The instructions for the board of Selvaag Bolig ASA specify how the company will respond should an offer be made for the company's shares. In such cases, the board will issue a statement which contains an assessment of the offer and a recommendation to the shareholders on whether they should accept it. In this assessment, the board should take account of such considerations as the way a possible takeover would affect long-term value creation in the company. A justification of the recommendation must be provided.

15. AUDITOR

Election of auditor

The group's auditor is elected by the general meeting. Selvaag Bolig's auditor when presenting the accounts for 2024 is PricewaterhouseCoopers.

Auditor's relationship with board and audit committee

The auditor gives the board an account of its work and provides an assessment of the company's financial reporting and internal control in connection with the annual financial statements. At this meeting, the board is briefed on which services in addition to auditing have been provided during the year. The auditor meets the board at least once a year without the executive management being present. The auditor has the right to attend Selvaag Bolig's general meeting. Written confirmation must be provided once a year by the auditor to the board that the specified requirements for the independence of the auditor have been met.

The auditor attends the meetings of the audit committee. Once a year, the auditor must present the committee with the main features of the plan for conducting the audit work. The auditor will review possible significant changes in Selvaag Bolig's accounting principles, assessments of significant accounting estimates and all significant conditions where disagreement has occurred between the auditor and the executive management. At least once a year, the auditor must review Selvaag Bolig's internal control system with the audit committee – including identifiable weaknesses and proposals for improvement. The board briefs the general meeting on the auditor's fee, broken down between audit work and other services in addition to auditing.

Lervig Brygge, Stavanger

DIRECTORS' REPORT

Selvaag Bolig sold 568 homes with a combined value of NOK 3.67 billion in 2024. Home sales and the number of construction starts have been negatively impacted by challenging market conditions, but showed clear signs of improvement during 2024 compared to the year before. At the end of year the company had 829 homes under construction, which was an increase of 45 units compared to the previous year, and an increase of 168 units in the second half.

Overview of 2024

The housing market was challenging in 2023 with a sharp decline in both new home sales and housing construction due to increased living and construction costs. The new home market improved somewhat during 2024. Construction costs stabilised at levels which will make it possible to start sales and construction on more projects going forward, and sales improved after Norges Bank in December published an interest rate forecast predicting a declining policy rate from the first half of 2025.

Solheimsvatnet Pluss, Bergen

Lille Løren Park, Oslo

Selvaag Bolig's sales rose in 2024 compared to 2023. The market for new homes is improving and the number of homes under construction showed an improving trend in the second half of 2024. During the year, sales contracts for 665 homes were signed, with a combined value of NOK 4 363 million. Adjusted for Selvaag Bolig's share of joint ventures, 568 homes valued at NOK 3 673 million were sold. The relatively strong sales figures were primarily because the company succeeded in starting sales on new projects. Those sales starts allowed the company to be able to start construction of 559 homes during the year. On 31 December, the company had 829 homes with a sales value of NOK 6 134 million under construction. 61 per cent of these and 75 per cent of planned completions for 2025 were sold.

Selvaag Bolig has access to a significant land bank that can provide more than 10 000 homes in and around Greater Oslo, Stavanger, Bergen and Stockholm, and searches systematically for more plots to further strengthen the project portfolio. Most of the plots are owned by Urban Property, which collaborates with Selvaag. Urban Property was established in 2020 to own Selvaag Bolig's plots, and the plots are bought out step by step, in line with project development. The collaboration also gives Selvaag Bolig the opportunity to buy new plots of land without having to tie up equity. In addition, Selvaag Bolig has several joint venture projects with 50 per cent ownership.

In 2024, Selvaag Bolig entered into agreements to buy plots of land in Moss, Bergen and Stockholm which can provide around 880 homes. That is somewhat more than construction starts, and the land bank has increased accordingly during the year.

At the end of the year, Selvaag Bolig had 83 employees and is well positioned to handle higher sales and construction activity than in 2024. The development of existing and new projects is running normally, and several departments have tasks that are not directly influenced by the market. Because of market conditions, however, there was no increase in staffing in 2024, and colleagues who for various reasons left were not replaced if they did not have critical operating roles. The annual employee satisfaction survey shows that employee satisfaction is still good. In 2024, the company received an overall score of 87 per cent which was the same result as 2023 and three percentage points lower than in 2022.

One of the most important strategic priorities in the past year has been to continue the systematisation and strengthening of the company's ESG work. The board considers high-quality ESG work to be crucial for the company’s ability to manage the transition to a climate-neutral society over time. The company must contribute to lower greenhouse gas emissions, maintain awareness of climate risks and nature, and at the same time maintain a sustainable and responsible business practice that remains profitable.

Another important priority in the past year has been further development of the housing concept Selvaag Pluss, which has lifestyle homes with shared facilities and services. The concept has been important for acquisition work in both Norway and Sweden, but also as a competitive advantage for projects that are in sale or coming up for sale in the future. Landowners, municipalities and home buyers are looking for homes with shared functions and services, and few other developers offer products that compete with Selvaag Pluss. In 2024, new Pluss projects started sales in Bergen and Lørenskog. Selvaag Bolig is continuously working on further development of the concept and Pluss homes will be a key part of the projects being launched in coming years. In addition, the compact flat concept Selvaag City, which is a refinement of Selvaag Pluss, will be launched in Stockholm. The company is also working on including this concept in several of the company’s upcoming projects in Norway.

Selvaag Bolig has a solid financial position, large development projects and access to a significant land bank in areas with population growth and substantial housing needs. At the end of the year, the company’s equity was NOK 2.39 billion and the equity ratio was 46.4 per cent.

The company has had normal operations in 2024.

Dividend

The board proposes a dividend of NOK 1.25 per share for 2024.

THE GROUP'S BUSINESS

Selvaag Bolig is one of Norway's leading housing developers. It buys and develops new housing land, and manages the whole value chain from acquisition of land to completion and sale of homes. The group concentrates on the areas in and around Greater Oslo, Bergen, Stavanger and Trondheim as well as Stockholm. The development business embraces wholly owned projects as well as projects pursued as joint ventures with external investors. Selvaag Bolig manages all the projects, with the exception of one joint venture with AF Gruppen in Ski. The Selvaag Pluss Service AS subsidiary offers services related to Selvaag Bolig's Pluss homes.

Selvaag Bolig does not build itself, but awards construction contracts on a project-by-project basis. That gives it the opportunity to select the best and most competitive contractor for each project. Subjecting construction contracts to competitive tendering increases flexibility and reduces market risk, while helping to tie up less capital and cut execution risk during the construction phase.

The group possesses a high level of expertise on project development. With a modern and industrial approach to housebuilding, this helps to ensure lower construction costs, competitive prices for buyers and high profitability for the company and its owners.

Selvaag Bolig continues Selvaag's historical social commitment, where value creation is combined with socially useful measures. The company builds large projects with a broad array of housing types, and works to develop homes which as many people as possible can afford to buy. Furthermore, Selvaag Bolig seeks to be a driver in the public debate in order to secure operating parameters which make it possible to achieve this objective while simultaneously ensuring good and sustainable housing and urban development. By building good and durable projects, which take into account social and aesthetic properties, in established urban and residential areas and near public transport hubs, the company contributes to more people being able to live a more environment-friendly daily life in walking and cycling distance of shops and services, and close to public transport. Selvaag Bolig also supports educational institutions and mass-participation sports, the latter particularly in the neighbourhoods where the company has projects.

In January 2020, large parts of Selvaag Bolig's available land portfolio was sold to Urban Property. These two companies intend to pursue a long-term strategic collaboration which offers them both a number of advantages. Where Selvaag Bolig is concerned, the collaboration's benefits include increased competitiveness in land purchases and a reduction in tied-up capital. See Description of the business elsewhere in this report for further information.

FINANCIAL REVIEW

Income statement

(Figures for 2023 are presented in brackets)

Operating revenue

Selvaag Bolig had operating revenues of NOK 1 971.0 million (NOK 3 254.7 million) in 2024. Revenues from units delivered accounted for NOK 1 661.3 million (NOK 3 065.8 million) of the total. In addition, two properties in Bærum and Lørenskog, respectively, were sold for NOK 229.9 million. In 2023, land plots and a commercial property in Rogaland were sold by the group for a total of NOK 62.9 million and a land plot in Bærum was sold for NOK 57.5 to financing partner Urban Property.

During the year, a total of 532 units (655) were delivered, including 343 (612) from consolidated project companies and 189 (43) from joint ventures.

Operating costs

Operating costs totalled NOK 1 845.1 million (NOK 2 940.4 million), of which project costs for the year totalled NOK 1 580.3 million (NOK 2 677.2 million). Project costs are primarily construction costs for units delivered. Payroll costs accounted for NOK 149.1 million (NOK 145.3 million) of the operating costs.

Other operating costs came to NOK 106 million (NOK 108.7 million), including NOK 35.1 million (NOK 38.5 million) for sales and marketing.

The share of profit from associates and joint ventures came to NOK 72.3 million (negative NOK 13.4 million in profit).

Operating profit

Consolidated operating profit for the year came to NOK 198.2 million (NOK 300.9 million).

Financial items

Net financial income amounted to NOK 11.0 million (NOK 18.6 million in income).

Profit (loss)

Pre-tax profit for the year was NOK 209.2 million (NOK 319.5 million). Net tax expense was NOK 32.2 million (NOK 74.8 million). Consolidated tax expense does not include tax liability for tax objects which are not part of the Selvaag Bolig group. Tax on non-controlling shareholders' share of profit for the period is included in the non-controlling share of profit and equity.

Comprehensive income for 2023 came to NOK 177.0 million (NOK 244.7 million). NOK 177.0 million of the profit was attributable to the shareholders of Selvaag Bolig ASA (NOK 244.7 million), and NOK 0.0 million to non-controlling shareholders (NOK 0.0 million).

Cash flow

Consolidated cash flow from operational activities was NOK 87.1 million (NOK 1 196.6 million). The decrease from last year primarily reflected the impact of changes in inventory.

Cash flow from investing activities was positive at NOK 23.2 million (negative at NOK 45.3 million). The change from last year primarily reflected that in 2023 payments were made to finance joint ventures as well as dividends received from joint ventures being somewhat higher in 2024.

Net cash flow from financing activities was positive at NOK 6.8 million (negative at NOK 1 497.5 million). The change from last year primarily reflected larger net repayment of construction loans in 2023 and less dividends paid in 2024.

The group's holding of cash and cash equivalents at 31 December totalled NOK 383.6 million (NOK 266.5 million), an increase of NOK 117.1 million from a year earlier.

Balance sheet

Assets in Selvaag Bolig at 31 December 2024 totalled NOK 5 159.0 million (NOK 4 754.4 million). The carrying amount of consolidated inventories (land, housing under construction and completed homes) at 31 December was NOK 3 257.8 million (NOK 3 199.5 million).

Equity at 31 December was NOK 2 393.2 million (NOK 2 307.0 million), corresponding to an equity ratio of 46.4 per cent (48.5 per cent). The board proposes that a dividend of NOK 1.25 per share, corresponding to NOK 117.2 million, be paid to shareholders in Selvaag Bolig ASA for 2024. That represents 66 per cent of consolidated net profit for 2024. Selvaag Bolig ASA paid a dividend of NOK 93.6 million in the second quarter of 2024, based on profit for the second half of 2023.

The group held cash and cash equivalents of NOK 383.6 million (NOK 266.5 million) at 31 December. Selvaag Bolig ASA, the parent company, held cash and cash equivalents of NOK 155.5 million (NOK 50.6 million) at 31 December.

At 31 December, consolidated interest-bearing debt amounted to NOK 1 613.1 million (NOK 1 410.2 million), of which NOK 935.4 million (NOK 681.8 million) was non-current and NOK 677.7 million (NOK 728.4 million) was current. NOK 504.5 million of the current liabilities related to buyback agreements and seller credits to Urban Property (NOK 404.6 million). See Note 26 for more information.

Other current non-interest-bearing debt amounted to NOK 352.7 million (NOK 356.3 million) at 31 December, of which advance payments by customers accounted for NOK 36.9 million (NOK 21.1 million).

Financing and debt

Consolidated interest-bearing debt can largely be divided into four categories: 1) top-up loans from parent company Selvaag Bolig ASA, 2) land loans, 3) buyback agreements with Urban Property and 4) construction loans. At 31 December 2024, the group had no top-up loans, land loans of NOK 34 million, buyback agreements and seller credits with Urban Property of NOK 504 million and total construction loans of NOK 1 075 million.

Selvaag Bolig has a credit facility of NOK 300 million with DNB, maturing in December 2027. The facility has financial covenants, see note 29. In addition, the company also has an overdraft facility of NOK 150 million in the same bank which is renewed annually. At 31 December, no drawings had been made against either of these facilities.

Each project in Selvaag Bolig is organised as a single purpose vehicle (SPV). In addition to financing in the parent company, this means that each company seeks its own external capital financing for the development of a project. Land loans are converted to construction loans as the projects start up. Building costs are wholly financed by loans, and increased activity in the companies will accordingly mean that construction loans rise in line with progress. In Sweden, Selvaag Bolig guarantees the implementation of the projects through a self-debtor surety.

Going concern

Pursuant to section 3-3a of the Norwegian Accounting Act, the board confirms that the going concern assumption is realistic and that the financial statements for 2024 have been prepared on that assumption. This view rests on the group’s good capital adequacy and financial position.

Events after the balance sheet date

There have been no events after the balance sheet significantly affecting the group's financial position.

Parent company Selvaag Bolig ASA

Operating revenues for Selvaag Bolig ASA, the parent company, came to NOK 83.0 million (NOK 79.3 million), and the operating loss for the year was NOK 123.5 million (loss of NOK 132.5 million). Ordinary net profit for the year was NOK 64.7 million (NOK 273.6 million). Profit for 2024 included NOK 307.8 million (NOK 452.9 million) in group contributions received from subsidiaries. These internal items are eliminated in the consolidated financial statements.

Allocation of the net profit

The parent company, Selvaag Bolig ASA, made a net profit of NOK 64.7 million (NOK 273.6 million). The parent company’s equity amounted to NOK 1 964.1 million (NOK 2 014.2 million) at 31 December.

STRATEGY

The board participates in important strategic discussions during the year and conducts an annual audit of the company’s operational and financial strategy together with the executive management.

Selvaag Bolig worked actively in 2024 to manage the business in accordance with the approved strategy and to ensure that the company capitalises on the competitive advantages that this provides.

To ensure that Selvaag Bolig is a driving force in forward-looking housing and urban development, the annual audit of its strategy includes detailed analyses of changes and trends in such areas as urban development, housing concepts, ESG, the residential environment, housing preferences, demographics, the sharing economy and digitalisation.

For more information on the group’s strategy, see the Description of the business in this report.

RISK AND RISK MANAGEMENT

Risk management

As a housing developer, the group is exposed to risk related to land development, sales and the execution of housing and urban development projects. These factors can affect the group’s business activities and financial position. The board of Selvaag Bolig accordingly gives a high priority to dealing with and managing risk, and has established routines and control systems to limit overall risk exposure to an acceptable level.

Regular risk surveys contribute to raising awareness of the most significant risk conditions which could affect the business goals defined in the company's strategy and how to deal with them.

The primary risk factors can be categorised as market, operational, financial and climate risk.

The board and senior executives are covered by the company's ongoing board liability insurance. Within the framework of the insurance terms, this insurance covers the personal liability for damages that one can incur as a board member or senior employee in accordance with current law.

MARKET RISK

Housing demand is influenced by a large number of factors at both a micro and macro level. It may be affected by substantial fluctuations in the general level of interest rates and/or significant changes in other financial variables to which potential housebuyers might be exposed. Changes in housing demand could affect Selvaag Bolig's opportunities to sell homes at budgeted prices within the planned time frames. Were the pace of sales to be lower than expected because of changes in market conditions, planned developments could be postponed. The company accordingly has internal requirements related to advance sales, where the general rule is that construction does not begin until homes corresponding to 60 per cent of the value of each building stage in the respective projects, or of the overall project, have been sold.

OPERATIONAL RISK

Risk related to contractors

Selvaag Bolig draws on external construction companies and service providers in connection with developing and building new projects. As a result, it is exposed to the risk of loss and additional project cost if a contractor/supplier finds itself in financial difficulties. To reduce this risk, the company mainly enters into construction contracts with large, well-established players who have a solid financial position and experience, and who can document quality work. In addition, standardised and detailed construction plans developed by Selvaag Bolig are used to reduce the risk of errors, misunderstandings and delays by the contractor.

Furthermore, Selvaag Bolig is exposed to increases in the level of prices for construction contracts. For projects built on site, the company mainly enters into turnkey contracts. In this way, costs are fixed before sales and construction begin. In the event of high building costs, the company also has the expertise required to implement projects on the basis of subcontracts managed by the construction client. Capacity and risk nevertheless mean that this is not the preferred approach on a large scale.

Planning approval risk

Changes to operational parameters or planning decisions by the relevant public authorities could affect both the progress and the viability of Selvaag Bolig's various projects, and might thereby limit opportunities to continue developing its properties. That could lead to delays and increased costs. In order to reduce this risk, the company performs a thorough analysis before buying land, and works systematically to keep in touch with regulators during the whole life of the project.

Access to land

Insufficient access to land plots in Selvaag Bolig's geographic target areas could influence the company's long-term growth targets. Selvaag Bolig thus works systematically with land purchases in Norway and Sweden. The company strives to be a preferred collaborative partner for landowners, and is in a continuous dialogue about new business opportunities.

FINANCIAL RISK

Credit risk

The group's credit risk relates largely to the settlement of its accounts receivable, which primarily involve private customers as housebuyers. Buyers are primarily required to pay a NOK 100 000 deposit in advance when a sale is agreed, and to document satisfactory financing for the property. Credit risk is regarded as low because payment must be made to the client account at the settlement agent before transfer of the residence.

Foreign exchange risk

The vast majority of the group's activities are based in Norway. The company also has operations in Sweden where project development is financed with capital from the Norwegian operations, and profit repatriation entails a capital transfer from Sweden to Norway. No currency hedging arrangements have been established yet. The company considers the exposure to currency risk to be limited as the Swedish operations make up a low proportion of the total project portfolio and the company has therefore not yet formed a foreign exchange policy.

Interest rate risk (own financing, deposits)

Changes in interest rates affect the group's borrowing costs and could affect the valuation of its assets. The company has opted not to enter into any forms of hedging contracts. Furthermore, interest rate levels affect the company's return on free liquidity.

Financing risk (access to capital)

Selvaag Bolig depends on access to capital in order to acquire sites and realise projects. In order to finance construction, the company maintains good and close relations with its principal banks, which are well-capitalised Nordic institutions. Competition between the banks is perceived to be satisfactory, and the company has thereby been able to secure the financing required for its projects. Financing of land purchases is primarily channelled through the collaboration with Urban Property AS or joint ventures. In Sweden, land plots are mainly financed with equity and bank financing, but the company also has a cooperation agreement with Urban Property to finance land plots if necessary. Land purchase models are described in Description of the business in this report.

Liquidity risk

Conservative liquidity management means having sufficient liquid assets and available financing through lines of credit to meet the group's obligations. Selvaag Bolig administers liquidity actively and pays special attention to maintaining adequate liquidity at all times. The company continuously monitors forecasted and actual cash flows.

The board takes the view that the group had a well-balanced exposure to financial and liquidity risk at 31 December. Cash and cash equivalents in the Selvaag Bolig group amounted at 31 December to NOK 383.6 million (NOK 266.5 million) for the group and NOK 155.5 million (NOK 50.6 million) for the parent company. Liquid assets consisted primarily of cash and bank deposits. Selvaag Bolig has a credit facility of NOK 300 million with DNB, maturing in December 2027. The facility has financial covenants, see note 29. The company also has a credit facility of NOK 150 million in the same bank which is renewed annually. At 31 December, no drawings had been made against either of these facilities. Further reference is made to the comments on financing above and to note 16 in the consolidated financial statements for an overview of loans, maturities and loan terms.

CLIMATE RISK

Climate risk consists of physical climate risk and transition risk. Physical risk is associated with increased extreme weather and ecosystem changes. Transition risk is associated with changes in regulations, technology and the market situation in connection with the transition to a low-emission society.

The company has a relatively low exposure to physical climate risk. In this area, there are strict legal and regulatory requirements, and Selvaag Bolig's housing also has its own management systems that reduce risk. Selvaag Bolig, on the other hand, is exposed to transition risk. As the real estate sector has significant greenhouse gas emissions, there are increased demands for transparency, non-financial reporting and emission cuts, especially from financial stakeholders and authorities. Selvaag Bolig has implemented risk-reducing measures and will continue this work in 2025. These are discussed in the ESG in Selvaag Bolig report.

ORGANISATION

Selvaag Bolig ASA was established in 2008. It is the parent company for the underlying group subsidiaries, which are responsible for operations. At 31 December 2024, the Selvaag Bolig group had 81 employees. 56 full-time equivalents were in the parent company and 25 in the subsidiaries. The company is led by CEO Sverre Molvik and chief operating officer (COO) Øystein Klungland.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

Selvaag Bolig will create value for society by building good homes, and by working actively to ensure sustainable housing and urban development. This means in part that the company gives priority to urban areas experiencing expansion pressures, develops site-efficient homes with the greatest volume in lower price categories, seeks to be cost-effective and works to ensure positive official policies through a clear presence in the public debate. Ethical, social and environmental considerations are integrated in its day-to-day operations. The company’s goal is to be a good and secure workplace, and requires that it and its suppliers pursue their operations in compliance with applicable legislation and regulations. Furthermore, Selvaag Bolig will be a responsible social player and minimise emissions/discharges and damage to the natural environment. The company has ethical guidelines and a supplier declaration which are described at www.selvaagboligasa.no. Continuous efforts are made to ensure that employees are familiar with and observe all the company’s guidelines related to CSR and ESG.

The statement on due diligence assessments is published in a separate report available at www.selvaagboligasa.no for further information. The statement on Equality and diversity is published in this report.

In 2024, the company has, among other things, started the work on the double materiality analysis (DMA), prepared its third climate statement, further developed KPIs and targets, and improved systems for data collection. The work will continue in 2025, and the company will review goals and make an updated plan for non-financial reporting based on relevant legal requirements and expectations from various stakeholder groups.

See the separate section on ESG in this annual report.

SHAREHOLDER INFORMATION

The company was listed on the Oslo Stock Exchange on 14 June 2012. It had 6 879 shareholders (6 466) at 31 December 2024, of whom 186 were foreign (177). See Note 13 to the consolidated financial statements for Selvaag Bolig ASA for detailed shareholder information.

Transactions with related parties

Urban Property (UP) is a related party with the company in accordance with accounting rules, which means that payments of option premiums and repurchasing land plots are considered related transactions. During 2024, the company purchased six land plots from UP for a total of NOK 498.4 million. No land plots were sold to UP in 2024. In 2024, the company entered into three new option agreements with UP for a property in Oslo and two properties in Bergen.

Further, Selvaag Bolig delivered an entire residential building with 71 flats to Selvaag Utleiebolig AS, a wholly owned subsidiary of Selvaag AS. The sale generated revenue of NOK 274 million. An agreement has been signed to sell an entire residential building with 46 flats to Selvaag Utleiebolig AS. The value of the transaction is NOK 180 million and the expected delivery is in the fourth quarter 2025.

Refer to Note 23 for further information about the company's transactions with related parties.

CORPORATE GOVERNANCE

Selvaag Bolig ASA is committed to maintaining a high standard of corporate governance. A healthy corporate culture is essential for safeguarding confidence in the company, securing access to capital and ensuing good value creation over time. All shareholders will be treated equally, and a clear division of labour will exist between the board and the company's executive management. Selvaag Bolig complies with the Norwegian code of practice for corporate governance.

A detailed statement on the way Selvaag Bolig implements the sections of the code can be found on the company's website at www.selvaagboligasa.no and in this annual report.

PAY AND OTHER REMUNERATION

Pay and other remuneration of senior executives in the group are presented in Note 22 to the consolidated financial statements. This note also outlines the principles on which executive remuneration is based. Selvaag Bolig introduced a share savings programme for all employees and a share purchase programme for the executive management in 2015. These programmes are described in the chapter on Corporate governance in this report.

ANNUAL GENERAL MEETING (AGM)

The AGM will take place on 24 April 2025.

OUTLOOK

Selvaag Bolig is well-positioned with large projects in growth areas in and near the largest cities in Norway and in Stockholm.

According to Statistics Norway, urbanisation and population growth create a large and long-term demand for new housing in Selvaag Bolig's core areas. During the second half of 2024, increased sales have enabled Selvaag Bolig to start construction on more new homes than it completed, and thus the order backlog has increased compared to the end of 2023.

The company is planning more sales starts going forward and is launching new projects in line with the demand in the market, which is expected to increase, leading to higher activity in the market for new housing. Uncertainty tied to the development of new home sales due to macroeconomic conditions will, however, still be able to influence the start of new projects, and thereby also the number of homes under construction for the company.

As a pure housing developer, the company puts all construction out to competitive tender and accordingly has a sensible staffing level which can easily be adjusted to the level of activity in the market. In the board's view, this has given and will continue to give Selvaag Bolig competitive advantages. Its strategic collaboration with Urban Property, good joint venture agreements, as well as its successful establishment and strengthened land bank in Sweden could provide substantial benefits for the company over time.

Selvaag Bolig is well equipped organisationally, operationally and financially to support and strengthen its market position going forward. The company still has a good order backlog, a solid land bank in the company's focus areas as well as available capital through the agreement with UP to acquire new land plots.

Oslo, 20 March 2025

Olav Hindahl Selvaag Chair	Gisele Marchand Director	Tore Myrvold Director	Øystein Thorup Director
Camilla Wahl Director	Patrik Eriksson Director (Elected by the employees)	Sissel Kragnes Director (Elected by the employees)	Sverre Molvik President and CEO

BOARD OF DIRECTORS, SELVAAG BOLIG ASA

Olav H. Selvaag (born 1969)

Chair

Selvaag has been chair of Selvaag Bolig ASA since 2008. He began his career at KLP Eiendom and has subsequently worked in construction, commercial property and housing development. Selvaag works today as the owner of Selvaag AS and as one of its directors. He is chair of architecture firm Snøhetta AS, Selvaag Bolig ASA and Selvaag By. He is a director of Norway's National Theatre. Selvaag has an MSc from Stanford University in the USA. He chairs the company's remuneration committee. Selvaag is a Norwegian citizen.

Gisele Marchand (born 1958)

Director

Marchand has been a director of Selvaag Bolig ASA since 2012 and served as chair in 2018-19 while Olav H Selvaag was acting CEO. She has broad management and boardroom experience. Earlier positions include executive vice president for the retail market in Norway at DNB and CEO of Batesgruppen, the Norwegian Public Service Pension Fund, Eksportfinans and the Haavind law firm. Marchand has boardroom experience from such companies as Oslo Børs, Norske Skog and Fornebu Utvikling. She currently works full-time in boardroom positions, serving as chair of Gjensidige Forsikring ASA, Nationaltheatret AS, Norgesgruppen Finans AS and Boligbygg KF, as a director of Norgesgruppen ASA, Eiendomsspar AS and Victoria Eiendom AS, and as a member of the nomination committee for Entra ASA. Marchand has a BSc in business economics from CBS Copenhagen Business School. She chairs the company's audit committee and sits on its remuneration committee. Marchand is a Norwegian citizen.

Tore Myrvold (born 1971)

Director

Myrvold has been a director of Selvaag Bolig ASA since 2018. He began his career in Deloitte where he became a certified public accountant before going to Hjemmet Mortensen. Since 2005 he has been employed by Selvaag AS and served in such posts as CFO and executive vice president before becoming CEO in 2016. He has a number of directorships related to Selvaag's activities and investments. Myrvold has an MSc in business economics from the BI Norwegian Business School and has a higher degree in auditing from the Norwegian School of Economics (NHH). He is a member of the board's audit committee. Myrvold is a Norwegian citizen.

Camilla Wahl (born 1970)

Director

Wahl has been a director in Selvaag Bolig ASA since 2020. She is a lawyer with long experience from her own law practice as well as with law firms Selmer, Wikborg Rein and Legalteam Advokatfirma DA. She has also served as general manager for Wahl Eiendom AS and is working chair of the same company today. Wahl has, among others, boardroom experience from Rom Eiendom AS, DnB Eiendomsinvest I ASA and Pareto Bank ASA. She is a Norwegian citizen.

Øystein Thorup (born 1971)

Director

Thorup has been a director in Selvaag Bolig ASA since 2020. He is a lawyer with top-level executive experience from the property sector as CEO at Orkla Eiendom AS and, since 2012, at Avantor AS Eiendom. He has experience from a number of directorships and is familiar with the whole value chain in project development. He is a member of the company's remuneration committee. Thorup is a Norwegian citizen.

Sissel Kragnes (born 1972)

Employee-elected director

Kragnes has been a director of Selvaag Bolig ASA since 2017. She qualified as an auditor at the Oslo College of Business and Economics, and has worked in auditing and accounting since 1995. Kragnes has been chief accountant at Selvaag Bolig ASA since July 2011. She is a Norwegian citizen.

Patrik Eriksson (born 1985)

Employee-elected director

Eriksson has been a director of Selvaag Bolig ASA since 2021. With an MSc in civil engineering from Chalmers University of Technology in Gothenburg, he has worked on project management at Selvaag Bolig since 2014 and became a project director in 2021. Eriksson is a Swedish citizen.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER

(amounts in NOK 1 000, except earnings per share)	Note	2024	2023
Sales revenues	2, 25	1,895,375	3,186,235
Other revenues	25	75,669	68,416
Total revenues		**1,971,044**	**3,254,651**
Project expenses	5	(1,580,327)	(2,677,166)
Pay and personnel expenses, administrative functions	6	(149,060)	(145,318)
Depreciation and amortisation	9, 10	(9,788)	(9,231)
Other operating expenses	7	(105,964)	(108,686)
Total operating expenses		**(1,845,139)**	**(2,940,401)**
Share of income (losses) from joint ventures and associated companies	24	72,320	(13,352)
Other gain (loss), net		-	-
Operating profit (loss)		**198,225**	**300,898**
Financial income	8	25,443	29,778
Financial expenses	8	(14,472)	(11,199)
Net financial expenses		**10,971**	**18,579**
Profit (loss) before income taxes		**209,196**	**319,477**
Income tax (expense) income	19	(32,240)	(74,800)
Profit (loss) for the year		**176,956**	**244,677**
Other comprehensive income items which may be reclassified to profit or loss			
Foreign currency translation		567	1,796
Total comprehensive income for the year		177,523	246,473
Profit (loss) for the year attributable to			
Non-controlling interests		42	44
Shareholders of Selvaag Bolig ASA		176,914	244,633
Total comprehensive income for the year attributable to			
Non-controlling interests		42	44
Shareholders of Selvaag Bolig ASA		177,481	246,429
Earnings per share for profit (loss) attributable to shareholders of Selvaag Bolig ASA			
Earnings per share (basic and diluted, in NOK)	14	1.90	2.62

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER

(amounts in NOK 1 000)	Note	2024	2023
ASSETS			
Non-current assets			
Goodwill	9	383,376	383,376
Property, plant and equipment	10	7,854	9,767
Right-of-use assets	10	31,961	10,295
Investments in associated companies and joint ventures	24	276,578	229,985
Loans to associated companies and joint ventures	23, 24	173,614	161,314
Other non-current assets	11	561,213	408,503
Total non-current assets		1,434,596	1,203,240
Current assets			
Inventory property	5	3,257,790	3,199,454
Trade receivables	11	62,411	60,194
Other current receivables	11	20,541	25,001
Cash and cash equivalents	12	383,649	266,522
Total current assets		3,724,391	3,551,171
TOTAL ASSETS		5,158,987	4,754,411
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of Selvaag Bolig ASA	13	2,385,368	2,299,126
Non-controlling interests		7,881	7,838
Total equity		2,393,249	2,306,964
Liabilities			
Non-current liabilities			
Pension obligations		2,086	1,147
Deferred tax liabilities	19	82,831	73,476
Provisions	20	60,365	70,215
Other non-current non-interest-bearing liabilities	26	456,496	385,745
Non-current lease liabilities	10	28,815	2,749
Non-current interest-bearing liabilities	16	935,433	681,776
Total non-current liabilities		1,566,026	1,215,108
Current liabilities			
Current lease liabilities	10	3,059	8,181
Current interest-bearing liabilities	16	173,230	323,826
Current liabilities repurchase agreements and seller credits	26	504,450	404,610
Trade payables	17	132,500	73,094
Current income taxes payable	19	33,773	66,378
Other current non-interest-bearing liabilities	17	352,700	356,250
Total current liabilities		1,199,712	1,232,339
Total liabilities		2,765,738	2,447,447
TOTAL EQUITY AND LIABILITIES		5,158,987	4,754,411

Oslo, 20 March 2025

Olav Hindahl Selvaag
Chair

Gisele Marchand
Director

Tore Myrvold
Director

Øystein Thorup
Director

Camilla Wahl
Director

Patrik Eriksson
Director
(Elected by the employees)

Sissel Kragnes
Director
(Elected by the employees)

Sverre Molvik
President and CEO

STATEMENT OF CHANGES IN EQUITY

(amounts in NOK 1 000)	Share capital	Share premium account	Other paid-in capital	Cumulative translation differences	Other reserves	Retained earnings	Equity attributed to shareholders in Selvaag Bolig ASA	Non-controlling interests	Total equity	
Equity at 1 January 2024	187,279	1,394,857	700,629	10,102	3,528	2,729	2,299,125	7,839	2,306,964	*)
Transactions with owners:										
Dividend	-	-	-	-	-	(93,640)	(93,640)	-	(93,640)	
Share buy back	(1,344)	-	-	-	-	(21,692)	(23,036)	-	(23,036)	
Employee share programme	1,594	-	-	-	-	23,844	25,438	-	25,438	
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	
Total comprehensive income/(loss) for the period:										
Net income/(loss) for the period	-	-	-	-	-	176,914	176,914	42	176,956	
Other comprehensive income/(loss) for the period	-	-	-	567	-	-	567	-	567	
Equity at 31 December 2024	187,529	1,394,857	700,629	10,669	3,528	88,155	2,385,368	7,881	2,393,249	*)
Equity at 1 January 2023	187,440	1,394,857	700,629	8,306	3,528	43,327	2,338,088	7,795	2,345,883	*)
Transactions with owners:										
Dividend	-	-	-	-	-	(281,163)	(281,163)	-	(281,163)	
Share buy back	(1,832)	-	-	-	-	(25,697)	(27,529)	-	(27,529)	
Employee share programme	1,671	-	-	-	-	21,629	23,300	-	23,300	
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	
Total comprehensive income/(loss) for the period:										
Net income/(loss) for the period	-	-	-	-	-	244,633	244,633	44	244,677	
Other comprehensive income/(loss) for the period	-	-	-	1,796	-	-	1,796	-	1,796	
Equity at 31 December 2023	187,279	1,394,857	700,629	10,102	3,528	2,729	2,299,125	7,839	2,306,964	*)

*) Non-controlling interests includes tax from profits in companies subject to partnership taxation. Income taxes in the group does not include taxes from tax subjects outside the Selvaag Bolig Group.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JANUARY TO 31 DECEMBER

(amounts in NOK 1 000)	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss) before income taxes		209,196	319,477
Income taxes paid		(66,897)	(64,821)
Depreciation and amortisation	9, 10	9,788	9,231
Share of (income) losses from associated companies and joint ventures	24	(72,320)	13,352
Change in inventory property	5	69,399	1,195,705
Change in trade receivables	11	(2,217)	21,261
Change in trade payables	17	59,406	(26,249)
Changes in other working capital assets		(25,942)	(89,573)
Changes in other working capital liabilities		(93,355)	(181,771)
Net cash flow from operating activities		87,058	1,196,613
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of tangible and intangible fixed assets		-	316
Payments for acquisition of tangible and intangible fixed assets		(4,414)	(3,659)
Proceeds from disposal of associated companies and joint ventures		302	-
Payments for acquisition of associated companies and joint ventures	24	(5,000)	-
Proceeds from disposal of other investments and repayments on loans given		53,819	45,573
Payments for acquisition of other investments and loans given		(46,470)	(97,904)
Dividends and distributions from associated companies and joint ventures	24	25,000	10,423
Net cash flow from investing activities		23,237	(45,251)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	16	1,842,093	1,706,662
Repayments of borrowings	16	(1,660,156)	(2,796,129)
Interest payments	16	(68,406)	(108,061)
Repayments of lease liabilities	10	(8,180)	(7,861)
Dividends paid to equity holders of Selvaag Bolig ASA	15	(93,640)	(281,163)
Share buy back Selvaag Bolig ASA	13	(23,036)	(27,529)
Proceeds from disposal of shares Selvaag Bolig ASA	13	18,157	16,571
Net cash flow from financing activities		6,832	(1,497,510)
Net change in cash and cash equivalents		117,127	(346,148)
Cash and cash equivalents at 1 January	12	266,522	612,670
Cash and cash equivalents at 31 December	12	383,649	266,522

For further specifications, refer to note 12.

Ballerud Hageby, Bærum

NOTES

Consolidated financial statements for the Selvaag Bolig group

Notes to the consolidated financial statements for the year ended 31 December 2024.

Note 1 GENERAL INFORMATION

Selvaag Bolig ASA (the company) and its subsidiaries (together the group) is a housing development group involved in the construction of residential property for sale in the ordinary course of business.

Selvaag Bolig ASA is listed on the Oslo Stock Exchange. The company's ultimate controlling party is Selvaag AS.

The registered office of the company is Silurveien 2, NO-0380 Oslo.

Note 2 MATERIAL ACCOUNTING PRINCIPLES

The principal accounting principles are set out below, and have been consistently applied to all accounting periods presented unless otherwise stated.

2.1 STATEMENT OF COMPLIANCE

The group's consolidated financial statements have been prepared in accordance with the IFRS® Accounting Standards and interpretations issued by the International Accounting Standards Board (IASB), as adopted by the EU.

These consolidated financial statements were authorised for issue by the board of directors on 20 March 2025.

2.2 BASIS OF PREPARATION

The consolidated financial statements have been prepared on a going concern and historical cost basis, except for derivatives which are recognised at fair value through profit or loss.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in NOK, which also is the parent company's functional currency.

2.4 CONSOLIDATION

The consolidated financial statements include the financial statements of the company and entities (including special purpose entities) controlled by the company (its subsidiaries).

A negative comprehensive income in the subsidiaries is attributed to the owners of the parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.5 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the CEO and management group. This group is responsible for allocating resources and assessing the performance of the operating segments.

For the purposes of internal reporting, the group utilises the percentage of completion method for revenues and cost of goods sold, where the degree of completion is estimated on the basis of expenses incurred relative to total estimated cost multiplied by the sales rate. Operating profit (loss) under the percentage of completion method also includes an estimated profit element. The segment results are reconciled to the operating results for the group in the note.

2.6 INVESTMENTS IN ASSOCIATES

An associate is an entity over which the group has significant influence, and which is neither a subsidiary nor a joint venture. These are typically investments in housing projects in cooperation with partners or landowners where the part each own 50 per cent of the company.

Associates are incorporated in these financial statements using the equity method of accounting.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Indicators of a possible impairment could be a fall in land plot prices or housing prices. If there is a loan to an associated company, and the loan is considered to be part of the net investment, any accumulated negative share of the results which exceed the acquisition cost is recognised as a reduction of the carrying amount of the receivable.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

Share of income (loss) from associated companies is included in operating profit (loss) since the investments are considered to be an integral part of the group's operations.

2.7 INVESTMENTS IN JOINT ARRANGEMENTS

The group does not have any interests in joint arrangements classified as joint operations.

The group reports its interests in joint ventures using the equity method, as described in note 2.6 Investments in associates above, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS *5 Non-current Assets Held for Sale and Discontinued Operations*. See note 2.10 below.

Share of income (loss) from joint ventures is included in operating profit (loss), since this is considered integral to the group's operations.

2.8 BUSINESS COMBINATIONS

Where property is acquired through the acquisition of entities, management considers the substance of the assets and activities acquired. When acquiring a group of assets or net assets which do not constitute a business, the cost price is allocated between the individual identifiable assets and liabilities acquired on the basis of their relative fair values at the acquisition date.

Business combinations are accounted for using the acquisition method. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

2.9 INTANGIBLE ASSETS

Goodwill

Goodwill arising on an acquisition of a business is recognised in the balance sheet at the date of acquisition of the business (see note 2.8 above). Goodwill is not amortised but is tested for impairment annually. For the purposes of impairment testing, goodwill is allocated to each of the group's cash-generating units (or collections of cash-generating units) expected to benefit from synergies of the business combination.

2.10 REVENUE RECOGNITION

The group's main activity is to develop residential properties, and revenue is derived primarily from the sale of residential properties. Properties are usually sold to private customers, but there are some professional customers as well.

The group also has some lease revenue and revenue from other services.

(A) SALE OF RESIDENTIAL PROPERTY

Revenue from the sale of residential property (including any sale of projects under development and undeveloped land) is recognised when the control is transferred to the customer. Control is considered transferred at the time of delivery of the property to the customer.

Customer contracts related to sale of residential properties are in accordance with the Norwegian standard, and will normally include a condition that a minimum percentage of sales in the project is reached. Before commencing the construction phase of a project, the general rule is that the group requires 60 per cent of a project to be sold.

According to Norwegian regulations, the customer is entitled to withdraw from the contract until the property is transferred to them. In such a case, however, the customer is responsible for covering any loss incurred by the group as consequence of their withdrawal. This includes covering the price difference if a lower price is achieved, plus transaction costs.

The customer normally pays 10 per cent of the selling price when signing the contract. This prepayment is paid into an escrow account held by the estate agent. The group does not have a right to the advance payment until it provides financial security in accordance with the Housing Construction Act. Once such security is provided, the advance payment is released from the escrow account and recognised as received cash and other short-term debt (advance payment).

The remaining part of the selling price is paid into the escrow account prior to delivery. The amount is not released from the escrow account until security is provided or all formalities related to the transfer of the property to the customer are finalised. In the period between physical transfer of the property and finalising the formalities by the estate agent, the consideration (reduced by advance payments) is recognised as a trade receivable. Once the right of ownership has been publicly notarised, the remaining consideration is released from the escrow account.

(B) LEASE REVENUES

Rental income from leasing property (operating leases in which the group is a lessor) is recognised on a straight-line basis over the term of the relevant lease and included in other revenues.

(C) SALE OF SERVICES

Control over services is considered to be transferred to the customer as the service is delivered. Revenue from sale of services is recognised when the service is performed. Estate agent services directly associated with the sale of property are included in sales revenue. Other services are included in other revenue.

2.11 INVENTORY PROPERTY

The group has property which is land and buildings intended for sale in the ordinary course of business, or which is in the process of construction or development for such sale. Inventories thus comprise land, property held for resale, property under development and construction and unsold finished units which are not sold. Inventories are measured at the lower of cost and net realisable value.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present condition. The cost of conversion includes costs directly related to the construction of the property (such as amounts paid to sub-contractors for construction), and an allocation of fixed and variable overheads incurred during development and construction. Borrowing costs directly attributable to the acquisition, construction or production of property are added to the cost of those assets until the assets are substantially ready for their intended use or sale. That usually occurs when the project is completed and ready for delivery to the customers.

Capitalisation of borrowing costs commences when the plot acquires planning permission. Capitalisation of other directly attributable costs commences when it is more likely than not that the project will be realised. Other costs are included in the cost of inventories only to the extent that they are directly attributable to bringing the inventories to their present location and condition, including planning and design costs, for example. The option premiums in land plot option contracts with Urban Property are recognised as other fixed assets as they are incurred from the time when it is probable that the project will be realised. The option premiums are reclassified as inventory at the time of exercise of the option and acquisition of the underlying land plot.

Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money (if material), less the estimated costs of completion and the estimated costs necessary to make the sale.

When properties are sold, the carrying amount is recognised as a project expense in the income statement in the period in which the related revenue is recognised.

The group has entered into agreements to purchase land in the future (forwards and purchase options) for use in the ordinary course of business. The land is first capitalised when the cost is incurred, or the control is transferred from the seller. For more information regarding the land portfolio included in the collaboration with Urban Property, see note 26. If a contract to purchase land in the future is a loss contract, a provision is made for the estimated loss.

The company has also entered into agreements for future acquisition of land plots in Sweden through land allocation. These are agreements which give the right to future purchases of land plots, but binding purchasing contracts are entered into first when planning permission is issued and any other potential requirements are fulfilled. The land plots are first recognised on the balance sheet upon acquisition, and control has been transferred from the seller.

2.12 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised at acquisition cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis, generally over three to 10 years.

Any gain or loss arising on the disposal or retirement of an asset is recognised in the income statement as *Other gain/(loss) net*.

2.13 FINANCIAL ASSETS

TRADE RECEIVABLES

Trade receivables are amounts due from customers in the group's ordinary housing development business and related services. Where the trade receivables do not include a significant financing component, they are recognised initially at the amount of the consideration. Impairment is recognised if there is evidence that the estimated future cash flow has been impacted. The risk of impairment is low owing to the practice of requiring advance payments into escrow accounts.

LOANS AND OTHER RECEIVABLES

Loans and other receivables are held in the group's normal business model where the objective is to collect payment and interest when due, and measured at amortised cost using the effective interest method, less any impairment. The receivables are classified as current unless they are due more than 12 months from the balance sheet date.

2.14 FINANCIAL LIABILITIES

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost.

BORROWINGS

Borrowings are recognised initially at the received amount, net of transaction expenditures incurred, and subsequently measured at amortised cost.

TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest-method. If the interest element is insignificant, trade payables are carried at the original invoice amount.

2.15 CASH AND CASH EQUIVALENTS

The cash flow statement is prepared using the indirect method. Interest payments are classified as operational cash flows.

2.16 EQUITY

Repurchase of the company's own equity instruments is recognised and deducted directly in equity.

2.17 INCOME TAX

Income tax expense represents current tax expense and changes in deferred tax expense.

CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense which are taxable or deductible in other years and items which are never taxable or deductible.

CHANGES IN DEFERRED TAX

With the purchase of property through incorporated companies, deferred tax is not recognised.

Deferred tax is recognised for temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. The group recognises deferred tax for associated companies and jointly controlled entities subject to partnership taxation.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered in the foreseeable future.

2.18 PROVISIONS

Provisions in the group are mainly linked to building parking spaces, see note 20.

2.19 LEASES

In accordance with IFRS 16 Leases, leases are recognised as a right-of-use asset and a lease obligation from the time the right-of-use assets is available for use by the lessee (the commencement date).

Right-of-use assets are measured at acquisition cost, which comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made before the commencement date, less any lease incentives received and any costs necessary to restore the asset to the condition required by the lease.

Liabilities arising from a lease are initially measured on a present value basis using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used.

When adjustments to lease payments based on an index or rate take effect, or the management makes changes in the evaluation of options to extend or terminate the lease, the lease liability is reassessed and recognised as an adjustment to the right-of-use asset.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the statement of comprehensive income.

2.20 EMPLOYEE BENEFITS

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Obligations related to early retirement pensions (AFP) are part of a multi-employer defined benefit plan. However, the company's share of the liability cannot be reliably measured, and the plan is therefore accounted for as if it were a defined contribution plan.

The company has a share savings programme for employees who work in a greater than 50 per cent position where the employees can buy shares with a discount of 20 per cent. This is subject to a sales restriction of two years. The company also has a share purchase programme for its management, where senior management can buy shares at a 30 per cent discount. This is subject to a sales restriction of three years. Discounts related to these programmes are expensed as salary costs.

2.21 ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

Changes in accounting principles and information about new standards

(A) NEW STANDARDS, CHANGES TO STANDARDS AND INTERPRETIONS THIS YEAR

The group has not implemented new standards, changes to standards or interpretations with a significant impact for the group in 2024.

(B) FORTHCOMING REQUIREMENTS

No forthcoming changes are expected to have a significant impact for the group.

Note 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ESTIMATION OF NET REALISABLE VALUE FOR INVENTORY (PROPERTY)

Housing development projects are classified as inventory in accordance with IAS 2. Inventories comprise undeveloped land, work in progress and finished units, and are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. In determining the net realisable value, management assesses important factors relevant for the valuation, including macroeconomic factors such as expected housing prices and rental levels as well as expected yields, approvals from the authorities, construction costs and project progression. When considered appropriate, management uses reports from external valuation experts to estimate property values or to corroborate the company's own estimates. Changes in circumstances and in management's assessments and assumptions will result in changes in the estimated net realisable value. See also note 5.

Undeveloped land

The acquisition cost of undeveloped land is valued on an ongoing basis by the company. The company obtains a valuation performed by an external valuer at least annually. The valuer determines a fair value that reflects the price that is expected to be realised when the plot is sold in the market at the measurement date.

If the fair value is close to or lower than the acquisition cost, that is an indication that the net realisable value may be lower than the acquisition cost. In that case, management conducts a closer evaluation of the net realisable value by evaluating the project calculations for that project. Net acquisition value is calculated as the total estimated sales prices with total project costs including sales and marketing costs deducted. If the net realisable value is estimated to be negative, management writes down the inventory in the amount of the estimated loss on the project.

Projects under development

Projects under development are recorded at accrued acquisition costs. Projects are only initiated when the minimum requirement for pre-sales has been achieved. This reduces the risk in the projects and verifies the attractiveness in the market. This also implies a latent profit for the company that is realised upon transfer to the customer. At the start of the project and throughout the project's construction period, there is therefore normally a lower risk of decline in the value of units under construction.

Completed units

Completed units consist of sold, not delivered units, or unsold units. The acquisition cost of the fully developed unsold units is subject to valuation by the company. Management assesses whether the net realisable value is lower than the acquisition cost, which in such a case will entail the need for an impairment of the relevant units. The company calculates the net realisable value based on the estimated selling price in the market with a deduction for estimated selling and marketing costs. The estimated selling price includes assessments of sold units in the same project, the number of unsold units, expectations for the market in the future and risk provisions related to the unsold units. This involves the use of judgment.

CALCULATION OF THE FAIR VALUE OF OPTION PREMIUMS (OTHER FIXED ASSETS)

Selvaag Bolig (SBO) has a collaborative agreement with Urban Property (UP), see note 26. The agreement means that SBO has options to purchase land plots from UP to pre-determined prices. The accrued option premium is recorded on the SBO balance sheet and classified as other fixed assets until the option is exercised. When the option is exercised, the option premium is reclassified as inventory and a part of the acquisition cost of the land plot.

Balance sheet value of option premium to Urban Property

The accrued option premium on the balance sheet is valued in the same way as undeveloped land described above. The company uses an external valuer to determine the fair value of land plots in UP. The fair value reflects the estimated sales price in the market at time of measurement. The company then compares the fair value with an estimated acquisition costs which includes the accrued option premium. If the fair value is close to or lower than an estimated acquisition cost which includes the accrued option premium, that would be an impairment indicator for the option premium on the balance sheet. In such cases, management evaluates the project calculations compared to the expected net realisable value. The net realisable value is calculated as the total estimated sales prices with a deduction for project costs, including sales and marketing costs. If the net realisable value is estimated to be negative, the option premium amount on the balance sheet is impaired by the amount of the estimated loss of the project. This assumes that result would be financially more advantageous than to not exercise the option on the underlying land plot.

Note 4 SEGMENT INFORMATION

Management has determined the operating segments based on reports reviewed by the CEO and management group, and which are used to make strategic decisions. The figures below were reported to the CEO and the management group at the end of the reporting period. The main segment is defined as property development ("Boligutvikling"). The income in the other segment comes mainly from services and project management, see also note 25. The costs in the other segment mainly relate to salary costs for administration and management which cannot be directly attributed to the projects and thus are not allocated to the housing development segment, see also note 6.

The group utilises the percentage of completion method in its internal reporting, where the degree of completion is estimated on the basis of expenses incurred relative to total estimated costs and the sales rate. Operating revenues under the percentage of completion method also include an estimated profit element for sold units. The consolidated income statement is based on the completed contract method, in which revenue is recognised at the time of transfer of risk and control, being the point of delivery of the property. A reconciliation of this effect (from percentage of completion to completed contract) can be found in the segment reporting under "Reconciliation EBITDA to operating profit (loss)". In addition, the operating profit from IFRS contains items from IFRS 16 Leases, which are not included in the segment reporting. Effects are specified in the table below.

Group management considers segment results based on the percentage of completion method for determining EBITDA. The measurement method is defined as operating profit (loss) before “Depreciation and amortisation”, “Other gain (loss), net”, and “Share of income (losses) from associated companies”. Financial income and expenses are not allocated to operating segments since this type of activity is managed by a central finance function focused on managing the group’s liquidity.

At 31 December 2024

(amounts in NOK 1 000)	Property development	Other	Total
Operating revenues	2,471,400	72,189	2,543,589
Project expenses	(2,059,365)	(137)	(2,059,502)
Other operating expenses	(44,111)	(219,631)	(263,742)
EBITDA (percentage of completion)	**367,924**	**(147,579)**	**220,345**
Reconciliation EBITDA to operating profit (loss):			
EBITDA (percentage of completion)	367,924	(147,579)	220,345
Sales revenues (adjustment effect of percentage of completion)	(2,290,705)	-	(2,290,705)
Sales revenues (completed contracts)	1,718,161	-	1,718,161
Project expenses (adjustment effect of percentage of completion)	1,913,657	-	1,913,657
Project expenses (completed contracts)	(1,434,483)	-	(1,434,483)
Lease expenses	-	8,719	8,719
Depreciation and amortisation	-	(9,788)	(9,788)
Share of income (loss) from associated companies	72,320	-	72,320
Other gain (loss), net	-	-	-
Operating profit (loss)	**346,873**	**(148,648)**	**198,225**
Units in production	829	I/A	I/A
Units delivered	532	I/A	I/A

At 31 December 2023

(amounts in NOK 1 000)	Property development	Other	Total
Operating revenues	2,088,269	64,813	2,153,082
Project expenses	(1,695,426)	7,262	(1,688,164)
Other operating expenses	(48,143)	(214,383)	(262,526)
EBITDA (percentage of completion)	**344,700**	**(142,308)**	**202,392**
Reconciliation EBITDA to operating profit (loss):			
EBITDA (percentage of completion)	344,700	(142,308)	202,392
Sales revenues (adjustment effect of percentage of completion)	(1,954,173)	-	(1,954,173)
Sales revenues (completed contracts)	3,055,744	-	3,055,744
Project expenses (adjustment effect of percentage of completion)	1,575,929	-	1,575,929
Project expenses (completed contracts)	(2,564,935)	-	(2,564,935)
Lease expenses	-	8,524	8,524
Depreciation and amortisation	-	(9,231)	(9,231)
Share of income (loss) from associated companies	(13,352)	-	(13,352)
Other gain (loss), net	-	-	-
Operating profit (loss)	**443,913**	**(143,015)**	**300,898**
Units in production	784	I/A	I/A
Units delivered	655	I/A	I/A

Geographic distribution of revenues in segment Property development

(amounts in NOK 1 000)	2024	2023
Greater Oslo	1,975,842	1,579,492
Rest of Norway	494,267	498,636
Foreign	1,291	10,141
Total operating revenue	**2,471,400**	**2,088,269**

Note 5 INVENTORY (PROPERTY)

(amounts in NOK 1 000)	Land	Borrowing cost of land	Capitalised project expenses	Total
At 1 January 2023	**626,770**	**92,555**	**3,553,884**	**4,273,209**
Additions	4,869	26,596	1,571,945	**1,603,410**
Reclassifications of land to capitalised project expenses at construction start	(3,317)	-	3,317	-
Varekostnad på overleverte enheter	(69,056)	(11,112)	(2,596,998)	**(2,677,166)**
Carrying amount at 31 December 2023	**559,266**	**108,039**	**2,532,149**	**3,199,454**
Additions	457,673	22,069	1,158,922	**1,638,664**
Reclassifications of land to capitalised project expenses at construction start	(388,930)	(23,461)	412,391	-
Inventory expenses on delivered units (project expenses)	(92,768)	(781)	(1,486,779)	**(1,580,327)**
Carrying amount at 31 December 2024	**535,241**	**105,866**	**2,616,683**	**3,257,790**

(amounts in NOK 1 000)	2024	2023
Land (undeveloped)	641,107	667,305
Work in progress	2,150,152	1,959,180
Finished projects	466,531	572,969
Carrying amount inventory	**3,257,790**	**3,199,454**

Capitalisation rates utilised to determine the amount of borrowing costs eligible for capitalisation were between 6.3 per cent and 8.5 per cent during 2024. Corresponding rates were between 5.8 per cent and 7.8 per cent during 2023.

Land loans are normally converted to construction loans in line with the progress of the respective construction projects. They are capitalised against the site from the day the project secures planning permission and recognised in profit and loss as part of the cost of sales when the units are delivered. Interest charges of NOK 22.1 million related to land loans were capitalised in 2024, compared with NOK 26.6 million in 2023. Interest charges on construction loans are capitalised during the construction period and recognised under cost of sales in the same way. Capitalised interest on construction loans is included in additions to capitalised project expenses in the table above. Interest charges of NOK 71.1 million related to construction loans were capitalised in 2024, compared with NOK 118.3 million in 2023.

Valuation of properties

Plots of land are considered part of inventory and are valued at the lower of acquisition cost and net realisable value. At the group's request, external valuations of properties have been performed at 31 December 2024. The group management has determined the most significant assumptions relevant to the valuation of individual plots/properties, including size, geographic location, current planning status, potential for development and timing of sale. The external valuation indicates an excess value of NOK 263 million (2023: NOK 471 million) beyond the carrying amounts related to the properties included in undeveloped land (land bank).

Impairment test inventory property

The group's impairment test for inventory property is based on an external valuation. If it shows a value close to or lower than the book value, an evaluation of the profitability in the project calculations is made. Several factors, including changes in market conditions are part of that evaluation. In 2024 and 2023, the group did not recognise any impairment losses related to property in the inventory.

See Note 16 for inventory property pledged as collateral for borrowings from financial institutions.

Purchase obligations for land

The group has entered into a number of agreements in recent years on the future acquisition of sites through purchase obligations and options. These are not reflected in the accounts since recognition first occurs on takeover. The agreements relate to the period 2025 to about 2035 period, with the obligations expected to yield 4 100 to 5 100 units (net). Of these, about 75 per cent are located in the Greater Oslo area. In relation with the Urban Property transaction, some of the purchasing agreements were transferred to Urban Property. These are referred to as portfolio C in note 26 and constitute approximately 30 per cent of the number of units in the purchase obligations.

	1-5 years		5-10 years		More than 10 years	
Maturity profile for the group's purchase obligations for land	Interval		Interval		Interval	
Estimated residential units (net)	1,600	1,750	1,350	2,050	1,150	1,300

When the agreements will mature is very uncertain, since this depends to a great extent on planning processes which are outside the group's control. The maturity could therefore occur earlier or later than estimated. The group has assessed whether a provision for loss needs to be made for some of these contracts at 31 December 2024. No loss-making contracts have been identified for 2024.

In addition to the purchase obligations, the group has entered into purchase agreements for properties allocated by local authorities in Sweden which are expected to yield 1 200 units (net).

Note 6 PAY AND PERSONNEL EXPENSES

(amounts in NOK 1 000)	2024	2023
Wages and salaries	(118,764)	(120,697)
Social security tax	(27,929)	(28,591)
Pension costs	(8,174)	(8,048)
Other benefits	(13,259)	(7,356)
Pay expense capitalised to inventory	19,067	19,373
Total pay and personnel expenses	**(149,060)**	**(145,318)**
Average number of employees	85	86

Specification of pension costs

(amounts in NOK 1 000)	2024	2023
Pension cost - defined contribution and disability pension plan	(6,414)	(6,473)
Pension cost - defined benefit plan	(740)	(562)
Other pension costs (including early retirement (AFP))	(1,020)	(1,012)
Net pension costs	**(8,174)**	**(8,048)**

At 31 December 2024, 83 employees were included in the defined contribution plan. 68 current employees were included in the early retirement (AFP) plan. See also note 3 for Selvaag Bolig ASA.

Companies in Norway are required to offer an occupational pension plan in line with the Act on mandatory occupational pensions, and the group's companies have a pension plan which meets these requirements. The basis for earned pension rights under the defined contribution plan is 5 per cent of salary between 0 and 7.1 times the National Insurance base amount (G) and 10.5 per cent between 7.1G and 12G.

Note 7 OTHER OPERATING EXPENSES

(amounts in NOK 1 000)	Note	2024	2023
Operation and maintenance		(23,006)	(23,155)
Consultancy expenses		(24,140)	(27,255)
Commisions and other sales-related expenses		(35,103)	(38,478)
Losses on receivables	11	(44)	(154)
Other operating expenses		(23,671)	(19,644)
Total other operating expenses		**(105,964)**	**(108,686)**

Other operating expenses include expenses related to operation of the group headquarters, in addition to NOK 1.6 million (2023: NOK 4.6 million) in services purchased from Selvaag AS and group companies. See also note 23 on related-party transactions for further specification.

Note 8 FINANCIAL INCOME AND EXPENSES

(amounts in NOK 1 000)	Note	2024	2023
Interest income on financial assets measured at amortised cost		25,366	28,508
Net foreign currency gains		-	7
Andre finansinntekter		77	1,263
Total financial income		**25,443**	**29,778**
Interest expenses on financial liabilities measured at amortised cost		(36,296)	(35,160)
Capitalised interest this year	5	22,069	26,596
Total interest expenses		**(14,227)**	**(8,564)**
Net foreign currency losses		(7)	(2,260)
Other financial expenses		(238)	(375)
Total financial expenses		**(14,472)**	**(11,199)**
Net financial expenses		**10,971**	**18,579**

Note 9 GOODWILL

(amounts in NOK 1 000)	Goodwill
Cost at 31 December 2022	383,376
Additions	-
Disposals	-
Cost at 31 December 2023	383,376
Additions	-
Disposals	-
Cost at 31 December 2024	383,376
Carrying amount at 31 December 2023	383,376
Carrying amount at 31 December 2024	383,376

Impairment test of goodwill and other intangible assets

The group tests goodwill with an unlimited life for impairment annually, or more often if there are external or internal indications of impairment. Any other intangible assets are tested for impairment if events during the period indicate that the value may be impaired. The group had no other intangible assets at the end of 2024.

Goodwill arisen from business combinations in 2011 is allocated to each of the group's cash-generating segments as follows:

Goodwill	2024
Property development	382,176
Other	1,200
Total	383,376

Goodwill	2023
Property development	382,176
Other	1,200
Total	383,376

Cash-generating units are divided into the property development and other operating segments, see Note 4 Goodwill allocated to the "other" segment is related to Selvaag Eiendomsoppgjør AS, previously part of Meglerhuset Selvaag (estate agents).

An external valuation indicates an excess value of NOK 263 million over and above the carrying amounts related to the properties included in undeveloped land (land bank). See Note 5 The excess value is allocated to the property development cash-generating unit. The group expects to realise excess value in the existing land bank through projects developed over the next five to 10 years.

The group has tested the goodwill for impairment on the basis of a model for estimating future cash flows from property development projects. The estimated cash flows are discounted to net present value using a weighted average cost of capital discount rate. A discount rate of 7.8% (8.1%) is used. Future cash flows are estimated on the basis of expected cash flow from ongoing projects, future projects from the current land bank and future projects requiring new investment in properties. The annual growth in cash flow is set to two per cent. Expected cash outflows related to new investment in properties and administrative costs are included in the calculation. The most significant assumptions in the calculation model are deemed to be sales volume and discount rate, in addition to the profitability in the projects. The impairment test shows sufficient excess value over and above the carrying amount to conclude that any reasonable decrease in the key assumptions will not trigger an impairment charge for goodwill. No realistic changes in the assumptions indicate an impairment in 2024.

Note 10 PROPERTY, PLANT, EQUIPMENT AND LEASES

(amounts in NOK 1 000)	Service property	Machinery and plant	Inventory and other equipment	Total property, plant and equipment (A)	Right-of-use lease assets (B)	Total (A+B)
Cost at 31 December 2022	4,003	4,630	30,455	39,088	53,800	92,888
Additions 2023	-	-	3,659	3,659	-	3,659
Disposals 2023	-	-	(315)	(315)	-	(315)
Translation differences	-	-	270	270	-	270
Cost at 31 December 2023	4,003	4,630	34,069	42,702	53,800	96,502
Additions 2024	-	-	4,414	4,414	29,124	33,538
Disposals 2024	(4,003)	-	-	(4,003)	-	(4,003)
Translation differences	-	-	186	186	-	186
Cost at 31 December 2024	-	4,630	38,669	43,299	82,924	126,223
Accumulated depreciation at 31 December 2022	-	(4,630)	(26,306)	(30,936)	(36,046)	(66,982)
Depreciation 2023	-	-	(1,773)	(1,773)	(7,458)	(9,231)
Disposals 2023	-	-	-	-	(1)	(1)
Translation differences	-	-	(226)	(226)	-	(226)
Accumulated depreciation at 31 December 2023	-	(4,630)	(28,305)	(32,935)	(43,505)	(76,440)
Depreciation 2024	-	-	(2,330)	(2,330)	(7,458)	(9,788)
Disposals 2024	-	-	-	-	-	-
Translation differences	-	-	(180)	(180)	-	(180)
Accumulated depreciation at 31 December 2024	-	(4,630)	(30,815)	(35,445)	(50,963)	(86,408)
Carrying amount at 31 December 2023	4,003	-	5,764	9,767	10,295	20,062
Carrying amount at 31 December 2024	-	-	7,854	7,854	31,961	39,815
Estimated useful life	-	3-5 years	3-5 years		1-9 years	
Amortisation method	No amortisation	straight-line	straight-line		straight-line	

The group as lessee

Right-of-use assets

Leased assets in the group are mainly office buildings. Right-of-use assets related to these are presented in the table above. The group has opted to not recognise leases for assets with low values. Lease payments related to assets with low values are expensed when they occur. A number of the lease contracts include an extension option which can be exercised during the last term of the current contract. When entering a new lease contract, the group evaluates whether the extension option is likely to be exercised or not.

Lease liabilities

(amounts in NOK 1 000)	2024	2023
At 1 January	10,930	18,791
New/changed lease liabilities recognised in the period	29,124	-
Disposals	-	-
Repayments	(8,180)	(7,861)
At 31 December	31,874	10,930

Specification of lease liabilities

(amounts in NOK 1 000)	2024	2023
Current lease liabilities	3,059	8,181
Non-current lease liabilities	28,815	2,749
Total lease liabilities	**31,874**	**10,930**

Maturity profile lease liabilities (nominal values)

(amounts in NOK 1 000)	2024	2023
< 1 year	5,246	8,718
2-3 years	10,265	2,279
4-5 years	8,872	750
> 5 years	19,397	-
Total nominal lease liabilities at 31 December	**43,779**	**11,747**

Lease obligations for assets with low values are not included.

Note 11 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

(amounts in NOK 1 000)	2024	2023
Seller credits	-	21,900
Capitalised option premiums Urban Property	504,155	341,669
Other loans and receivables	57,058	44,934
Other non-current assets	**561,213**	**408,503**

(amounts in NOK 1 000)	2024	2023
Trade receivables	**62,411**	**60,194**
Other receivables	14,154	16,347
Other current financial receivables	**14,154**	**16,347**
Prepaid expenses	6,387	8,654
Total other current receivables	**20,541**	**25,001**

The carrying amounts of trade and other receivables are denominated in NOK.

Analysis of trade receivables at the end of the reporting period	2024	2023
Not overdue	55,596	51,704
Overdue 1-100 days	5,453	341
Overdue > 100 days	3,004	10,370
Gross trade receivables	**64,053**	**62,415**
Total allowance for doubtful debts	1,642	2,221
Net trade receivables	**62,411**	**60,194**

Losses on receivables	2024	2023
Movement in allowance for doubtful debts	(579)	762
Receivables written off during the year as uncollectable	535	(900)
Losses on receivables in the statement of comprehensive income	**(44)**	**(138)**

Losses on receivables have historically been minimal. There is no provision for losses on receivables as the expected credit loss is insignificant.

Note 12 ADDITIONAL INFORMATION FOR THE STATEMENT OF CASH FLOWS

Cash and cash equivalents

(amounts in NOK 1 000)	2024	2023
Restricted bank accounts	708	708
Non-restricted bank deposits and cash	382,941	265,814
Total	**383,649**	**266,522**

Interest payments and proceeds

Payments of and proceeds from interest, primarily construction loan interest, are classified as financial activities. There are normally large differences between the period's expensed interest (before capitalisation) and interest paid because interest on construction loans is added to the principal and is only paid when the construction loan is repaid. Total payments were NOK 104.7 and NOK 160 million in 2024 and 2023, respectively. Proceeds from interest were NOK 13.4 million in 2024 and NOK 14.6 million in 2023. Some of the interest paid has been capitalised as part of the inventory in the group, see Note 5 for specifications. Other interest is included in other working capital assets and other working capital liabilities.

Net interest-bearing debt

(amounts in NOK 1 000)	2024	2023
Non-current interest-bearing liabilities	935,433	681,776
Current interest-bearing liabilities	173,230	323,826
Current liabilities repurchase agreements and seller credits	504,450	404,610
Cash and cash equivalents	(383,649)	(266,522)
Net interest-bearing debt	**1,229,464**	**1,143,690**
Gross debt - variable interest rates	1,613,113	1,410,212
Gross debt - fixed interest rates	-	-
Cash and cash equivalents	(383,649)	(266,522)
Net interest-bearing debt	**1,229,464**	**1,143,690**

Liabilities from financing activities [1]	
(amounts in NOK 1 000)	
Interest-bearing debt at 31 December 2022	**2,485,790**
Proceeds from borrowings	1,706,662
Repayments of borrowings	(2,904,190)
Additions	-
Other non-cash movements [2]	121,951
Interest-bearing debt at 31 December 2023	**1,410,212**
Proceeds from borrowings	1,842,093
Repayments of borrowings	(1,728,562)
Additions	-
Other non-cash movements [2]	89,370
Interest-bearing debt at 31 December 2024	**1,613,113**

1) Lease liabilities not included.

2) Net effect of NOK 89.4 million reflects the difference between accrued and paid interests (NOK 122 million).

Loans to associated companies and joint ventures

The group paid NOK 46.5 million in loans to associated companies and joint ventures in 2024, compared to NOK 80.7 million in 2023. Proceeds from loans to companies and joint ventures were NOK 53.8 million (NOK 5.0 million).

Note 13 EQUITY AND SHAREHOLDER INFORMATION

Paid-in capital

(amounts in NOK 1 000, except number of shares)	Number of shares	Share capital	Share premium	Other paid-in capital	Total paid-in capital
Equity at 31 December 2022	93,720,918	187,443	1,394,857	700,629	2,282,929
Share buy-back Selvaag Bolig ASA related to share programme for employees	(916,108)	(1,832)	-	-	(1,832)
Sale of shares from Selvaag Bolig ASA to employees	835,602	1,671	-	-	1,671
Equity at 31 December 2023	93,640,412	187,282	1,394,857	700,629	2,282,768
Share buy-back Selvaag Bolig ASA related to share programme for employees	(672,000)	(1,344)	-	-	(1,344)
Sale of shares from Selvaag Bolig ASA to employees	796,935	1,594	-	-	1,594
Equity at 31 December 2024	93,765,347	187,532	1,394,857	700,629	2,283,018

At 31 December 2024, the share capital of the company (net of treasury shares) was NOK 187.5 million, comprising 93 765 347 fully-paid ordinary shares with a par value of NOK 2.00. At 31 December 2023, the share capital of the company (net of treasury shares) was NOK 187.3 million, comprising 93 640 412 fully-paid ordinary shares. All issued shares carry equal rights. The change in 2024 is related to the sale of shares to employees through the employee share purchase programme and the purchase of treasury shares for the employee share purchase programme.

Selvaag Bolig ASA held 341 of its own shares at 31 December 2024 (125 276 at 31 December 2023).

The board of Selvaag Bolig ASA is mandated by the annual general meeting (AGM) to acquire the company's shares up to a total nominal value of NOK 18 753 137. The amount paid for the shares must be a minimum of NOK 10 and maximum of NOK 100. The board can use the mandate for a possible later write-down of the share capital with the consent of the general meeting, incentive programmes, settlement for the possible acquisition of businesses, or for the purchase of shares where this is financially beneficial. The board is free to choose the methods to be used for acquiring or disposing of shares. The mandate runs until the AGM in 2025, when an extension of the mandate until the AGM in 2026 will be proposed.

Furthermore, the board of Selvaag Bolig ASA is mandated by the AGM to increase the share capital, on one or more occasions, by up to NOK 18 753 137. The mandate can be used to issue shares as payment related to incentive schemes, as consideration for the acquisition of businesses falling within the company's business purpose, or for necessary strengthening of the company's equity. The mandate runs until the AGM in 2025. Shareholders' pre-emptive right to subscribe for shares can be set aside. The authorisation includes increasing share capital in return for deposits in assets other than money or the right to assume special obligations on behalf of the company. The authorisation does not include a decision on a merger. The authorisation is valid for the annual general meeting in 2025 and is proposed to be extended by one year until the general meeting in 2026.

Other equity reserves

Other reserves in the statement of changes in equity consist of the group's share of transactions with owners in joint ventures and associated companies.

Non-controlling interests (NCI)

	NCI in %		NCI share of profit (loss)		NCI carrying amount at	
(amounts in NOK 1 000)	12/31/2024	12/31/2023	2024	2023	2024	2023
Nesttun Pluss AS/KS	25.0 %	25.0 %	42	44	7,881	7,838

Ownership structure

At 31 December 2024, the group had 6 879 shareholders, of whom 186 were outside Norway. At 31 December 2023, the group had 6 466 shareholders, of whom 177 were outside Norway.

The 20 largest shareholders at 31 December 2024 were as follows:

Shareholder	Ordinary shares	Ownership/ voting share
SELVAAG AS	50,180,087	53.5 %
Skandinaviska Enskilda Banken AB *	4,680,572	5.0 %
PERESTROIKA AS	3,443,837	3.7 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	3,096,726	3.3 %
The Northern Trust Comp, London Br *	2,186,000	2.3 %
EGD CAPITAL AS	1,704,752	1.8 %
SANDEN EQUITY AS	1,660,000	1.8 %
HAUSTA INVESTOR AS	1,600,000	1.7 %
MUSTAD INDUSTRIER AS	1,067,454	1.1 %
Goldman Sachs International *	965,549	1.0 %
The Northern Trust Comp, London Br *	840,200	0.9 %
Brown Brothers Harriman & Co. *	684,331	0.7 %
Sverre Molvik	677,403	0.7 %
Øystein Klungland	677,403	0.7 %
VERDIPAPIRFONDET ALFRED BERG NORGE	505,298	0.5 %
Brown Brothers Harriman & Co. *	492,551	0.5 %
Skandinaviska Enskilda Banken AB *	399,628	0.4 %
KBC Bank NV *	387,922	0.4 %
Christopher Brunvoll	387,791	0.4 %
VARDE NORGE AS	350,000	0.4 %
Total 20 largest shareholders	**75,987,504**	**81.0 %**
Other shareholders	17,778,184	19.0 %
Total ordinary shares	**93,765,688**	**100.0 %**

* Further information regarding shareholders is presented at: http://sboasa.no

The 20 largest shareholders at 31 December 2023 were as follows:

Shareholder	Ordinary shares	Ownership/ voting share
SELVAAG AS	50,180,087	53.5 %
PARETO INVEST NORGE AS	4,680,572	5.0 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	3,266,051	3.5 %
The Northern Trust Comp, London Br *	2,186,000	2.3 %
JPMorgan Chase Bank, N.A., London *	1,912,218	2.0 %
EGD CAPITAL AS	1,704,752	1.8 %
SANDEN EQUITY AS	1,600,000	1.7 %
HAUSTA INVESTOR AS	1,600,000	1.7 %
MUSTAD INDUSTRIER AS	1,067,454	1.1 %
PERESTROIKA AS	1,066,619	1.1 %
Goldman Sachs International *	965,549	1.0 %
The Northern Trust Comp, London Br *	840,200	0.9 %
BANAN II AS	830,000	0.9 %
Brown Brothers Harriman & Co. *	684,331	0.7 %
Sverre Molvik	592,684	0.6 %
Øystein Klungland	592,684	0.6 %
GÅSØ NÆRINGSUTVIKLING AS	530,599	0.6 %
BNP Paribas *	530,000	0.6 %
Brown Brothers Harriman & Co. *	507,059	0.5 %
Skandinaviska Enskilda Banken AB *	399,628	0.4 %
Total 20 largest shareholders	75,736,487	80.8 %
Other shareholders	18,029,201	19.2 %
Total ordinary shares	93,765,688	100.0 %

* Further information regarding shareholders is presented at: http://sboasa.no

Directors and the chief executive officer held no share options in the company during 2024 and 2023. See the remuneration report published on the company's home page selvaagbolig.com for an overview of share ownership in the company by directors and the chief executive officer.

Note 14 EARNINGS PER SHARE

Earnings per share are calculated by dividing the profit (loss) for the period with the weighted average number of shares in issue. There were no diluting effects related to the share capital in 2024 and 2023.

Basic earnings per share	2024	2023
Profit (loss) for the period attributable to shareholders of the company in NOK 1 000	176,914	244,633
Weighted average number of shares outstanding during the period	93,644,322	93,539,754
Basic earnings per share in NOK	1.90	2.62
Diluted earnings per share in NOK	1.90	2.62

Note 15 DIVIDEND

The company has established a policy of paying dividends twice a year from 2015. The board has proposed a dividend of NOK 1.25 per share for 2024, corresponding to NOK 117.2 million. This equals 66 per cent of net income. In 2023, an ordinary dividend of NOK 187.4 million was paid, corresponding to NOK 2.00 per share. That was equal to 76% of net income. The dividend for the second half of 2024 is subject to approval by the AGM on 24 April 2025 and is not reflected in the financial statements for 2024. See the table below for specification of the amounts.

Dividend paid is calculated on the basis of the total number of shares, which amounts to 93 765 688. To find the net amount paid, the dividend related to treasury shares owned by Selvaag Bolig ASA at the time of approval is deducted.

	Dividend for the first half			Proposed dividend for the second half 1			Total for 2024
(amounts in NOK 1 000)	NOK per share	Number of shares	Amount	NOK per share	Number of shares	Amount	
Gross dividend	-	-	-	1.25	93,765,688	117,207	117,207
Dividend related to treasury shares	-	-	-	-	-	-	-
Net dividend paid	**-**	**-**	**-**	**-**	**-**	**117,207**	**117,207**

[1] The amount is calculated gross since the number of treasury shares held at the time the dividend will be approved, 24 April 2025, was not known at 31 December 2024.

The ordinary dividend paid in 2024 was NOK 93.6 million. This consisted of NOK 93.6 million for the second half of 2023. No dividend was paid for the first half of 2024.

	Dividend for the first half			Dividend for the second half			Total for 2023
(amounts in NOK 1 000)	NOK per share	Number of shares	Amount	NOK per aksje	Number of shares	Amount	
Gross dividend	1.00	93,765,688	93,766	1.00	93,765,688	93,766	187,531
Dividend related to treasury shares	1.00	44,770	45	1.00	125,276	125	170
Net dividend paid	**-**	**-**	**93,721**	**-**	**-**	**93,640**	**187,361**

The ordinary dividend paid in 2023 was NOK 281.2 million. This consisted of NOK 187.4 million for the second half of 2022 and NOK 93.7 million for the first half of 2023.

Note 16 INTEREST-BEARING LIABILITIES

Specification of interest-bearing liabilities

(amounts in NOK 1 000)	2024	2023
Non-current liabilities		
Bank loans	935,433	681,776
Bonds	-	-
Total non-current interest-bearing liabilities at amortised cost	**935,433**	**681,776**
Current liabilities		
Bank loans	173,230	323,826
Current liabilities repurchase agreements and seller credits	504,450	404,610
Total current interest-bearing liabilities at amortised cost	**677,680**	**728,437**
Total interest-bearing liabilites at amortised cost	**1,613,113**	**1,410,212**

The group's interest-bearing debt falls primarily into four categories: 1) liabilities in parent company Selvaag Bolig ASA (top-up loans), 2) land loans, 3) repurchase agreements with Urban Property and 4) construction loans.

At 31 December, the group had no top-up loans, land loans were NOK 34 million, repurchase agreements with Urban Property of NOK 504 million and construction loans of NOK 1 075 million.

Selskap (beløp i NOK 1000)	Loan instrument	Lender	Year 2024	Maturity data
Selvaag Bolig ASA	Working capital facility	DNB	-	Unspecified
Selvaag Bolig ASA	Revolving credit facility	DNB	-	12/31/2027
Selvaag Bolig ASA m/døtre	Land loan	Urban Property	504,450	Unspecified
Jaasund AS	Land loan	SR Bank	18,000	6/30/2027
Aase Gaard AS	Land loan	SR Bank	16,000	12/31/2025
Selvaag Bolig Pallplassen AS	Construction loan	Nordea	54,164	6/30/2026
Skårer Bolig AS	Construction loan	DNB	332,572	3/30/2027
Sandsliåsen Utbygging AS	Construction loan	Nordea	7,984	3/25/2025
Selvaag Bolig Grenseveien AS	Construction loan	DNB	222,722	12/31/2027
Selvaag Bolig Landås	Construction loan	DNB	1,915	9/30/2027
Selvaag Bolig Lørenskog	Construction loan	DNB	769	12/31/2026
Selvaag Bolig Ballerud AS	Construction loan	Nordea	124,085	12/31/2026
Lervig Brygge AS	Construction loan	DNB	225,193	3/31/2026
Selvaag Bolig Langhus AS	Construction loan	DNB	105,259	12/31/2025
Total non-current interest-bearing debt	-	-	1,613,113	-

Interest rates are based on three-month Nibor plus a margin. At 31 December 2024, the average interest rate was 8.4 per cent for the land loans and 6.7 per cent for the construction loans. The differences between the disclosed nominal interest rates and effective interest rates are deemed to be insignificant. The duration of construction loans and seller credits to Urban Property follow the completion rate and delivery of housing units, so final redemption occurs when the project is completed.

Selskap (beløp i NOK 1000)	Loan instrument	Lender	Year 2023	Maturity data
Selvaag Bolig ASA	Working capital facility	DNB	-	Unspecified
Selvaag Bolig ASA	Revolving credit facility	DNB	-	12/31/2025
Selvaag Bolig ASA m/døtre	Land loan	Urban Property	404,610	Unspecified
Selvaag Bolig Hamang AS	Tomtelån	DNB	57,000	6/30/2026
Jaasund AS	Land loan	SR Bank	20,000	12/31/2024
Aase Gaard AS	Land loan	SR Bank	18,000	12/31/2025
Selvaag Bolig Pallplassen AS	Construction loan	DNB	81,504	9/30/2024
Skårer Bolig AS	Construction loan	DNB	597,854	5/30/2025
Sandsliåsen Utbygging AS	Construction loan	Nordea	98,526	8/31/2024
Selvaag Bolig Solberg AS	Construction loan	DNB	123,796	6/30/2024
Selvaag Bolig Langhus AS	Construction loan	DNB	8,922	12/30/2025
Total non-current interest-bearing debt	-	-	1,410,212	-

Interest rates are based on three-month Nibor plus a margin. At 31 December 2023, the average interest rate was 7.5 per cent for the land loans and 6.1 per cent for the construction loans. The differences between the disclosed nominal interest rates and effective interest rates are deemed to be insignificant. The duration of construction loans and seller credits to Urban Property follow the completion rate and delivery of housing units, so final redemption occurs when the project is completed.

INTEREST-BEARING LIABILITIES
MATURITY SCHEDULE FOR INTEREST-BEARING LOANS:

	2024	2023
To be repaid during 2024	-	728,437
To be repaid during 2025	677,680	624,776
To be repaid during 2026	585,902	57,000
To be repaid during 2027	349,531	-
To be repaid during 2028 or later	-	-
Total	**1,613,113**	**1,410,213**

Secured loans	2024	2023
Bank loans - financial institutions	1,108,663	1,005,602
Current liabilities repurchase agreements and seller credits [1]	504,450	404,610

1) Related to cooperation agreement with Urban Property. The agreement contains financial covenants, see note 29.

Carrying value of land pledged as security on bank loans	2024	2023
Inventory	2,859,882	2,357,897

Current interest-bearing liabilities

The table below includes liabilities maturing within 12 months subsequent to the reporting period.

	2024	2023
Repayable within 0-6 months after period-end	51,971	123,796
Repayable within 6-12 months after period-end	625,709	604,641
Total	**677,680**	**728,437**

Note 17 TRADE AND OTHER PAYABLES

(amounts in NOK 1 000)	2024	2023
Trade payables	**132,500**	**73,094**
Accrued expenses	206,313	270,446
Other current financial liabilities	-	-
Total other current non-interest-bearing financial liabilities	**206,313**	**270,446**
Prepayments from customers (contractual obligations)	36,892	21,080
Other current liabilities	109,495	64,724
Total other current non-interest-bearing liabilities	**352,700**	**356,250**

Trade payables

The group's trade payables are repayable 0-3 months after the end of the reporting period.

Note 18 MANAGING CAPITAL AND FINANCIAL RISK MANAGEMENT

18.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market (including currency, interest-rate and price risk), credit and liquidity risk. The group's overall risk management activities seek to minimise potential adverse effects on its financial performance.

The CEO and the management group identify and evaluate financial risks on an on-going basis.

(a) Market risk

(i) Foreign exchange risk

The group is a Norwegian real estate developer, focusing on Norwegian development projects and properties. The group has certain investments in foreign operations, where net assets are exposed to foreign currency translation risk, but to a limited extent. Projects outside Norway are financed in local currency through subsidiaries.

(ii) Price risk

The group is generally exposed to property price risk, and mainly in geographical terms in Norway. In addition, the group has invested in future projects in Sweden. The group is also exposed to risks related to construction costs and material prices. The profit margin for each project will vary, depending on the development of sales income per square metre for the residential properties. The group's exposure to price risk is partly hedged in that advance sales equivalent to 60 per cent of the total sales value of each project are required before construction starts. The group is not exposed to price risks from financial instruments.

The degree of risk associated with the prices of goods and services varies in accordance with contract type. Projects often span several years, and material prices and salary expenses may increase during the construction period. Most contracts are based on fixed prices for the construction period, but certain of them contain indexation clauses which permit price increases.

(iii) Interest-rate risk

The group's interest-rate risk arises largely from long-term borrowings. Borrowings raised at variable rates expose the group to interest-rate fluctuations, which affect cash flows. In addition, the group has option agreements with Urban Property that are exposed to interest-rate fluctuations, see Note 26 The group capitalises interest cost as part of development projects (inventory property) in line with the progress of the projects in accordance with IAS 23 Borrowing costs. See *Interest-bearing liabilities* for details of the group's borrowings.

(b) Credit risk

Credit risk is managed at group level. The group is exposed to counterparty risk when its companies enter into agreements regarding sales of residential property. Credit risk also arises from outstanding receivables, such as loans to associated companies.

Credit risk related to the sale of property is considered to be limited since sales take place through professional estate agents. Normally, a 10 per cent deposit and documentation of financing are required from home buyers when they enter into a contract. The balance is settled upon transfer of the title.

Based on the above, the group assesses credit risk associated with financial assets to be low.

The group's maximum exposure to credit risk comprises the classes "trade receivables and other current and non-current receivables" and "cash and cash equivalents." See 18.3 Financial asset and liabilities for the carrying amounts of these classes at 31 December in 2024 and 2023.

(c) Liquidity risk

Conservative liquidity management ensures the group has sufficient liquid assets and funding available to meet its obligations. Selvaag Bolig ASA has a credit facility agreement of NOK 300 million with DNB, which matures in December 2027. The group also has an annually renewed overdraft facility of NOK 150 million with DNB. No drawings had been made against any of these facilities at 31 December.

The group has entered into a number of agreements on the future acquisition of sites that will affect liquidity at the time when the obligations fall due, see also Note 5 inventories. Liquidity risk related to those acquisitions is managed through collaboration with Urban Property (see Note 26 long-term bank connections, credit facilities, available liquidity reserves and close follow-up of the planning permission processes.

The group manages its liquidity actively to ensure adequate liquidity at any time. It continuously monitors forecasts and actual cash flows.

Maturity schedule for the group’s liabilities (nominal values)

Interest-bearing liabilities

Maturity schedule for the group's liabilities (nominal values)

(amounts in NOK 1 000)	Note	Total at 31.12.2024	< 1 year	1-3 years	3-6 years	6-10 years	> 10 years	Not specified
Interest-bearing liabilities								
Bank loans*	16	1,226,775	201,778	1,024,997	-	-	-	-
Other interest-bearing liabilities	16	547,177	547,177	-	-	-	-	-
Total interest-bearing liabilities		**1,773,951**	**748,955**	**1,024,997**	**-**	**-**	**-**	**-**

*) Including estimated interest payments.

Non-interest-bearing liabilities

(amounts in NOK 1 000)	Note	Total at 31.12.2024	< 1 year	1-3 years	3-6 years	6-10 years	> 10 years	Not specified
Non-interest-bearing liabilities								
Trade payables	17	132,500	132,500	-	-	-	-	-
Other current non-interest-bearing liabilities	17	109,495	109,495	-	-	-	-	-
Other non-current non-interest-bearing liabilities	18.3	456,496	-	456,496	-	-	-	-
Total non-interest-bearing liabilities		**698,491**	**241,995**	**456,496**	**-**	**-**	**-**	**-**

*) Including estimated interest payments.

Maturity schedule for the group's liabilities (nominal values)

Interest-bearing liabilities

Maturity schedule for the group's liabilities (nominal values)

(amounts in NOK 1 000)	Note	Total at 31.12.2023	< 1 year	1-3 years	3-6 years	6-10 years	> 10 years	Not specified
Interest-bearing liabilities								
Bank loans*	16	1,113,885	409,590	704,295	-	-	-	-
Other interest-bearing liabilities	16	404,697	404,697	-	-	-	-	-
Total interest-bearing liabilities		**1,518,582**	**814,287**	**704,295**	**-**	**-**	**-**	**-**

*) Including estimated interest payments.

Non-interest-bearing liabilities

(amounts in NOK 1 000)	Note	Total at 31.12.2023	< 1 year	1-3 years	3-6 years	6-10 years	> 10 years	Not specified
Non-interest-bearing liabilities								
Trade payables	17	73,094	73,094	-	-	-	-	-
Other current non-interest-bearing liabilities	17	64,724	64,724	-	-	-	-	-
Other non-current non-interest-bearing liabilities	18.3	385,745	-	385,745	-	-	-	-
Total non-interest-bearing liabilities		**523,563**	**137,818**	**385,745**	**-**	**-**	**-**	**-**

*) Including estimated interest payments.

18.2 Capital risk management

The group's objective when managing its capital is to ensure the ability of the entities in the group to continue as going concerns while providing returns for shareholders and benefits for other stakeholders as well as maintaining an optimum capital structure. This is achieved by maintaining a secure liquidity though the year and a robust equity level.

To achieve this objective, the group focuses on the profitability of the various projects. As a main rule, a 10 per cent contribution margin and a 60 per cent sales ratio before starting construction are required in the projects. At 31 December, the EBITDA margin in ongoing projects was 14.9 per cent (16.5 per cent). See Note 4 Segment information for more details. 61 per cent of units under construction were sold at 31 December (62 per cent).

The equity ratio in the group (equity as a percentage of total assets) must not be below 30 per cent. At 31 December, it was 46.4 per cent (48.5 per cent).

In order to optimise the capital structure, the management evaluates all available funding sources on an on-going basis. Capital requirements are mainly financed through a group account arrangement in which selected companies in the Selvaag Bolig group are included. In addition, the company has a credit facility with DNB of NOK 300 million which matures in December 2027. The group also has an annually renewed overdraft facility of NOK 150 million with DNB. The agreements contain financial covenants, see note 29. No drawings had been made against any of these facilities at 31 December. Ongoing projects are mainly financed through construction loans which mature at project completion.

18.3 Financial asset and liabilities

All financial assets and liabilities in the group are booked at amortised cost.

Classification of financial assets and liabilities

(amounts in NOK 1 000)	Note	2024	2023
Trade receivables and other current and non-current financial assets			
Loans to associated companies and joint ventures		173,614	161,314
Other non-current assets	11	57,058	66,834
Trade receivables		62,411	60,194
Other receivables	11	14,154	16,347
Total trade receivables and other current and non-current financial assets		**307,237**	**304,689**
Cash and cash equivalents			
Cash and cash equivalents		383,649	266,522
Trade payables and other non-interest-bearing financial liabilities			
Other non-current non-interest-bearing liabilities	26	456,496	385,745
Trade payables		132,500	73,094
Total other current non-interest-bearing financial liabilities	17	206,313	270,446
Total trade payables and other non-interest-bearing financial liabilities		**795,309**	**729,285**
Interest-bearing liabilities			
Non-current interest-bearing liabilities	16	935,433	681,776
Current interest-bearing liabilities	16	677,680	728,437
Total interest-bearing liabilities		**1,613,113**	**1,410,212**

Sensitivity analysis

Interest-rate risk

Year 2024			
Adjustment to interest-rate level in basis points	**50**	**100**	**150**
Effect - bank loans	(7,558)	(15,117)	(22,675)
Effect - other loans	-	-	-
Effect on cash flow (in NOK 1 000)	(7,558)	(15,117)	(22,675)

Year 2023			
Adjustment to interest-rate level in basis points	**50**	**100**	**150**
Effect - bank loans	(9,740)	(19,480)	(29,220)
Effect - other loans	-	-	-
Effect on cash flow (in NOK 1 000)	(9,740)	(19,480)	(29,220)

The above tables detail the group's sensitivity to a decrease or increase in interest rates by 50, 100 and 150 basis points respectively. The calculations are based on average interest rates for the year. The effects are calculated on a pre-tax basis and based on the average outstanding amounts during the period. Profit or loss and equity effects are expected to be approximately similar to the effects on cash flow after taxes. Interest related to land loans and building loans is capitalised as part of the inventory and is included in the cost of goods upon delivery of homes. Effects in the result because of interest rate changes will therefore occur at different times depending on when the homes are delivered.

Foreign exchange risk

The group is exposed to a limited degree to foreign currency risk. Fluctuations in the amount of +/- five per cent at 31 December in 2024 and 2023 would cause immaterial changes to the group's profit and loss, and would only affect the consolidated statement of changes in equity by immaterial amounts.

18.4 Fair value of financial instruments

Principles for estimating fair values

Book value of assets and liabilities measured at amortised cost is considered to be approximately equal to fair value.

Note 19 INCOME TAXES

Specification of income tax

(amounts in NOK 1 000)	2024	2023
Current income taxes payable	(19,823)	(66,378)
Changes in deferred taxes	(12,417)	(8,422)
Income taxes in profit (loss)	**(32,240)**	**(74,800)**

The group's business activities relate mainly to Norway, with only insignificant amounts arising in other countries. An allocation of income tax expense between countries is therefore not considered necessary.

Reconciliation from nominal to effective income tax rate	2024	2023
Profit (loss) before income taxes	209,196	319,477
Estimated income taxes in accordance with nominal tax rate (22%)	(46,023)	(70,285)
Taxable income related to the exemption method, in accordance with section 2-38 of the Norwegian Taxation Act	9,096	2,388
Other non-deductible expenses	(11,708)	(7,899)
Other non-taxable income	485	3,933
Share of income from associated companies and joint ventures	15,910	(2,937)
Income tax income (expense)	(32,240)	(74,800)
Effective income tax rate*	**15.4 %**	**23.4 %**

*) Shares of profit from associated companies and joint ventures accounted for using the equity method affect the effective tax rate. Profit before tax includes both Selvaag Bolig ASA's and non-controlling interests' share of the profit in participating companies. Non-controlling interests' share of the profit in participating companies is therefore treated as a permanent difference in the group's tax calculation. Tax on non-controlling interests' share of the profit for the period is included in non-controlling interests' share of profit and equity. The tax expense in the group, however, does not include tax liabilities for tax entities that are not part of the Selvaag Bolig group.

Share of income from associated companies and joint ventures

Share of income from associated companies and joint ventures which are not limited partnerships is recognised on a post-tax basis and therefore does not affect the group’s income tax expense. See Note 24

Deferred tax assets and liabilities at 31 December

Deferred tax assets and liabilities at 31 December	2024		2023	
(amounts in NOK 1 000)	Assets	Liabilities	Assets	Liabilities
Non-current assets	-	4,009	612	-
Inventory property	-	108,216	-	95,108
Receivables	-	130	71	-
Current liabilities	6,956	-	5,211	-
Non-current liabilities	19,061	-	15,420	-
Losses carried forward	2,594	-	2,624	-
Total temporary differences	**28,611**	**112,355**	**23,938**	**95,108**
Unrecognised deferred tax assets	(913)	-	2,306	-
Net deferred tax assets (liabilities) in total	**(82,831)**	**-**	**(73,476)**	**-**

Deferred tax assets are included in the statement of financial position to the extent that the realisation of the related tax benefit through future taxable profits is probable. There are no expiration dates on losses carried forward.

The net movement of deferred tax assets (liabilities) is as follows:

(amounts in NOK 1 000)	2024	2023
Net deferred tax assets (liabilities) at 1 January	(73,476)	(60,140)
Acquisition of subsidiaries	676	-
Disposal of subsidiaries	2,387	(4,914)
Recognised in the statement of comprehensive income	(12,418)	(8,422)
Net deferred tax assets (liabilities) at 31 December	**(82,831)**	**(73,476)**

Selvaag Bolig ASA has acquired companies with land plots in previous years. These companies have no activities other than the ownership of the land plots. As a result, the purchases are recognised in the financial statements as purchase of assets and not as business combinations. No accrual for deferred tax occurs with the purchase of assets, which means that the assets are recognised net after deferred tax. See IAS 12.22 c. The land plots in the land bank affected by this had a book value of NOK 95 million (2023: NOK 135 million) at 31 December 2024. Based on a nominal tax rate of 22 per cent, latent tax obligations of NOK 7 million relate to the plots (2023: NOK 11 million). These latent deferred taxes are not recognised in the financial statements.

Note 20 PROVISIONS

(amounts in NOK 1 000)	2024	2023
Provision for contractual infrastructure	60,365	70,215
Total non-current provisions for other liabilities	**60,365**	**70,215**

Obligations related to the construction of parking areas amount to NOK 60 million and are linked to previously completed projects, which included an obligation to provide a specific number of parking spaces. These obligations are currently being met through temporary parking areas. Future development of the areas will determine when the temporary car parking areas are to be removed and construction of permanent car parking facilities must commence. The obligations accordingly fall due when the projects are realised. The car parking obligations are expected to fall due some years into the future.

Development during the period

(amounts in NOK 1 000)	2024	2023
Per 1 January	70,215	66,999
Liabilities incurred during the year and effects of changes in estimates	(9,850)	3,216
Amounts used	-	-
Reclassification by business combinations	-	-
Reclassification of pension obligations	-	-
Liabilities in acquired businesses	-	-
Per 31 December	60,365	70,215

Note 21 CONTINGENT LIABILITIES AND GUARANTEES

The group is subject to the following contingent liabilities as a result of ownership interests in subsidiaries and associated companies:

(amounts in NOK 1 000)	2024	2023
Guarantees to vendors	73,624	180,938
Capital not called up - limited partnerships	6,600	6,600
Total contingent liabilities	80,224	187,538

Parent company guarantees of NOK 567.4 million had been given in 2024 and NOK 520.5 million in 2023. These related to guarantees issued by Selvaag Bolig ASA as additional guarantees for seller credits related to land purchases from Urban Property, a land plot purchase in Sweden and land loans. The group fulfils legal requirements pursuant to sections 12 and 47 of the Housing Construction Act through purchased guarantees. In addition, it provides guarantees to contractors. Corresponding liabilities included in the statement of financial position are not included in the above amounts.

Note 22 REMUNERATION OF AND FEES TO MANAGEMENT, DIRECTORS AND AUDITORS

Remuneration to management and director's fees:

(amounts in NOK 1 000)	2024	2023
Salary, bonus and other remuneration	29,980	28,696
Share purchase programme	5,515	5,481
Pension	606	580
Total - group management and directors	36,102	34,757

For detailed remuneration to executive management, see the separate remuneration report for 2024 published on the company's website www.selvaagboligasa.no. The company has established guidelines for remuneration to executive management which were approved by the company's general meeting on 26 April 2023.

Specification of fees paid to the auditor:

(amounts in NOK 1 000)	2024	2023
Statutory audit services to the parent company	1,606	2,010
Statutory audit services to subsidiaries	1,478	1,445
Other assurance services	594	487
Other non-audit services	-	-
Total fees paid to the auditor (exclusive of VAT)	3,678	3,941

Note 23 RELATED PARTY TRANSACTIONS

Receivables, liabilities and transactions between Selvaag Bolig ASA and its subsidiaries, which are related parties to the company, have been eliminated on consolidation and are not disclosed in this note. Selvaag AS owns 53.5 per cent of the shares in Selvaag Bolig. Purchases and sales of services involving Selvaag AS and its related parties are based on market terms. These relate mainly to rent, payroll services, use of the brand and the acquisition of land from Urban Property (UP). Details of significant transactions between the group and other related parties are disclosed below.

During the year, group entities entered into the following transactions with related parties:

(amounts in NOK 1 000)	2024	2023
Sales of goods and services		
Associated companies and joint ventures	38,984	37,354
Other related parties (including subsidiaries of the parent company) [1]	274,607	250,111
Purchase of goods and services		
Selvaag AS (parent company)	(543)	(550)
Other related parties (including subsidiaries of the parent company)	(7,290)	(12,004)
Financial income		
Other related parties (including subsidiaries of the parent company)	-	-
Option premiums and interests related to seller credits from Urban Property (see note 26 for details)		
Option premiums paid Portfolio B	(20,152)	(21,993)
Accrued and capitalised option premiums Portfolio C	(213,662)	(166,370)
Transaction fees paid	(2,394)	(1,681)
Accrued interests on seller credits	(14,078)	(17,703)

The following receivables and liabilities were outstanding at 31 December:

(amounts in NOK 1 000)	2024	2023
Receivables		
Selvaag AS (parent company)	-	-
Other related parties (including subsidiaries of the parent company)	348	8,395
Liabilities		
Selvaag AS (parent company)	-	-
Other related parties (including subsidiaries of the parent company)	(2,006)	(3,075)
Repurchase agreements and seller credits with Urban Property	(504,450)	(404,610)

Other related-party transactions

[1]Urban Property (UP) is a related party with the company according to the accounting rules. This means that ongoing option premiums and land repurchases are regarded as related-party transactions. During 2024, the company bought six plots from UP for a total consideration of NOK 498.4 million. No land plots were sold to UP in 2024. During 2024, the company entered into three new option agreement with UP, related to a property in Oslo and two properties in Bergen.

Further, Selvaag Bolig delivered an entire residential building with 71 flats to Selvaag Utleiebolig AS, a wholly owned subsidiary of Selvaag AS. The sale generated revenue of NOK 274 million. An agreement has been signed to sell an entire residential building with 46 flats to Selvaag Utleiebolig AS. The value of the transaction is NOK 180 million and the expected delivery is in the fourth quarter 2025.

The group has provided various guarantees, mainly through purchased guarantees, to associated companies and joint ventures totalling NOK 302 million.

Note 24 INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

Company	Registered office	Year of acquisition	Ownership and voting power 2024	Ownership and voting power 2023
Tangen pluss AS [3]	Norway	2011	0.0 %	50.0 %
S Trumpet Holding AB (Tidl. Projektbolaget Sädesärlan AB)	Sweden	2011	50.0 %	50.0 %
Kaldnes Brygge AS	Norway	2016	50.0 %	50.0 %
Kaldnes Boligutvikling AS [1]	Norway	2012	25.0 %	25.0 %
Sandnes Eiendom Invest AS	Norway	2013	50.0 %	50.0 %
Kirkeveien Utbyggingsselskap AS	Norway	2013	50.0 %	50.0 %
Tiedemannsfabrikken AS	Norway	2014	50.0 %	50.0 %
Smedplassen Prosjekt AS [3]	Norway	2014	-	50.0 %
Sinsenveien Utvikling AS	Norway	2015	50.0 %	50.0 %
Sandsliåsen 46 Utbygging AS [2]	Norway	2018	100.0 %	50.0 %
Haakon VIIs gate 4 Utvikling AS	Norway	2017	50.0 %	50.0 %
Fornebu Sentrum Utvikling AS	Norway	2017	50.0 %	50.0 %
Heimdal Stasjonsby AS	Norway	2017	50.0 %	50.0 %
Kanalveien Utvikling AS	Norway	2019	50.0 %	50.0 %
Verftsbyen Bolig AS	Norway	2019	50.0 %	50.0 %
Lurahøyden Bolig AS [4]	Norway	2019	-	50.0 %
Kanalveien 51-53 AS	Norway	2020	50.0 %	50.0 %

[1] The company is partly owned by Kaldnes Brygge AS.

[2] The company became a wholly owned subsidiary in 2024.

[3] The company was discountinued in 2024.

[4] The company was sold in 2024.

Specification of investments in associated companies and joint ventures in 2024:

(amounts in NOK 1 000)	Ownership/ voting share	Carrying amount 01.01.24	Additions/ disposals	Share of profit [1]	Dividends/ distributions	Reclassified as participatory loan	Carrying amount 31.12.24
Joint ventures:							
Kaldnes Brygge AS	50.0 %	97,521	-	13,489	(25,000)	-	86,010
Sandnes Eiendom Invest AS	50.0 %	75,726	-	(7,936)	-	-	67,790
Tangen pluss AS	50.0 %	68	(71)	3	-	-	-
S Trumpet Holding AB (Tidl. Projektbolaget Sädesärlan AB)	50.0 %	1,829	-	-	-	-	1,829
Kirkeveien Utbyggingsselskap AS	50.0 %	23,079	-	83	-	-	23,162
Tiedemannsfabrikken AS	50.0 %	762	-	29	-	-	791
Smedplassen Prosjekt AS	50.0 %	254	(233)	(21)	-	-	-
Sinsenveien Utvikling AS [2]	50.0 %	-	-	72,644	-	(9,806)	62,839
Sandsliåsen 46 Utbygging AS [2]	50.0 %	-	-	(258)	-	258	-
Haakon VIIs gate 4 Utvikling AS [2]	50.0 %	-	-	3,813	-	(3,813)	-
Fornebu Sentrum Utvikling AS [2]	50.0 %	-	-	(6,573)	-	6,573	-
Heimdal Stasjonsby AS	50.0 %	6,110	-	(793)	-	-	5,317
Kanalveien Utvikling AS	50.0 %	755	-	(1,218)	-	463	0
Kanalveien 51-53 AS [2]	50.0 %	-	-	(900)	-	900	-
Verftsbyen Bolig AS	50.0 %	23,881	5,000	(42)	-	-	28,839
Lurahøyden Bolig AS [2]	50.0 %	-	-	-	-	-	-
Total		229,985	4,696	72,320	(25,000)	(5,424)	276,578

[1] None of the companies had other income or expenses.

[2] Negative carrying amount is recognised net together with participatory loans.

Specification of investments in associated companies and joint ventures in 2023:

(amounts in NOK 1 000)	Ownership/ voting share	Carrying amount 01.01.23	Additions/ disposals	Share of profit [1]	Dividends/ distributions	Reclassified as participatory loan	Carrying amount 31.12.23
Joint ventures:							-
Kaldnes Brygge AS	50.0 %	80,732	-	16,789	-	-	97,521
Sandnes Eiendom Invest AS	50.0 %	80,915	-	(5,190)	-	-	75,726
Tangen pluss AS	50.0 %	414	-	(346)	-	-	68
S Trumpet Holding AB (Tidl. Projektbolaget Sädesärlan AB)	50.0 %	1,829	-	-	-	-	1,829
Kirkeveien Utbyggingsselskap AS	50.0 %	22,982	-	97	-	-	23,079
Tiedemannsfabrikken AS	50.0 %	10,554	-	631	(10,423)	-	762
Smedplassen Prosjekt AS	50.0 %	2,939	-	(2,685)	-	-	254
Sinsenveien Utvikling AS [2]	50.0 %	-	-	(4,685)	-	4,685	-
Sandsliåsen 46 Utbygging AS [2]	50.0 %	-	-	(312)	-	312	-
Haakon VIIs gate 4 Utvikling AS [2]	50.0 %	-	-	(1,716)	-	1,716	-
Fornebu Sentrum Utvikling AS [2]	50.0 %	-	-	(4,048)	-	4,048	-
Heimdal Stasjonsby AS	50.0 %	9,120	-	(3,010)	-	-	6,110
Kanalveien Utvikling AS	50.0 %	1,043	-	(288)	-	-	755
Kanalveien 51-53 AS [2]	50.0 %	-	-	(709)	-	709	-
Verftsbyen Bolig AS	50.0 %	24,201	-	(321)	-	-	23,880
Lurahøyden Bolig AS [2]	50.0 %	-	-	(7,559)	-	7,559	-
Sum		**234,730**	**-**	**(13,352)**	**(10,423)**	**19,029**	**229,985**

[1] None of the companies had other income or expenses.

[2] Negative carrying amount is recognised net together with participatory loans.

Subsidiaries in the group had given NOK 173.6 million (NOK 161.3 million) in loans to associated companies and joint ventures at 31 December.

Summarised financial information (100 per cent) for associated companies and joint ventures at 31 December

(amounts in NOK 1 000)	2024	2023
Total assets	2,087,398	3,237,336
Total liabilities	1,597,095	2,950,237
Net assets	490,303	287,099
Total revenues	2,253,568	410,298
Total profit (loss) for the year	144,640	(26,704)

Note 25 ADDITIONAL INFORMATION, REVENUES

(amounts in NOK 1 000)	2024	2023
Revenues - units delivered [1]	1,661,261	3,065,842
Revenues - other property	234,114	120,393
Other revenues [2]	75,669	68,416
Total operating revenues	**1,971,044**	**3,254,651**

[1] Of which approximately 79 per cent (83 per cent) from Greater Oslo area and 21 per cent from the rest of Norway (17 per cent). There were no units delivered abroad in 2024 and 2023.

[2] Other revenues derived from non-core activities, mainly rental, project management and service revenue. See specification below.

Other revenues

(amounts in NOK 1 000)	2024	2023
Rental revenue	5,752	4,837
Project management and service revenue	69,447	61,044
Other operational revenues	470	2,535
Total other revenues	**75,669**	**68,416**

Rental revenue in 2024 and 2023 derived from short-term contracts.

Revenues from project management relate to services provided to joint ventures. Service revenues derive mainly from services provided to guests and tenants in Pluss projects.

The group had 829 units under construction at 31 December (784), of which 82 per cent (73 per cent) were in Greater Oslo. The combined sales value of units under construction was NOK 6 134 million (NOK 4 496 million), with sold units accounting for NOK 3 447 million (NOK 2 573 million) of this total. 61 per cent of units under construction were sold (62 per cent). The sold units are mainly due to be delivered to purchasers in 2025 and 2026.

Note 26 COLLABORATION WITH URBAN PROPERTY

With effect from January 2020, large parts of the available land portfolio for Selvaag Bolig (SBO) in Norway have been owned by Urban Property (UP). The companies are long-term and strategic partners. UP is owned by Oslo Pensjonsforsikring AS with 40 per cent of the shares, Equinor Pensjon owns 30 per cent, Selvaag AS has a 20 per cent holding and Rema Etablering Norge AS owns 10 per cent. The Selvaag AS holding in UP makes the latter a related party to SBO pursuant to the IFRS, but not according to the Norwegian Public Limited Companies Act. See note 26 to the consolidated accounts for 2020 for detailed information on the transaction.

UP is a financially sound, well-capitalised and predictable partner. The collaboration agreement includes the following elements:

- UP has a pre-emptive right to buy new land SBO wants to develop.
- SBO has an option to buy back the land from UP.
- The land is repurchased in stages by SBO at its original acquisition price plus an annual option premium of Nibor plus 3.75 per cent. In addition comes a transaction fee, which is 0.5 per cent when UP buys property from the landowner and two per cent when SBO buys from UP.
- SBO pays 50 per cent of the purchase price to UP on taking over a property (when construction starts) and 50 per cent on completion of the project.
- If SBO decides not to exercise the option on a land plot, there is a 48-month option premium (break fee).
- The agreement includes financial covenants, see note 29.

The transaction with UP in 2020 covered properties which were divided into Portfolios A, B and C. Portfolio A was converted to portfolio C with effect from 1 January 2021 following a renegotiation of the collaboration agreement between the parties.

Portfolio B

In accounting terms, Portfolio B is treated as a financing arrangement because SBO retains control of these properties. This means that the carrying amount of Portfolio B remains unchanged as inventory after the transaction, while the consideration from the sale of Portfolio B has been recognised as a liability for repurchase agreements (to UP) in the SBO balance sheet.

The option premium related to the properties in Portfolio B is paid quarterly. These premiums are treated for accounting purposes in the same way as interest charges on land loans. They are recognised in the balance sheet as part of inventory and expensed as cost of sales when completed residential units are delivered. For the year 2024, premiums paid and capitalised were NOK 20.2 million (NOK 21.9 million). SBO can cancel the option at any given time on payment of a fixed break fee corresponding to 48 months of option premiums for the property. SBO pays 50 per cent of the purchase price to UP on taking over a property and 50 per cent on completion of the project.

Portfolio C

Portfolio C covers properties which the group has the right to purchase in the future. An agreement has been entered into which means that UP acquires rights and obligations corresponding to those currently held by the group in relation to the landowners. SBO will remain the formal counterparty to the present landowners. The agreement also covers future property acquisitions. After UP has acquired a property, SBO will have an option to buy it back on specified terms.

Fifty per cent of the option premium in Portfolio C falls due when SBO acquires the land from UP, with the remainder falling due on completion of the relevant project. Provision for accrued option premiums is made quarterly in SBO's consolidated accounts, as other non-current assets (property) and other non-current, non-interest-bearing liabilities, respectively. When a purchase agreement for land is entered into, the debt is reclassified to short-term debt. The asset is reclassified as inventory when the land is taken over, whereas the remaining unpaid option premium is reclassified as short-term debt, repurchase agreements and seller credits. For 2024, provisions and capitalisation of option premiums in portfolio C were NOK 213.7 million (NOK 166.4 million). Accumulated provisions and capitalisation at 31 December 2024 totalled NOK 498.3 million (NOK 337.6 million).

SBO can cancel the option at any given time in exchange for a break fee comprising the accumulated option premium paid from the time of purchase plus a fixed supplement corresponding to a 48-month option premium (break fee). When exercising an option, SBO pays 50 per cent of the purchase price to UP on taking over the property and 50 per cent on completion of the project.

During 2024, the company purchased six land plots from UP for a total of NOK 498.4 million. In 2023, no land plots were repurchased from UP. No plots were sold to UP in 2024, but a land plot was sold to UP for NOK 57.5 million in 2023. In 2024, SBO paid down a total of NOK 92.2 million of seller credits to UP (NOK 195.4 million). Debt related to repurchase agreements and seller credits was NOK 504.5 million at the end of the year (NOK 404.6 million). Of this, NOK 230.3 million was portfolio B (NOK 292.6 million) and NOK 274.2 million was seller credits (NOK 112 million).

Note 27 PROPORTIONAL CONSOLIDATION, ASSOCIATED COMPANIES AND JOINT VENTURES – PRO FORMA INFORMATION

Selvaag Bolig executes a number of its housing projects in collaboration with other parties, often on a 50-50 basis. These are recognised in the statement of comprehensive income pursuant to the IFRS using the equity method, where Selvaag Bolig's share of the net result is presented as share of profit/(loss) from associated companies and joint ventures. Selvaag Bolig finds that the number of collaboration projects is increasing and that, in this context, it is relevant to provide information on how the statement of comprehensive income would have appeared were the equity interest in collaboration projects to be consolidated.

In the table below, the statement of comprehensive income pursuant to the IFRS has been restated to show the proportional consolidation of associated companies and joint ventures in accordance with Selvaag Bolig's equity interest in collaboration projects.

	2024			2023		
(amounts in NOK 1 000)	IFRS	*Adj share Assoc/JV gross*	Pro forma gross Assoc/JV	IFRS	*Adj share Assoc/JV gross*	Pro forma gross Assoc/JV
Sales revenues	1,895,375	*1,118,134*	3,013,509	3,186,235	*195,802*	3,382,037
Other revenues	75,669	*8,650*	84,319	68,416	*9,347*	77,763
Total operating revenues	**1,971,044**	***1,126,784***	**3,097,828**	**3,254,651**	***205,149***	**3,459,800**
Project expenses	(1,580,327)	*(970,533)*	(2,550,860)	(2,677,166)	*(179,330)*	(2,856,496)
Salaries and personnel costs	(149,060)	*(999)*	(150,059)	(145,318)	*(1,026)*	(146,344)
Depreciation and amortisation	(9,788)	*(4,440)*	(14,228)	(9,231)	*(4,042)*	(13,273)
Other operating expenses	(105,964)	*(23,576)*	(129,540)	(108,686)	*(20,938)*	(129,624)
Total operating expenses	**(1,845,139)**	***(999,547)***	**(2,844,686)**	**(2,940,401)**	***(205,335)***	**(3,145,736)**
Associated companies and joint ventures	72,320	*(72,320)*	-	(13,352)	*13,352*	-
Other gain (loss), net	-	-	-	-	-	-
Operating profit (loss)	**198,225**	***54,918***	**253,143**	**300,898**	***13,166***	**314,064**
Financial income	25,443	*2,470*	27,913	29,778	*1,354*	31,132
Financial expenses	(14,472)	*(30,781)*	(45,253)	(11,199)	*(13,375)*	(24,574)
Net financial expenses	**10,971**	***(28,311)***	**(17,340)**	**18,579**	***(12,021)***	**6,559**
Profit (loss) before income taxes	**209,196**	***26,607***	**235,803**	**319,477**	***1,146***	**320,623**
Income taxes	(32,240)	*(26,607)*	(58,847)	(74,800)	*(1,146)*	(75,946)
Net income	**176,956**	**-**	**176,956**	**244,677**	**-**	**244,677**

All associated companies and joint ventures have been established to develop housing projects. The financial information is therefore shown together.

Note 28 CLIMATE RISK

Climate risk consists of physical climate risk and transition risk. Physical risk is associated with increased extreme weather and ecosystem changes. Transition risk is associated with changes in regulations, technology and the market situation in connection with the transition to a low-emission society.

In 2021, Selvaag Bolig carried out an assessment (www.selvaagboligasa.no/klimarisiko) of potential climate-related risks and opportunities, as well as the company's management of these based on guidelines from the Task Force on Climate-related Financial Disclosures (TCFD). The assessment concluded that the property sector as a whole has a significant exposure to both physical risk and transition risk.

The assessment further concluded that Selvaag Bolig has a relatively low exposure to physical climate risks, but is exposed to transition risks. At present, identified climate risks have not affected the company's measurement of assets and liabilities. Selvaag Bolig will in 2025 continue the work on mapping transition risk, based on the development in rules and wishes from stakeholders.

Physical climate risk

As Selvaag Bolig develops homes and commercial property which are taken over by the buyer on completion, physical climate risk primarily applies to the selection of land. In all projects, climate risk is mapped through a risk and vulnerability analysis (RVA analysis). The analysis reveals conditions that are important for whether the area is suitable for development purposes, and any changes in such conditions as a result of planned development. Elements that are mapped follow the thematic guide for civil protection in spatial planning from the Norwegian Directorate for Civil Protection (DSB).

Transition risk

Selvaag Bolig is experiencing increased demands for transparency, non-financial reporting, and climate requirements in connection with the planning process for property. Through its operations, the company has an impact on the climate and environment, including through the production of purchased materials and on construction sites. Selvaag Bolig has therefore set targets for reducing greenhouse gas emissions. This has so far not had a significant financial impact on the company, but it is uncertain how this will affect the company in the future. It cannot be ruled out that it will affect the company financially in the form of increased construction costs, costs for compensatory measures, or increased sales prices for the company's products. Selvaag Bolig will continue its work on mapping transition risks.

Note 29 FINANCIAL COVENANTS

The collaboration agreement with Urban Property, as described in note 26, includes financial covenants with the following requirements:

1. Equity must be greater than NOK 1 500 million.
2. Debt ratio must be below 50 per cent. Debt ratio is defined as: Net debt / (Net debt + equity).
3. Net debt / rolling 12-month EBITDA must be below 3.
4. Maximum 2.5 year accumulated, unpaid option premium. This consists of three elements multiplied with each other: (Lowest of market value or acquisition price of land plots in UP) times (annual option premium which is 3-month NIBOR + 3.75 per cent) times 2.5.

The calculation of net debt is excluding construction loans and Selvaag Bolig's balance sheet debt related to Portfolio B. At the same time, the accumulated accrued option premium and seller credits are included in the calculation.

On a breach of financial covenants, Selvaag Bolig must receive approval from UP for dividend and other distributions until the covenants once again are met. If there is a breach of covenants after six months, the option premium increases by 25 basis points until the covenants again are met.

Selvaag Bolig and Urban Property have renegotiated financial covenants in the collaboration agreement between the parties. From 1 January 2025 the following new covenants will apply:

1. Equity must be greater than NOK 1 800 million.
2. Debt ratio must be below 40 per cent. Debt ratio is defined as: Net debt / (Net debt + equity).
3. Net debt / rolling 12-month earnings before depreciation and tax according to NGAAP must be below 3.
4. Maximum 2.5 year accumulated, unpaid option premium. This consists of three elements multiplied with each other: (Lowest of market value or acquisition price of land plots in UP) times (annual option premium which is 3-month NIBOR + 3.75 per cent) times 2.5.
5. Selvaag Bolig must have at least 500 units in production, calculated as an average over the last 12 months. For joint ventures, Selvaag Bolig's share of the projects is used.
6. SBO must have a sales ratio of at least 60 per cent for units in production.
7. Outstanding seller credits must at the most be equal to 50 per cent of the equity in SBO and SBO must have free liquidity available, including available credit facilities, to cover 10 per cent of outstanding seller credits.

In the calculation of net debt in covenant number 2, construction loans and debt in portfolio B shall be excluded from Selvaag Bolig's balance sheet. At the same time, the accumulated accrued option premium and seller credit shall be included in the calculation.

In the calculation of net debt in covenant number 3, construction loans, seller credits, loans on completed units and debt in portfolio B shall be excluded from Selvaag Bolig's balance sheet. At the same time, the accumulated accrued option premium shall be included in the calculation.

On a breach of financial covenants, Selvaag Bolig must receive approval from UP for dividend and other distributions until the covenants once again are met. If there is a breach of covenants for three months, the option premium increases by 25 basis points until the covenants again are met. On a breach of covenants, the company's purchase of own shares for the employee share programme are excluded from the rule about approval of dividends or other distributions from Selvaag Bolig.

Selvaag Bolig ASA has a credit facility agreement of NOK 300 million with DNB, which matures in December 2027. No drawings had been made against this facility at 31 December 2024. The agreement includes financial covenants with the following requirements:

- The equity ratio must be at least 25 per cent.
- The average sales ratio for units in production must be at least 60 per cent. If the sales ratio is 60-65 per cent, the lender must give its approval for the loan facilities to be drawn on, and the margin increases by 50 basis points.

Note 30 EVENTS AFTER THE BALANCE SHEET DATE

No events of significance have occurred after the balance sheet date.

FINANCIAL: PARENT COMPANY

STATEMENT OF PROFIT AND LOSS

FOR THE PERIOD 1 JANUARY – 31 DECEMBER

amounts in NOK 1 000	Note	2024	2023
Operating revenue and expenses			
Sales revenue	1,11	82,096	78,297
Lease revenue		520	1,006
Other operating revenue		393	0
Total operating revenue		**83,009**	**79,303**
Project expenses		-6	9,762
Pay and personnel expenses	2,3	-153,478	-150,985
Depreciation and amortisation	6	-550	-757
Other operating expenses	2,11	-52,458	-69,851
Total operating expenses		**-206,492**	**-211,831**
Operating profit (loss)		**-123,483**	**-132,528**
Financial items			
Interest received from group companies		61,600	40,548
Other interest income	11	16,469	18,545
Other financial income		332,847	463,276
Interest charges paid to group companies		-49,300	-35,755
Other interest charges		-7,697	-6,568
Other financial costs	4	-120,139	-4,931
Other gains (loss), net		2,592	7,802
Net financial items		**236,372**	**482,917**
Profit (loss) before income taxes		**112,889**	**350,389**
Income tax (expense) income	5	-48,236	-76,754
Net profit		**64,653**	**273,635**
Profit (loss) for the year		**64,653**	**273,635**
Allocation			
Proposed dividend		117,207	93,766
Transferred to/from other equity		-52,554	179,869
Total allocation		**64,653**	**273,635**

FINANCIAL POSITION

At 31 DECEMBER

amounts in NOK 1 000	Note	2024	2023
Assets			
Non-current assets		-	-
Intangible assets		-	-
Deferred tax asset	5	866	963
Total intangible assets		**866**	**963**
Property, plant and equipment			
Land, buildings and property	6	3,476	3,476
Inventory and other equipment	6	1,225	868
Total property, plant and equipment		**4,701**	**4,344**
Non-current financial assets			
Investments in subsidiaries	7	1,473,298	1,470,321
Investments in associated companies	7	110,239	106,654
Other investments		-	-
Other receivables	8,9,10	1,027,228	821,872
Total non-current financial assets		**2,610,765**	**2,398,847**
Total non-current assets		**2,616,332**	**2,404,154**
Current assets			
Receivables			
Trade receivables	8,9,10, 11	6,033	13,757
Other receivables from group companies	10	308,007	452,851
Other receivables		10,555	9,028
Total receivables		**324,595**	**475,636**
Cash and cash equivalents	12	155,500	50,631
Total current assets		**480,095**	**526,267**
Total assets		**3,096,427**	**2,930,421**

FINANCIAL POSITION (CONTINUED)

AT 31 DECEMBER

amounts in NOK 1 000	Note	2024	2023
Equity and liabilities			
Paid-in capital			
Share capital	13,14	187,531	187,531
Own shares	14	-14	-264
Share premium account	14	1,395,478	1,395,478
Other paid-in capital	14	381,153	431,430
Total paid-in capital		**1,964,148**	**2,014,175**
Total equity		**1,964,148**	**2,014,175**
Liabilities			
Accrued liabilities			
Pension obligation	3	2,086	1,753
Total accrued liabilities		**2,086**	**1,753**
Non-current liabilities			
Non-current interest-bearing liabilities		-	-
Other non-current liabilities	8,10	810,619	651,013
Total non-current liabilities		**810,619**	**651,013**
Current liabilities			
Trade payables	10,11	4,511	6,093
Current income taxes payable	5	19,167	62,299
Public taxes		17,820	17,467
Dividend	14	117,207	93,766
Intercompany debts	10	131,695	55,451
Other current liabilities		29,174	28,404
Total current liabilities		**319,574**	**263,480**
Total liabilities		**1,132,279**	**916,246**
Total equity and liabilities		**3,096,427**	**2,930,421**

Oslo, 20 March 2025

Olav Hindahl Selvaag
Chair

Gisele Marchand
Director

Tore Myrvold
Director

Øystein Thorup
Director

Camilla Wahl
Director

Patrik Eriksson
Director
(Elected by the employees)

Sissel Kragnes
Director
(Elected by the employees)

Sverre Molvik
President and CEO

STATEMENT OF CASH FLOWS

FOR THE PERIOD 1 JANUARY – 31 DECEMBER

amounts in NOK 1 000	Note	2024	2023
Cash flow from operating activities			
Profit (loss) before income taxes		112,889	350,389
Income taxes paid		-62,798	-40,973
Depreciation and amortisation	6	550	757
Share of (income) losses from associated companies and joint ventures		1,200	1,600
Change in trade receivables		7,724	2,822
Change in trade payables		-1,582	36
Changes in other working capital*		-187,544	-1,191
Proceeds from disposal of tangible and intangible fixed assets		-129,561	313,440
Payments for acquisition of tangible and intangible fixed assets			
Proceeds from disposal of tangible and intangible fixed assets		-	-
Payments for acquisition of tangible and intangible fixed assets		-907	-
Proceeds from disposal of subsidiaries and associated companies		200	-
Payments for acquisitions of subsidiaries and associated companies		-25,343	-24,600
Proceeds from disposal of other investments and repayments on loans given		53,819	5,000
Payments for acquisition of other investments and loans given		-92,220	-303,715
Net cash flow from investing activities		-64,451	-323,315
Cash flow from financing activities			
Proceeds from group contribution		452,851	-
Payment of group contribution		-55,451	-
Dividends paid to equity holders of Selvaag Bolig ASA		-93,640	-281,163
Share buy back Selvaag Bolig ASA	14	-23,036	-27,529
Proceeds from disposal of shares Selvaag Bolig ASA		18,157	16,571
Net cash flow from financing activities		298,881	-292,121
Net change in cash and cash equivalents		104,869	-301,996
Cash and cash equivalents at 1 January		50,631	352,627
Cash and cash equivalents at 31 December		155,500	50,631

*) Changes in other working capital are mainly due to write-downs of investments in subsidiaries and income from group contribution with no cash effect.

ACCOUNTING PRINCIPLES

Accounting policies for Selvaag Bolig ASA

The annual accounts have been compiled in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles (NGAAP).

Use of estimates

The preparation of the accounts pursuant to the Accounting Act requires the use of estimates. Furthermore, the application of the company's accounting principles requires management to exercise its judgement. Areas where such judgements are extensively applied, where the level of complexity is high, or where assumptions and estimates are significant for the annual accounts are described in the notes.

Sales revenues

Revenues from sales of goods and services are assessed at the fair value of the consideration, net after deduction of VAT. Sales of goods are recorded as income when the company has delivered its products to the customer and no unfulfilled liabilities exist which could influence the customer's acceptance of the delivery. Provision for expected guarantee work is recorded as a cost and as a provision for liabilities. Services are recorded as income as they are provided.

Classification of balance sheet items

Assets intended for permanent ownership or use are classified as fixed assets. Assets associated with the flow of goods are classed as current assets. Other receivables are classified as current assets if they are to be repaid within one year. Analogue criteria are applied for liabilities. Nevertheless, the first year's instalment on long-term receivables and liabilities is not classified as a current asset or liability.

Acquisition cost

The acquisition cost of assets comprises the purchase price less bonuses, discounts and the like, plus purchase expenses (freight, customs duty, non-refundable public duties and other direct purchase expenses). Where purchases in foreign currencies are concerned, the asset is capitalised at the exchange rate prevailing at the time of the transaction.

Where tangible fixed assets and intangible assets are concerned, the acquisition cost also includes direct expenses for preparing the asset for use, such as costs for testing the asset. Interest expenses related to the production of fixed assets are expensed.

Intangible assets

Expenses for own development activities are expensed on a continuous basis. Expenses for other intangible assets are capitalised to the extent that it is possible to identify a future financial benefit related to developing an identifiable intangible asset, and the expenses can be measured reliably. In the opposite case, such expenses are expensed on a continuous basis.

Tangible fixed assets

Land and residential flats are not depreciated. Other tangible fixed assets are capitalised and depreciated on a straight-line basis to their residual value over the expected exploitable lifetime of the asset. In the event of changes to the depreciation plan, the effect is allocated over the remaining depreciation period (the breakpoint method). Maintenance of fixed assets is expensed continuously as operating expenses. Upgrades and improvements are added to the acquisition price of the asset and depreciated in line with the asset. The distinction between maintenance and upgrade/improvement is calculated in relation to the asset's condition at the time of acquisition.

Leased fixed assets are capitalised as fixed assets if the lease is regarded as financial.

Investments in other companies

With the exception of short-term investments in listed shares, the cost method is used for recording investments in other companies. The cost price is increased when funds are injected in connection with capital expansions or when group contributions are made to subsidiaries. Dividends received are basically recorded as income. Dividends which exceed the share of retained earnings after the acquisition are recorded as a reduction in the acquisition cost. Dividend/group contribution from subsidiaries is recorded in the same year that the subsidiary allocates the amount. Dividend from other companies is recorded as financial income on receipt.

Impairment of fixed assets

Where there is an indication that the carrying amount of a fixed asset is higher than its fair value, the asset is tested for impairment. This test is performed at the lowest level of fixed assets which has independent cash flows. If the carrying amount is higher than both the sales value and the recoverable amount (present value in continued use/ownership), the asset is written down to the higher of sales value or recoverable amount. Earlier impairments, with the exception of impaired goodwill, are reversed if the requirements for impairment are no longer present.

Inventory and buildings under construction

Goods are assessed at the lower of acquisition cost (on the FIFO principle) and fair value. The cost price of manufactured products includes direct material and payroll costs with the addition of a relative share of indirect costs.

When developing homes on its own account, the company uses the percentage of completion method, where the recording of project profit as income is limited to the relative share of the project which has been sold. The practical consequence of the accounting policy applied is that total project costs incurred during the life of the project are expensed as cost of sales and the project value (costs plus share of profit) is recorded as income and capitalised in the balance sheet. Project value less payments from customers is normally recorded as work in progress. If payments from customers exceed the contractual income earned, the excess is recorded as advances from customers.

When the project is completed, the cost price of unsold homes is transferred to inventory and thereby reduces operating revenues and expenses by the cost price of the unsold homes. In certain circumstances at the termination of the project, this can result in low or negative operating income/cost of sales in the company's annual accounts.

Construction contracts

Work in progress related to fixed-price contracts with a long production life is assessed using the percentage of completion method. The degree of completion is calculated as costs incurred as a percentage of the expected total cost. The total cost is reassessed continuously. Where a project is expected to show a loss, the whole loss is expensed immediately.

Receivables

Accounts receivable are capitalised in the balance sheet after deduction of the provision for expected loss. Provision for loss is made on the basis of an individual assessment of the receivables and a supplementary provision to cover other expected loss. Significant financial problems at the customer, the probability that the customer will go into liquidation or enter a financial restructuring, and delays and shortfalls in payments are regarded as indicators that the receivable must be written down. Other receivables, both current and long-term, are recorded at the lower of face value and fair value. Fair value is the present value of expected future payments. Nevertheless, no discounting is done when the effect of discounting is insignificant for the accounts. Provision for loss is assessed in the same way as accounts receivable.

Foreign currency

Receivables and liabilities in foreign currencies are assessed at the exchange rate prevailing at the end of the accounting year. Exchange rate gains and losses related to the sale and purchase of goods in foreign currencies are recorded as sales income and cost of sales.

Liabilities

Loans are initially recorded at fair value less transaction costs. They are then measured at amortised cost, with differences between the loan paid out (less transaction costs) and the redemption value recorded in the profit and loss account over the term of the loan using the effective interest rate method. Loans are classified as current unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Guarantee work/claims

Guarantee work/claims related to completed sales are assessed at the estimated cost of such work. The estimate is calculated on the basis of historical figures for guarantee work, but corrected for expected variance because, for example, of changes in quality assurance routines and the product range. The provision is recorded in other short-term liabilities, and the change in the provision is expensed.

Pensions

Pensions are accounted for in accordance with the Norwegian Accounting Standard on pension expenses. Defined contribution pension plans are accrued using the matching principle. Contributions for the year to the pension scheme are expensed. Early retirement commitments under the Norwegian Confederation of Trade Unions/Confederation of Norwegian Enterprise (LO/NHO) AFP scheme relate to a defined benefit multi-enterprise plan, but are recorded as a defined contribution plan since they are not measurable.

Tax

Tax expense in the profit and loss account includes both tax payable for the period and the change in deferred tax. Deferred tax is calculated using relevant tax rates on the basis of temporary differences arising between accounting and tax values as well as possible tax-related losses for carrying forward at the end of the accounting year. Temporary tax-increasing and tax-reducing differences which reverse or could reverse in the same period are offset. Recording deferred tax benefit on net tax-reducing differences which are not offset and losses for carrying forward is justified on the basis of expected future earnings. Deferred tax and tax benefit which can be capitalised are recorded net in the balance sheet.

Tax reduction on group contribution paid, and tax on group contribution received which is applied to reducing the acquisition price or directly against equity, are applied directly against tax in the balance sheet (against tax payable if the group contribution has an effect on tax payable and against deferred tax if the group contribution has an effect on deferred tax).

Deferred tax is recorded at the nominal amount.

Cash flow statement

The cash flow statement is compiled using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments which can be converted immediately and without significant price risk to known cash amounts and with a remaining term of less than three months from the acquisition date.

Solbergskogen Pluss, Ås

NOTES

Note 1 REVENUE

Specification of revenue	2024	2023
Project management and business management	48,643	54,297
Other revenue	33,453	24,000
Total	82,096	78,297

The revenues are from Norway.

Note 2 PAY, NUMBER OF EMPLOYEES, BENEFITS, LOANS TO EMPLOYEES, ETC

Pay and personnel expenses	2024	2023
Wages and salaries	118,767	117,128
Social security tax	21,199	21,672
Pension costs	5,802	6,044
Other benefits	7,710	6,141
Total	153,478	150,985

Average number of employees	2024	2023
	56	64

	Salary	Bonus	Share purchase programme	Pension	Other	Total
Remuneration to CEO - Sverre Molvik	4,124	3,583	1,583	121	224	9,635

For remuneration of other members of the group management and shares owned by these and by directors, see the executive pay report published on www.selvaagboligasa.no.

NOK 2 690 000 has been paid in director's fees in 2024.

Fees paid to the auditor	2024	2023
Statutory audit services (incl technical support with the annual accounts)	1,606	2,010
Other assurance services	325	223
Other assurance services	-	-
Other non-audit services	-	-
Total fees paid to the auditor	1,931	2,233

Note 3 PENSION

Selvaag Bolig ASA is required to offer an occupational pension plan in line with the Act on mandatory occupational pensions ("lov om obligatorisk tjenestepensjon"). The company has a pension plan which meets these requirements.

Defined contribution plan

Selvaag Bolig ASA has a defined contribution plan for all employees.

AFP pension

The company also has an early retirement plan (AFP) covering 68 employees. The AFP plan, established at 1 January 2011, is regarded as a multicompany defined benefit plan, but is treated as a defined contribution plan until reliable and sufficient information is available to determine the company's share of pension cost, pension obligation and funds in the plan. Hence the company's pension obligations are not reflected as debt in the financial statements.

The AFP obligation from the previous plan was included as debt and was taken to income in 2010, except for the obligation related to expected payments to cover the remaining shortfall in the old AFP plan.

Other non-vested plans

The company also has other non-vested pension plans where the obligation is estimated and accounted for annually.

Pension costs	2024	2023
Pension cost - IBP/UFP	4,782	5,032
Other pension cost (incl AFP)	1,020	1,012
Net pension cost	**5,802**	**6,044**

Pension obligations	2024	2023
Early retirement pension (AFP)	-	-
Other pension plans	2,086	1,753
Net pension obligations	**2,086**	**1,753**

Economic assumptions		
Members in non-vested plans	1	1
Discount rate	3.90%	3.70%
Future increase in salaries/pensions	4.00%	3.75%
Future increase in National Insurance base amount	3.75%	3.50%
Expected share of pension withdrawal through the AFP plan	50.00%	50.00%

Note 4 OTHER FINANCIAL EXPENSES

Specification of other financial expenses	2024	2023
Write-downs	1,200	-
Currency	7	26
Write-downs, shares in subsidiaries	118,862	3,160
Other financial expenses (guarantees and amortisised cost, etc)	69	145
Total	**120,139**	**3,331**

Note 5 INCOME TAXES

Deferred tax assets and liabilities	2024	2023
Temporary differences		
Non-current assets	-2,677	-3,110
Net pension funds/obligations	-2,086	-1,753
Accruals	825	487
Net temporary differences	-3,938	-4,376
Base for deferred tax asset	**-3,938**	**-4,376**
22% deferred tax asset	-866	-963
Deferred tax (asset) in the balance sheet	**-866**	**-963**

Deferred tax assets are fully recognised as the company expects the position to be utilised against future profits.

Base for tax expense, change in deferred tax and taxes payable	2024	2023
Profit (loss) before income taxes	112,889	350,389
Permanent differences	106,366	-1,508
Base for tax income (expense)	219,255	348,882
Change in temporary differences	-439	-10,255
Base for income tax payable	218,816	338,627
Changes in equity with effect on taxes	-	-
Group contribution given	-131,695	-55,451
Use of loss carried forward	-	-
Taxable income (base for tax payable in the balance sheet)	**87,121**	**283,176**

Specification of income tax expense	2024	2023
Current income taxes payable	19,166	62,299
Taxes payable from group contribution recognised against investment in subsidiaries	-	-
Tax effect from group contribution given	28,973	12,199
Income tax before change in deferred tax	48,139	74,498
Change in deferred tax	97	2,256
Income taxes in profit (loss)	**48,236**	**76,754**

Taxes payable	2024	2023
Taxes payable (22% of base for taxes payable in profit (loss)	48,140	74,498
Taxes payable from group contribution given	-28,973	-12,199
Taxes payable	**19,167**	**62,299**

Reconciliation from nominal to effective income tax rate	2024	2023
22% profit (loss) before tax	24,836	77,086
Permanent differences (22%)	23,400	-332
Total	**48,236**	**76,754**

Reconciliation of deferred tax asset	2024	2023
Deferred tax (asset) at 1 January	-963	-3,219
Change in deferred tax	97	2,256
Net deferred tax liabilities (assets) at 31 December	**-866**	**-963**

Note 6 FIXED ASSETS

Fixed assets	Land	Inventory and other equipment	Total
Cost at 1 January	3,476	22,189	25,665
Additions	-	907	907
Disposals	-	-	-
Cost at 31 December	3,476	23,096	26,572
Accumulated depreciation	-	21,871	21,871
Accumulated write-downs	-	-	-
Carrying amount at 31 December	3,476	1,225	4,701
Depreciation current year	-	550	550

Land is not depreciated.

Inventory and other equipment are depreciated over three to five years on a straight-line basis.

Note 7 SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Subsidiary	Registered office		Ownership and voting power	Equity last year (100 %)	Profit and loss last year (100 %)	Carrying amount
Selvaag Pluss AS		Oslo	100%	155,349	2,987	189,469
Selvaag Bolig Sandsliåsen AS		Bergen	100%	8,452	-2,440	12,437
Sandsliåsen Utbygging AS		Bergen	100%	7,712	40,986	45,000
Sandsliåsen 46 Utbygging AS		Bergen	100%	413	-516	2,378
Selvaag Boligutvikling I AS		Oslo	100%	16,430	-567	16,300
Selvaag Bolig Vestby AS		Oslo	100%	3,059	-31	2,951
Selvaag Eiendomsoppgjør AS		Oslo	100%	1,416	-853	1,415
Selvaag Bolig Lilleaker AS		Oslo	100%	4,837	-910	20,306
Selvaag Bolig Lørenskog AS		Oslo	100%	6,589	-4,576	129,551
Selvaag Bolig Grenseveien AS		Oslo	100%	31,352	-2,304	38,613
Selvaag Bolig Bjerke AS		Oslo	100%	21,287	-283	24,761
Selvaag Bolig Langhus AS		Oslo	100%	15,888	2,475	14,624
Selvaag Bolig Solberg AS		Oslo	100%	19,350	9,358	23,000
Selvaag Løren 7 AS		Oslo	100%	6,317	-720	69,408
Selvaag Bolig Hamang AS		Oslo	100%	40,864	49,627	40,500
Selvaag Bolig Rogaland AS		Stavanger	100%	257,373	-3,758	345,200
Selvaag Pluss Eiendom KS [1]		Oslo	67%	236,600	7,990	195,680
Selvaag Bolig Ballerud AS		Oslo	100%	20,163	-3,388	29,111
Selvaag Bolig Avløs AS		Oslo	100%	1,000	-278	1,000
Selvaag Bolig Tomt II AS		Oslo	100%	443	-30	440
Selvaag Bolig Landås AS		Oslo	100%	17,140	-4,325	33,980
Øya Lervig Brygge AS		Stavanger	100%	2,560	567	2,500
Selvaag Bolig Sandslihaugen 30 AS		Oslo	100%	4,871	-706	5,529
Selvaag Bolig Torvmyra AS		Trondheim	100%	5,451	-52	7,391
Selvaag Bolig Lørenporten AS		Oslo	100%	24,649	1,296	19,793
Selvaag Bolig Trævarefabrikken AS		Oslo	100%	7,965	609	7,680
Vestparken AS		Oslo	100%	11,826	227	11,597
Skårer Bolig AS		Oslo	100%	76,791	110,839	15,216
Lørenskog Sentrum Vest AS		Oslo	100%	-1,756	10,000	68,590
Selvaag Bolig Skalstadskogen AS		Oslo	100%	10,127.80	25.35	5,592
Selvaag Bolig Bjørnåsen Syd II AS		Oslo	100%	486.73	371.97	485
Selvaag Bolig Kornmoenga AS		Oslo	100%	1,427.85	-88.55	323
Selvaag Bolig Nybyen Økern AS		Oslo	100%	6,741.07	307.99	6,740
Selvaag Bolig Løren 5 AS		Oslo	100%	2,059.03	-12.23	1,955
Selvaag Bostad AB		Stockholm	100%	61,570	-4,126	83,782
Carrying amount at 31 December						1,473,298

[1] The company is owned 66.7% by the parent company and 33.3% by a subsidiary

Associated company	Registered office		Ownership and voting power	Equity last year (100 %)	Profit and loss last year (100 %)	Carrying amount
Kirkeveien Utbyggingsselskap AS		Oslo	50%	4,901	166	22,722
Tiedemannsfabrikken AS		Oslo	50%	614	-847	100
Sinsenveien Utvikling AS		Oslo	50%	658	145,287	25
Heimdal Stasjonsby AS		Trondheim	50%	9,853	-2,366	4,900
Fornebu Sentrum Utvikling AS		Oslo	50%	-28,046	-13,146	5,016
Haakon VIIs gate 4 Utvikling AS		Trondheim	50%	6,789	20,454	25
Kaldnes Brygge AS		Tønsberg	50%	45,265	40,296	46,000
Kanalveien Utvikling AS		Bergen	50%	-4,337	-3,002	1,436
Kanalveien 51-53 AS		Bergen	50%	-4,766	-1,800	15
Verftsbyen Bolig AS		Oslo	50%	42,883	-85	30,000
Carrying amount at 31 December						110,239

Subsidiaries owned via other subsidiaries	Registered office	Ownership and voting power
Aase Gaard AS	Stavanger	100%
Nordic Residential SL	Spain	100%
Jaasund AS	Stavanger	100%
Lade Alle 67-69 Holding AS	Oslo	100%
Lervig Brygge AS	Stavanger	100%
Nesttun Pluss Komplementar AS	Oslo	75%
Nesttun Pluss KS	Oslo	75%
Nyhavn Pluss AS	Oslo	100%
Selvaag Bolig Pallplassen AS	Oslo	100%
Selvaag Bolig Formtoppen AS	Oslo	100%
Selvaag Bolig Vinterportalen AS	Oslo	100%
Selvaag Bolig Vaagen AS	Stavanger	100%
Selvaag Pluss International Holding AS	Oslo	100%
Selvaag Pluss Service AS	Oslo	100%
Selvaag Pluss Service AB	Sverige	100%
Selvaag Bolig Bispelua AS	Oslo	100%
Strandkanten Pluss II AS	Oslo	100%
Mathildetunet Utleiebolig AS	Oslo	100%
Myrfaret Eiendom AS	Oslo	100%
Selvaag Bostad Entreprenad AB	Stockholm	100%
Selvaag Bostad Holding AB	Stockholm	100%

Investments in subsidiaries, associated companies and joint ventures are accounted for using the cost method.

Note 8 RECEIVABLES AND LIABILITIES

Trade receivables	2024	2023
Trade receivables nominal value	6,033	13,757
Allowance for doubtful debts	-	-
Net trade receivables	**6,033**	**13,757**

Non-current liabilities due beyond five years	2024	2023
Other non-current debts to group companies	810,619	636,676
Total	**810,619**	**636,676**

Maturity schedule for non-current loans:		
To be repaid during 2025	-	14,337
To be repaid during 2026	-	-
To be repaid during 2027	-	-
To be repaid during 2028	-	-
To be repaid during 2029 or later	810,619	636,676
Total	**810,619**	**651,013**

Pledged debts	2024	2023
Debt	-	-

Carrying amount of land pledged as security on bank loans	2024	2023
Shares in subsidiaries	139,533	135,437

Note 9 RECEIVABLES FROM ASSOCIATED COMPANIES AND JOINT VENTURES

	Current		Non-current	
	2024	2023	2024	2023
Kaldnes Brygge AS	-	-	-	5,089
Dockside Næring AS	-	13	-	-
Sinsenveien Utvikling AS	3,504	118	-	22,515
Smedplassen Prosjekt AS	-	13	-	-
Sandsliåsen 46 Utbygging AS	-	-	-	11,255
Kaldnes Boligutvikling AS	-	20	-	-
Heimdal Stasjonsby AS	-	-	13,250	15,300
Haakon VIIs gate 4 Utvikling AS	-	93	26,976	3,833
Fornebu Sentrum Utvikling AS	-	3,181	111,110	93,096
Sandnes Eiendom Holding AS	-	-	15,252	8,477
Elveparken Sandnes AS	103	205	-	-
Lurahøyden Bolig AS	-	43	-	7,543
Kirkeveien Utbyggingselskap AS	-	30	-	-
Verftsbyen Bolig AS	1	1	-	-
Kanalveien 51-53 AS	-	-	15,524	12,492
Kanalveien Utvikling AS	-	-	11,070	7,346
Total	3,608	3,717	193,182	186,946

Note 10 INTERCOMPANY BALANCES

	Trade receivables		Other receivables	
Current receivables	2024	2023	2024	2023
Group companies	1,978	1,621	308,007	452,851
Total	1,978	1,621	308,007	452,851

Receivables due in more than one year	2024	2023
Group companies	821,753	622,977
Total	821,753	622,977

	Other current liabilities			
	Trade liabilities		Other current liabilities	
Current liabilities	2024	2023	2024	2023
Group companies	-	-	131,695	55,451
Total	-	-	131,695	55,451

	Other non-current liabilities	
Liabilities due in more than one year	2024	2023
Group companies	810,619	636,676
Total	810,619	636,676

Note 11 RELATED PARTY TRANSACTIONS

Sale of goods and services	2024	2023
Associated companies and joint ventures	38,114	35,209
Other related parties (including subsidiaries and joint ventures of parent company)	607	882

Purchase of goods and services	2024	2023
Selvaag AS (parent company)	543	550
Other related parties (including subsidiaries and joint ventures of parent company)	7,290	12,004

Financial income	2024	2023
Selvaag AS (parent company)	-	-
Associated companies and joint ventures	13,706	11,347

The following receivables and liabilities were outstanding at 31 December:

Receivables	2024	2023
Selvaag AS (parent company)	-	-
Other related parties (including subsidiaries and joint ventures of parent company)	348	8,395

Debt	2024	2023
Other related parties (including subsidiaries and joint ventures of parent company)	2,006	3,075

Goods and services sold to related parties are sold at the same prices and terms as to external third parties. Administrative services are purchased from the parent company on market-based terms.

Details of transactions between Selvaag Bolig ASA and other related parties are specified above. Intercompany balances and transactions between Selvaag Bolig ASA and its subsidiaries, which are related parties to the company, are not included here.

Note 12 RESTRICTED BANK ACCOUNTS

The company had no restricted bank accounts at 31 December 2024.

Note 13 SHARE CAPITAL AND SHAREHOLDERS

The 20 largest shareholders at 31 December 2024	Number of shares	Ownership
SELVAAG AS	50,180,087	53.5 %
Skandinaviska Enskilda Banken AB	4,680,572	5.0 %
PERESTROIKA AS	3,443,837	3.7 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	3,096,726	3.3 %
The Northern Trust Comp, London Br	2,186,000	2.3 %
EGD CAPITAL AS	1,704,752	1.8 %
SANDEN EQUITY AS	1,660,000	1.8 %
HAUSTA INVESTOR AS	1,600,000	1.7 %
MUSTAD INDUSTRIER AS	1,067,454	1.1 %
Goldman Sachs International	965,549	1.0 %
The Northern Trust Comp, London Br	840,200	0.9 %
Brown Brothers Harriman & Co.	684,331	0.7 %
Sverre Molvik	677,403	0.7 %
Øystein Klungland	677,403	0.7 %
VERDIPAPIRFONDET ALFRED BERG NORGE	505,298	0.5 %
Brown Brothers Harriman & Co.	492,551	0.5 %
Skandinaviska Enskilda Banken AB	399,628	0.4 %
KBC Bank NV	387,922	0.4 %
Christopher Brunvoll	387,791	0.4 %
VARDE NORGE AS	350,000	0.4 %
Total 20 largest shareholders	75,987,504	81.0 %
Other shareholders	17,778,184	19.0 %
Total number of shares	93,765,688	100.0 %

*) Further information on shareholders is presented at: http://sboasa.no/en/

The share capital of NOK 187 531 376 comprised 93 765 688 shares with a par value of NOK 2.00.

Note 14 EQUITY

Changes in equity	Share capital	Own shares	Share premium account	Other paid-in capital	Total
Equity 1 January	187,531	-264	1,395,478	431,430	2,014,175
Share buy back	-	-1,344	-	-21,692	-23,036
Sale of own shares	-	1,594	-	23,844	25,438
Net income/(loss) for the period	-	-	-	64,653	64,653
Dividend paid	-	-	-	125	125
Accrued dividend	-	-	-	-117,207	-117,207
Equity at 31 December	187,531	-14	1,395,478	381,153	1,964,148

Note 15 CONTINGENT LIABILITIES AND GUARANTEES

Selvaag Bolig ASA has provided the following guarantees:	Amount
Tax guarantee	7,000
Guarantees related to loans to subsidiaries ("Selvskyldnergaranti")	567,436
Construction client guarantee	314,986
Pre-payment guarantee pursuant to the section 47 of the Housing Construction Act	55,608
Contractor guarantee pursuant to the section 12 of the Housing Construction Act	793,792
Other guarantees	66,718
Total	1,805,540

DECLARATION BY THE BOARD OF DRECTORS AND CEO

We hereby confirm that, to the best of our knowledge, the annual financial statements for the group and the parent company for 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and the parent company taken as a whole.

The directors' report gives a true and fair view of the development, profit and position of the group and the parent company, as well as a description of the principal risks and uncertainties facing the group.

Oslo, 20 March 2025

Olav Hindahl Selvaag Chair	Gisele Marchand Director	Tore Myrvold Director	Øystein Thorup Director
Camilla Wahl Director	Patrik Eriksson Director (Elected by the employees)	Sissel Kragnes Director (Elected by the employees)	Sverre Molvik President and CEO

Barkarby Pluss, Stockholm

To the General Meeting of Selvaag Bolig ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Selvaag Bolig ASA, which comprise:

- the financial statements of the parent company Selvaag Bolig ASA (the Company), which comprise the statement of financial position as at 31 December 2024, the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Selvaag Bolig ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Selvaag Bolig ASA for 17 consecutive years from the election by the general meeting of the shareholders on 11 April 2008 for the accounting year 2008 with a renewed election on 26 April 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The business has been largely unchanged compared to last year. There have been no regulatory changes, transactions or events of significant importance that have led to new focus areas. *Value of Inventory* has the same characteristics and risks this year as last year and has therefore been an important focus area in our audit in 2024 as well. Options to secure rights to land have increased in value. Accrued capitalized option premiums have the same characteristics and risk as the value of undeveloped land. *Value of Option Premiums Recognized in the Balance Sheet* has therefore been a key audit matter in this year's audit.

Key Audit Matters	How our audit addressed the Key Audit Matter
Value of Inventory On 31 December 2024, the Group's inventory mainly consists of undeveloped land, projects under development, and unsold, finished units. The inventory constitutes a significant portion of the assets in the balance sheet, and is measured at the lower of acquisition cost and net realizable value. Determining net realizable value involves management exercising judgement. If a significant fall in value occurs, it may result in a write-down of the inventory. Only the value of undeveloped land and unsold fully developed units is considered to be key audit matters to the audit. This is based on a concrete assessment of the risk of decline in value of units under development. A project is only initiated when the minimum requirement for advance sales has been achieved. The advance sale verifies the project's attractiveness in the market and involves a latent profit for the company, which is only recognized in the income statement upon handover. At the start of the project and throughout the project's construction period, there will therefore normally be a lower risk of decline in value on units under development. There has been no significant write-down of undeveloped land or unsold finished units in 2024. *Value of undeveloped land* The acquisition cost of undeveloped land is subject to valuation by the company every year. Management obtains a valuation carried out by an external valuer. The valuer determines the fair value that reflects the price that is assumed to be achievable by selling the undeveloped land in the market at the time of measurement. If the fair value appears to be close to or lower than the acquisition cost, it is considered to be an indicator that the net realizable value may be lower	*Value of undeveloped land* To take a position on the Company's determination of fair value of undeveloped land, we have obtained a copy of the external valuer's valuations. Furthermore, we have obtained and assessed management's communication with the external valuer to consider whether the valuer received an unwarranted mandate from management Furthermore, we have assessed the external valuer's competence and objectivity by evaluating whether they have applied recognized and appropriate methods in the valuations. These procedures gave us no indication of errors or a lack of objectivity in the external valuations. Where the external valuer's assessment shows an estimated fair value close to or below acquisition cost, we have obtained and assessed management's determination of the project's net realizable value. This involves reviewing and assessing management's project calculations for the planned housing project. We emphasized the assumptions underlying the project calculations and challenged management's use of judgment when necessary. As part of our procedures, we have also assessed whether selected assumptions used for determining fair value correspond to assumptions used for determining net realizable value. In these assessments, we have applied our accumulated knowledge of the company's other housing projects. Based on our audit procedures, we have found that the assumptions management has used for the valuation of undeveloped land were considered reasonable. *Value of unsold, finished units* To take a position on the Company's determination of the net realizable value of unsold, finished units, we have obtained a complete overview of the units

than the acquisition cost. In that case, management makes a closer assessment of the net realizable value by assessing the project estimate for the planned housing project. The net realizable value is then calculated as the total estimated sales price with deductions for the total acquisition cost for the project, including sales and marketing costs. If a negative net realizable value is calculated, management makes a write-down of the inventory corresponding to the estimated loss of the project.

Both fair value and net realizable value depend on a number of assumptions such as geographical location, current regulation, development potential and time of sale. Determining some of these variables requires management to use judgement. Application of judgement directly affects the value of the undeveloped land and the profit and loss account.

Value of unsold, finished units

The acquisition cost of unsold, finished units is subject to valuation by the company. Management makes an annual assessment of whether the net realizable value is lower than the acquisition cost, which will entail the need to write down the relevant units.

Management's calculation of net realizable value consists of the estimated sales price in the market with deductions for estimated sales and marketing costs. Determining the estimated selling price includes various considerations around, for example, units sold in the same project, the number of unsold units, expectations for market and price development, as well as risk provisions related to unsold units.

Determining some of these variables requires management to use judgement. Application of judgement therefore potentially affects the balance sheet value of unsold, finished units and the income statement directly.

Management’s valuations and how judgment has been applied judgement are further described in note 3 to the consolidated financial statements. Specification of the inventory is provided in note 5 to the consolidated financial statements.

and management's assessments of the estimated selling price, as well as other assumptions that have been used as a basis.

We have also taken a position on, and assessed the assumptions management has applied as a basis for its assessment. Among other things, we compared management's assessments of net realizable value against observed market values of comparable sales in the area. We have paid particular attention to the unsold, finished units that have the lowest expected margin.

We have also checked whether the net realizable value is the estimated sales price minus estimated sales and marketing costs.

Based on our audit procedures, we have found that the assumptions applied by management in determining the value of unsold, fully developed units are considered reasonable.

We have assessed and find that the information in note 3 and note 5 is in accordance with the requirements of the IFRS Accounting Standards as approved by the EU and that the information reflects assessments regarding write-downs and management's use of judgement in an appropriate manner.

Value of Option Premiums Recognized in the Balance Sheet

Selvaag Bolig ASA ("SBO") has a cooperation agreement (the Agreement) with Urban Property AS ("UP"). The Agreement, which is discussed in more detail in note 26 to the consolidated financial statements, entails that SBO has an option to purchase UP's plots of land at a predetermined price. Accrued option premiums are capitalized in SBO's financial statements and classified as other fixed assets (specified in note 11) until the option is exercised. At the time of exercise, accrued option premiums are reclassified to inventories and are thus included in the total acquisition cost of the plot.

Accrued capitalized option premium is valued in the same way as undeveloped land, as described above in the section *Value of undeveloped land*. Management uses an external valuer to determine the fair value of land located in the UP. Fair value reflects the price that is assumed to be achievable by selling the land in the market at the measurement date.

Management has then compared fair value against an estimated acquisition cost that includes accrued capitalized option premium. If fair value was close to or lower than the estimated acquisition cost, an impairment indicator was considered to exist related to the capitalized accrued option premium. In the presence of impairment indicators, management assessed the project's cost against the expected net realizable value. Net realizable value was calculated as the total estimated sales price less the total acquisition cost of the project, including sales and marketing costs. If the net realizable value was estimated to be negative, the accrued option premium recorded in the balance sheet is written down in proportion to the estimated loss on the project, provided that this outcome is economically more advantageous than not exercising the option on the underlying land. No significant write-down of accrued option premium has been made in 2024.

We have focused on management's assessments of the option premiums recorded in the balance sheet because both the fair value and net realizable value depend on a number of assumptions such as geographical location, current regulation, development potential and timing of sale. Determining some of these variables requires management to exercise judgment. The use of judgment therefore directly affects the value of

To determine the Company's assessment of whether the accrued option premium recorded in the balance sheet must be written down, we have based our assessment on the external valuer's valuations, and we have assessed the assumptions underlying the valuation. We have obtained and assessed management's communication with the external valuer to assess whether the valuer received an impartial mandate from management. We have further assessed the external valuer's competence and objectivity, and assessed whether they have applied recognized and appropriate methods in the valuations. Our procedures did not reveal any significant deficiencies.

Where the external valuation showed an estimated fair value close to or below the estimated acquisition cost, we have obtained and assessed management's determination of net realizable value for the project. We reviewed and assessed management's project cost estimate for the planned housing project, tested the assumptions underlying the project cost estimate and challenged management's use of judgment.

We checked whether the estimated acquisition cost consisted of the purchase price regulated in the option agreement at the measurement date, plus accrued option premium in the balance sheet of SBO related to the relevant plot at the measurement date.

We have further assessed whether selected assumptions used for determining fair value correspond to assumptions used for determining net realizable value. In these assessments, we have applied our accumulated knowledge of the Company's other housing projects.

Based on our audit procedures, we have found that the assumptions used by management for determining the value of the accrued option premium recorded in the balance sheet are considered reasonable.

We have also assessed and find that the information in note 11 and note 26 is in accordance with the requirements of IFRS Accounting Standards as adopted by the EU, and that the information reflects management's assessments of impairment needs and describes the cooperation accrued option premium and potentially the income statement.

agreement between the parties in an appropriate manner.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Selvaag Bolig ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name selvaagboligasa-2024-12-31-0-nb.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, 20 March 2025
PricewaterhouseCoopers AS

Petter Walstad
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

GRI INDEX

GRI STANDARD	DISCLOSURE	LOCATION (PAGE IN PDF)
Statement of use	Selvaag Bolig Asa has reported the information cited in this GRI index for the period 01.01.2024 to 31.12.2024 with reference to the GRI Standards	
GRI 1 used - GRI 1: Foundation 2021		
GRI 2: General indicators 2021		
2-1	Organisational details	Description of the business (9)
2-2	Entities included in the organisation's sustainability reporting	About this report (15)
2-3	Reporting period, frequency and contact point for questions about the report or content	About this report (15)
2-4	Restatements of information	Key indicators (34)
2-5	External audit	About this report (15)
2-6	Products and services, value chain and other business relationships	Inspiring working conditions for employees (35)
2-7	Employees	Inspiring working conditions for employees (35) due diligence assessments (31)
2-8	Workers who are not employees and the type of work they do	9. The work of the board of directors (47)
2-9	Governance structure and composition	8. Composition and independence of the board (46)
2-10	Nomination and selection of the highest governance body	Independence of the board (47)
2-11	Chair of the highest governance body	The board's duties (47)
2-12	Role of the highest governance body in overseeing the management of impacts	Governance (G) (40)
2-13	Delegation of responsibility for sustainability	Governance (G) (40)
2-14	Role of the highest governance body in sustainability reporting	Governance (G) (40)
2-15	Conflicts of interest	The board's duties (47)
2-16	Communication of critical concerns and notifications	Whistleblower routines (18)
2-17	Collective sustainability knowledge of the highest governance body	Composition of the board (46)
2-18	Evaluation of the knowledge and performance on sustainability of the highest governance body	Composition of the board (46)
2-19	Remuneration policies	11. Remuneration of the board of directors (50) 12. Remuneration of executive personnel (51)
2-20	Process to determine remuneration	11. Remuneration of the board of directors (50) 12. Remuneration of executive personnel (51)
2-21	Annual total compensation ratio	Pay and other remuneration (64) Remuneration of and fees to management, directors and auditors (103)
2-22	Statement on sustainable development strategy	Strategic priorities (18)
2-23	Policy commitments to maintain responsible business behaviour	The UN's Sustainable Development Goals (19) Social conditions (S) (31)
2-24	Embedding policy commitments to maintain responsible business behaviour	Governance (G) (40) Greenhouse gas emissions (23) Resource use in Selvaag Bolig's projects (27) Biological diversity (29) Labour-related crime and social dumping (33) Ethics in the supplier chain (40)
2-25	Processes to remediate negative impacts	Climate and environment (E) (21) Biological diversity (29) Social conditions (S) (31)
2-26	Mechanisms for seeking advice and raising concerns	Whistleblower routines (18)
2-27	Compliance with laws and regulations	Climate and environment (E) (21) Labour-related crime and social dumping (33) Ethics in the supplier chain (40)
2-28	Membership in industry associations, other associations or national/international lobby organisations	Cooperative partners (14)
2-29	Stakeholder engagement	Stakeholder dialogue and double materiality (18)
2-30	Share of employees covered by collective bargaining agreements	Labour-related crime and social dumping (33) All employees have individual agreements.
GRI 3: Material topics 2021		
3-1	Process to determine material topics	Stakeholder dialogue and double materiality (18) ESG: MATERIAL TOPICS (141)

3-2	List of material topics	Stakeholder dialogue and double materiality (18) ESG: MATERIAL TOPICS (141)
GRI 205: Anti-corruption 2016		
3-3	Management of material topics	Ethics in its own activities (40)
205-1	Risk evaluation related to corruption	Ethics in its own activities (40)
205-2	Communication and training about anti-corruption policies and procedures	Ethics in its own activities (40)
205-3	Confirmed incidents of corruption and actions taken	Ethics in its own activities (40)
GRI 301: Materials 2016		
3-3	Management of material topics	Resource Use In Selvaag Bolig's Projects (27)
301-1	Materials used by weight or volume	Resource Use In Selvaag Bolig's Projects (27)
GRI 303: Water and drainage 2016		
3-3	Management of material topics	Biological diversity (29)
301-1	Interactions with water as a shared resource	Biological diversity (29)
GRI 304: Biological diversity 2016		
3-3	Management of material topics	Biological diversity (29)
304-1	Operating areas owned, rented or managed in protected areas or areas of high biodiversity outside of protected areas	Biological diversity (29)
304-2	Significant influence on biodiversity from company's production	Biological diversity (29)
GRI 305: GHG emissions 2016		
3-3	Management of material topics	Greenhouse gas emissions (23)
305-1	Direct (Scope 1) GHG emissions	Greenhouse gas emissions (23)
305-2	Indirect (Scope 2) GHG emissions	Greenhouse gas emissions (23)
305-3	Other indirect (Scope 3) GHG emissions	Greenhouse gas emissions (23)
305-4	GHG emissions intensity	Greenhouse gas emissions (23)
GRI 306: Waste 2020		
306-1	Waste and waste-related influence	Resource Use In Selvaag Bolig's Projects (27)
306-2	Handling significant waste-related influence	Resource Use In Selvaag Bolig's Projects (27)
Own-defined	Building regulation TEK17 Paragraph 9-8 Waste sorting	Resource Use In Selvaag Bolig's Projects (27)
GRI 308: Environmental evaluation of suppliers 2016		
3-3	Management of material topics	Climate and environment (E) (21)
308-1	Environmental evaluation of suppliers	Climate and environment (E) (21)
308-2	Negative environmental impact in supplier chain and handling it	Climate and environment (E) (21) Biological Diversity (29)
GRI 401: Labour 2016		
401-1	New employees	Inspiring working conditions for employees (35)
401-3	Parental leave	Equality and diversity (37)
404-3	Percentage of employees who have a regular career development evaluation	Inspiring working conditions for employees (35)
GRI 405: Diversity and equal opportunity 2016		
405-1	Diversity of governance bodies and employees	Equality and diversity (37)
405-2	Ratio of basic salary and remuneration of women to men	Inspiring working conditions for employees (35)
GRI 406: Non-discrimination 2016		
3-3	Management of material topics	Inspiring working conditions for employees (35)
406-1	Incidents of discrimination and corrective actions taken	Inspiring working conditions for employees (35)
GRI 407: Freedom of Association and Collective Bargaining 2016		
3-3	Management of material topics	Stakeholder dialogue and double materiality (18)
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Governance (16)
GRI 409: Forced labour 2016		
3-3	Management of material topics	Safe construction sites (32)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Due diligence assessments (31) safe construction sites (32)
GRI 413: Local communities		
3-3	Management of material topics	Inclusive local communities (34)
413-2	The operation's actual and potential negative impact on local communities	Inclusive local communities (34)
GRI 414: Supplier Social Assessment 2016		

3-3	Management of material topics	Due Diligence Assessments (31) Safe Construction Sites (32)
414-1	New suppliers that were screened using social criteria	Due Diligence Assessments (31) Safe Construction Sites (32)
414-2	Negative social impacts in the supply chain and actions taken	Due Diligence Assessments (31) Safe Construction Sites (32)
Health and safety		
3-3	Management of material topics	Safe construction sites (32)
	Own-defined - HSE	Safe construction sites (32)
Energy		
3-3	Management of material topics	Energy efficiency (26)
	Own-defined – Building regulation, paragraph 14-2	Energy efficiency (26)
Climate-related risk		
3-3	Management of material topics	CLIMATE RISK (63) Climate risk (109)
	Own definitions - TCFD	Climate risk (109)

APPENDIX

ESG: MATERIAL TOPICS

Category	Topic	External impact	Financial impact
Environment	Climate change mitigation		
	Climate change adaptation		
	Energy consumption		
	Resource use		
	Waste		
	Pollution of air		
	Pollution to air, water, soil in supply chain		
	Water consumption in the value chain		
	Biodiversity loss in supply chain		
	Restoration of green areas		
Social	Health and safety in the value chain		
	Working conditions in the value chain		
	Area development		
	Working hours		
	Equal treatment and opportunities for all own workers		
	Equal treatment and opportunities in the value chain		
Goveranance	Corporate culture		
	Corruption and bribery		

Impact

Low Medium High

CARBON ACCOUNTING REPORT

This report presents greenhouse gas emissions (GHG emissions) from Selvaag Bolig's operations. The accounts cover the company's offices and showrooms in Norway and Sweden, as well as all construction projects completed in 2024.

The information used in the greenhouse gas accounts is sourced from both internal and external sources. Reported quantities have been converted to CO_2 equivalents in accordance with The Greenhouse Gas Protocol (GHG Protocol), the most widely recognised international standard for quantifying and reporting greenhouse gas emissions.

Emissions in all scopes are calculated using consumption data, and emissions from building materials are primarily based on the environmental product declarations (EPD) of the products. Selvaag Bolig's total greenhouse gas emissions for the reporting year 2024 were 10 948 tCO_2e.

BUILDING PROJECTS 2024

Selvaag Bolig has been conducting greenhouse gas accounting since 2021. The carbon accounts for 2022 to 2024 adhere to the requirements outlined in the Building Technical Regulations (TEK17) Article 17-1, which were introduced in 2022. This year's carbon accounts comprise all of Selvaag Bolig's completed residential projects in 2024 and comply with the specifications outlined in TEK17. According to the regulation, greenhouse gas accounting for residential and commercial building projects should be conducted in accordance with the Norwegian Standard NS 3720:2018, and at least cover life cycle modules A1-A5, B2 and B4. Selvaag Bolig has additionally opted to include B6. The calculation period spans 50 years.

Life cycle	Description	Stage
A1	Raw material extraction	Production stage
A2	Production transport	Production stage
A3	Product manufacturing	Production stage
A4	Transportation of materials	Assembly stage
A5	Waste generated during construction	Assembly stage
B2	Maintenance	Use stage
B4	Replacement	Use stage
B6	Estimated operational energy use	Use stage

Selvaag Bolig has classified its carbon accounts in accordance with the requirements of TEK17, adhering to the division specified in the Norwegian Standard NS 3451:2022, "Building Component Table and System Code Table for Buildings and Associated Outdoor Areas". This classification is based on building components such as foundations, structural frame, exterior walls, interior walls, decks and roofs. In Selvaag Bolig ASA's climate accounts, which encompass emissions from construction projects, the emissions from materials within these elements are incorporated.

To ensure compliance with both TEK17 and the GHG categorisation standard, Selvaag Bolig's emissions will be presented in two ways: as total emissions per material group and distributed by building components. This approach aims to enhance comparability over time, strengthen alignment with the company's key performance indicators and targets, and ensure compliance with national and international standards.

Building component (NS 3451:2022)	Building element
215/216	Pile foundation/supporting foundation
22	Structural frame
23	Exterior walls
24	Interior walls
25	Decks
26	Roof

TEK17 figures are presented to give a clear picture of each building component in our construction projects. The emissions are presented in accordance with the building component table and the various life cycle phases. The reported emissions are aggregated for all completed projects in 2024, with total emissions for A1 to A3, B3 and B4 (production and usage phases) of 8 997.8 tCO_2e. When A4, A5 and B6 (production, usage and implementation phase) are also included, the total emissions totalled 10 902.4 tCO_2e.

Key figures, TEK17

TOTAL 2024		Production phase	Usage phase	Usage phase	Implementation phase	Implementation phase	Usage phase
Building part	Unit	A1-A3	B2	B4	A4	A5	B6
215/216	tCO2e	1 478.4	0.0	0.0			
22	tCO2e	3 777.1	0.0	0.0			
23	tCO2e	1 021.7	37.2	78.4			
24	tCO2e	655.1	0.0	0.0			
25	tCO2e	1 510.5	3.8	0.0			
26	tCO2e	435.8	0.0	0.0			
Total	tCO2e	8 878.5	40.9	78.4	245.1	434.4	1 225.0
Sum total A1-A3, B2 & B4	tCO2e	8 997.8					
Sum total A1-A3, A4, A5, B2, B4, B6	tCO2e	10 902.4					

The carbon accounts show emissions in Scope 1, Scope 2, and Scope 3. They include company cars, electricity, purchased goods and services, use of sold products, waste, upstream transportation and distribution, as well as business travel.

Key Figures, GHG-protocol

KEY FIGURES, ADMINISTRATION	UNIT	2024	2023
CATEGORY			
Scope 1	tCO_2e	1.27	2.5
Scope 2 (Location-based)	tCO_2e	2.42	3
Scope 2 (Market-based)	tCO_2e	167.52	204.9
Scope 1 + 2 (Location-based)	tCO_2e	3.69	5.5
Scope 3 (emissions from admin.)	tCO_2e	43.46	59.6
Scope 1, 2 & 3 (emissions from admin.)	tCO_2e	47.15	65.1

KEY FIGURES. BUILDING PROJECTS	UNIT	2024	2023
CATEGORY			
CO_2-intensity. Scope 1. 2 & 3 total	tCO_2e	10 948.28	20 823.9
CO_2-intensity. Materials	tCO_2e	8 877.17	16 925.4
Co_2-intensity. waste generated*	tCO_2e	434.51	302.8
Materials	tonne	67 850.18	208 730.8
Waste generated*	tonne	2 130.95	3 650.4
Emissions per GfA total	$kgCO_2e$	179.3	238.07
Emissions per GfA total per year (50y)	$kgCO_2e$	3.59	4.80
Emissions per FTE	tCo_2e	132.20	248.00
Netto energy usage (kWh per heated GFA in completed buildings)	kWh/BRA	92.80	92.20

**The generated waste in key figures is based on the construction of buildings and does not include emissions from administrative waste.*

The carbon accounts include all construction projects completed in the reporting year. As a different number of homes are completed each year, the total CO_2 intensity can vary significantly from year to year. The company has, therefore, extracted key values that are comparable across years and better reflect the company's efforts to reduce greenhouse gas emissions.

The climate report includes all construction projects completed during the reporting year. Since the number of completed housing units varies each year, the total CO_2 intensity may also fluctuate significantly from year to year. Therefore, the company has identified key values that enable cross-year comparisons and better reflect its efforts to reduce greenhouse gas emissions.

The table above shows that total administrative emissions were reduced by 18 tCO_2e from 2023 to 2024, representing a 28 per cent reduction in total emissions. Administrative emissions decreased across all emission categories, with a 49 per cent reduction in Scope 1, 19 per cent in Scope 2, and 27 per cent in Scope 3.

Emissions from completed construction projects in 2024 were significantly lower, both in total and per gross floor area (GFA), compared to 2023. The emission level of 179.3 $kgCO_2e$ per GFA represents a 25% reduction from 2023 and a 48% reduction from 2022. Similar to last year, the reduction is attributed to an increased use of low-carbon materials and improved data quality. Additionally, a rehabilitation project, where the foundation and structural framework were reused, contributed significantly to the reduction in $kgCO_2e$ per GFA.

In previous years, emissions from certain construction projects were estimated due to incomplete reporting from contractors and missing Environmental Product Declarations (EPDs), leading to a 25 per cent emissions surcharge in accordance with TEK17 requirements. Over time, however, data quality has improved significantly, explaining the overall decline in emissions from construction projects. Today, emissions are primarily calculated based on actual material consumption and available EPDs. More precise emissions data have also led to a corresponding reduction in emissions per GFA over the building's lifespan (50 years), from 4.8 $kgCO_2e$/GFA to 3.59 $kgCO_2e$/GFA.

It should be noted that both the number of completed projects and their size were lower in 2024 than in 2023, which has also contributed to the reduction in total emissions. Therefore, a direct comparison of material consumption and waste figures between 2023 and 2024 does not provide a complete picture of the company's efforts to reduce greenhouse gas emissions.

Carbon Accounting

Aggregated Carbon Accounting 2024

EMISSION SOURCE	UNIT	TCO₂E 2024	TCO₂E 2023	% OF TOTAL EMISSIONS
Scope 1	tCO_2e	1.27	2.55	0.01 %
Scope 2 (location-based)	tCO_2e	2.42	2.95	0.02 %
Scope 2 (market-based)	tCO_2e	167.52	204.90	1.53 %
Scope 3	tCO_2e	10 944.57	20 818.37	99.97 %
S1+s2+s3 (location-based)	tCO_2e	10 948.26	20 823.86	100.00 %
Scope 3 distribution:				
Purchased goods and services	tCO_2e	9 311.67	17 227.81	84.87 %
Upstream transportation & distribution	tCO_2e	245.09	1 213.66	2.24 %
Waste	tCO_2e	0.16	0.19	<0.01 %
Business travel	tCO_2e	43.30	59.41	0.39 %
Use of sold products	tCO_2e	1 334.35	2 317	12.28 %

The aggregated carbon footprint for the reporting year 2024 is presented above.

Scope 1 comprises 1.27 tCO_2e in 2024, constituting 0.01% of the company's total emissions. Scope 1 exclusively includes emissions from company cars powered by fossil fuels. Company cars powered by electricity are reported under Scope 2. During 2024, the company's last fossil fuel car was sold and replaced by an electric car, which has contributed to lower Scope 1 emissions.

Scope 2 (location-based) comprises 2.42 tCO_2e, constituting 0.02% of the company's total emissions. Scope 2 includes emissions from electric company cars and energy usage in offices and showrooms. The emissions are 19% lower in 2024 compared to 2023. The decrease is mainly due to Selvaag Bolig reducing the area used at its headquarters in Silurveien 2. This year's account includes for the first time the showrooms and smaller offices in Norway, which were not included in the reporting before. The emissions from these locations are calculated based on the area used and number of full-time employees at each office, using the energy consumption per full-time employee at Silurveien 2 as the basis. Due to the low number of employees at the regional offices and the limited use of the showrooms, the energy consumption here only represents a marginal share of the company's total energy consumption.

Scope 3 includes the categories of purchased goods and services, upstream transport and distribution, waste, business travel, and the use of sold products.

Purchased goods and services includes all emissions related to the extraction and production of materials used in the construction of Selvaag Bolig's building projects. In 2024, this included a large rehabilitation project, a section of terraced homes and a residential building with 650 flats. For construction projects in joint ventures, emissions are calculated according to Selvaag Bolig's ownership in the project. Note that a residential building with 44 flats was included in the 2023 climate accounts although it was delivered in early 2024.

The category also includes emissions from waste generated on construction sites. This category, in its entirety, had emissions of 9 331.67 tCO_2e, with building materials accounting for 8 887.17 tCO_2e of this. Waste from construction sites accounted for 434.51 tCO_2e of the overall emissions in this category.

Purchased goods and services represent Selvaag Bolig's most significant emissions category, constituting 85% of the company's total emissions, where materials contribute to 95% of the emissions in this category. All emission factors used to calculate emissions for the respective materials are derived from their associated EPDs. All EPDs were certified and valid at the reporting date and complied with the EPD and global-warming potential (GWP) factor requirements of TEK17.

The material category concrete is the material with the highest greenhouse gas emissions, representing 68% of emissions from materials and 64% of emissions for the purchased goods and services category. Together with steel and reinforcing steel, these three main materials constitute 82% of the greenhouse gas emissions from the materials used in construction projects. Note that the concrete material category also includes prefabricated concrete that may contain reinforcing steel. All emissions from prefabricated concrete (including reinforcement) are presented in the carbon accounts under concrete. Several construction projects completed in 2024 used low-carbon concrete, and one of the projects was a rehabilitation project. This has contributed to significantly lower emissions in certain projects in 2024 compared to 2023 and 2022. In total, emissions in the category fell by 46% from 2023.

Upstream transport and distribution include all emissions from the transport of purchased materials from suppliers to construction sites, amounting to 245.1 tCO_2e. This corresponds to 2.2 per cent of the total greenhouse gas emissions. A conservative approach was taken in calculating emissions in this category, considering actual tonne-kilometres (tkm) transported, with all transport registered as heavy-duty transport.

Waste encompasses emissions from waste from Selvaag Bolig's company offices and administration. This category should not be confused with waste generated during building construction, presented in the purchased goods and services category. Waste from administration accounts for 0.16 tCO_2e, which is less than 0.01% of the company's total greenhouse gas emissions. In 2023, Selvaag Bolig changed the calculation method for this category. Like Scope 2, waste from regional offices is now estimated based on data from the headquarters at Silurveien 2 in Oslo, where about 80% of the company's full-time employees have their regular place of work.

Business travel shows emissions from the travel activities of Selvaag Bolig's own employees. This category represents 0.4% of the company's total greenhouse gas emissions and 92% of the company's administrative emissions, respectively. This category has seen a decline in emissions from 59.4 tCO_2e in 2023 to 43.3 tCO_2e in 2024, which is similar to the 2022 level of 47.7 tCO_2e. The increase in 2023 was due to increased travel for several employees, but the emissions have stabilised now at the levels seen before 2023.

The Use of sold products category encompasses emissions arising from the replacement and maintenance of materials, alongside the estimated energy consumption over the building's lifespan. This entire category contributed emissions amounting to 1 334.35 tCO_2, equivalent to 12% of the company's total greenhouse gas emissions in 2024. The calculation period (lifetime) spans 50 years, in line with TEK17 regulations, covering emissions during the use phases B2, B4, and B6 of the buildings. The “maintenance” (B2) and “replacement” (B4) categories recorded emissions of 40.04 tCO_2e and 78.37 tCO_2e, respectively, with these figures derived from the emission factors specified in the EPDs of the materials. Additionally, estimated energy consumption (B6) contributed emissions of 1 225 tCO_2e, making up 11% of the company's total greenhouse gas emissions.

Breakdown of the Carbon Accounting

EMISSION SOURCE	UNIT	TCO_2E	% OF TOTAL EMISSIONS
SCOPE 1			
Company cars, petrol	tCO_2e	1.27	0.01 %
Scope 1 Total		**1.27**	0.01 %
SCOPE 2 (MARKET-BASED)			
Electricity Norway	tCO_2e	167.43	1.51 %
Company cars. ELECTRIC	tCO_2e	0.09	<0.01 %
Scope 2 (market based) total		**167.52**	**1.51 %**
SCOPE 2 (LOCATION-BASED)			
Electricity Norway	tCO_2e	2.33	0.02 %
Company Cars, ELECTRIC	tCO_2e	0.09	<0.01 %
Scope 2 (location based) total		**2.42**	**0.02 %**
Scope 1 & 2 (market-based) Total		168.79	1.54 %
Scope 1 & 2 (location-based) Total		3.65	0.03 %

SCOPE 3	UNIT	TCO_2E	% OF TOTAL EMISSIONS
PURCHASED GOODS & SERVICES			
Materials			
Steel	tCO_2e	862.42	7.88 %
Reinforcement steel	tCO_2e	408.17	3.73 %
Plasterboard	tCO_2e	270.56	2.47 %
Brick/mortar/leca	tCO_2e	317.59	2.90 %
Wood	tCO_2e	338.83	3.09 %
Insulation	tCO_2e	58.19	0.53 %
Concrete	tCO_2e	5 997.16	54.78 %
Windows	tCO_2e	125.43	1.15 %
Balcony doors	tCO_2e	149.79	1.37 %
Doors	tCO_2e	123.84	1.13 %
Façade panels	tCO_2e	225.19	2.06 %
Material total	tCO_2e	8 877.17	81.08 %

WASTE GENERATED UNDER CONSTRUCTION				
Wood, not CCA-treated, recycled		tCO2e	155.56	1.42 %
Paper, cardboard and carton, recycled		tCO2e	15.59	0.14 %
Window glass, recycled		tCO2e	0.06	<0.01 %
Iron and other metals, recycled		tCO2e	45.96	0.42 %
Gypsum-based materials, recycled		tCO2e	72.17	0.66 %
Plastic, recycled		tCO2e	22.37	0.20 %
Concrete, bricks, recycled		tCO2e	41.14	0.38 %
Excavated materials, recycled		tCO2e	15.06	0.14 %
Corrugated cardboard, roofing felt, recycled		tCO2e	3.08	0.03 %
Ceramics and porcelain, recycled		tCO2e	1.95	0.02 %
Cables and wiring, recycled		tCO2e	0.85	0.01 %
Styrofoam/insulation, recycled		tCO2e	0.68	0.01 %
Mineral wool, insulation, recycled		tCO2e	7.60	0.07 %
WEEE-waste, recycled		tCO2e	2.54	0.02 %
Mixed industry waste, recycled		tCO2e	36.18	0.33 %
Hazardous waste, recycled		tCO2e	9.23	0.08 %
Park, garden and organic waste, recycled		tCO2e	4.49	0.04 %
Waste generated during construction total		**tCO2e**	**434.50**	3.97 %
Purchased goods & services total		**tCO$_2$e**	**9,311.67**	**85.05 %**
UPSTREAM TRANSPORTATION AND DISTRIBUTION				
Truck 33t+		tCO$_2$e	245.09	2.24 %
Upstream transportation and distribution total	**tCO$_2$e**		**245.09**	**2.24 %**
WASTE				
Residual waste, recycled		tCO$_2$e	0.07	<0.01 %
Plastic, recycled		tCO$_2$e	0.00	<0.01 %
Cardboard and paper, recycled		tCO$_2$e	0.02	<0.01 %
Organic, recycled		tCO$_2$e	0.07	<0.01 %
Waste total		**tCO2e**	**0.16**	**<0.01 %**
BUSINESS TRAVEL				
Mileage, ELECTRIC		tCO$_2$e	1.84	0.02 %
Mileage		tCO$_2$e	10.73	0.10 %
Continental flights (incL. RF)		tCO$_2$e	2.80	0.03 %
Domestic Flights (incL. RF)	Norway	tCO$_2$e	9.08	0.08 %
Domestic Flights (incL. RF)	Sweden	tCO$_2$e	13.53	0.12 %
Train		tCO$_2$e	0.05	<0.01 %
Ferry		tCO$_2$e	0.02	<0.01 %
Hotel nights	Norway	tCO$_2$e	2.16	<0.01 %
Hotel nights	International	tCO$_2$e	0.63	0.02 %
Taxi	Sweden	tCO$_2$e	0.07	<0.01 %
Taxi	Norway	tCO$_2$e	0.32	<0.01 %
Bus	Norway	tCO$_2$e	2.06	0.02 %
Bus	Sweden	tCO$_2$e	0.01	<0.01 %
Business travel total		**tCO$_2$e**	**43.30**	**0.40 %**

USE OF SOLD PRODUCTS			
ESTIMATED ENERGY USE (B6)	tCO$_2$e	12 25.04	11.19 %
MAINTENANCE OF MATERIALS (B2)	tCO$_2$e	40.94	0.37 %
REPLACEMENT OF MATERIALS B4)	tCO$_2$e	78.37	0.72 %
Use of sold products Total	tCO$_2$e	**1 344.35**	**12.28 %**
Scope 3 Total		**10 944.57**	99.97 %
Scope 1, 2 & 3 (Market-Based) Total		**11 113.36**	
Scope 1, 2 & 3 (Location Based) Total		**10 948.26**	100.00 %

Methodology

The method aims to provide a comprehensive overview of the company's climate impact by identifying and classifying emissions in the three categories: Scope 1, Scope 2, and Scope 3. The emissions include the greenhouse gases CO_2, CH4, N20, SF6, HFC, PFC, and NF3, converted to tonnes of CO_2 equivalents (tCO_2e). The Global Warming Potential (GWP) over a 100-year period, as described in The Fourth Assessment Report (AR4) from the Intergovernmental Panel on Climate Change (IPCC), is used to calculate CO_2e.

Emissions in all scopes are calculated using consumption data, and emissions from building materials are primarily based on the Environmental Product Declarations (EPDs) of the products. According to TEK 17, all materials without EPDs are given an emission surcharge of 25%.

Scope 1 (direct emissions):

Scope 1 includes direct emissions from the company's own sources, stemming from activities that the company has direct control over. Typical sources include:

- Production processes: Emissions resulting directly from the company's production activities, including emissions from chemical reactions, raw material combustion, or other industrial processes.
- Fuel use: Emissions associated with the use of fuel in the company's own vehicles, construction machinery, or other equipment, including emissions from gasoline, diesel, or other fuel-related sources.
- Other direct energy use: Emissions arising from other direct energy use in the business, such as the combustion of biomass or other energy use not related to purchased electricity or heat.

To quantify Scope 1 emissions, conversion factors from DEFRA (Department for Environment, Food and Rural Affairs) or other relevant authorities are used. These factors allow the conversion of physical units, such as litres of fuel or tonnes of a specific material, into CO_2 equivalents.

Scope 2 (indirect emissions from energy supply):

Scope 2 includes indirect emissions from the company's purchase of energy such as electricity, district heating, or cooling, reflecting emissions from energy production. Emission factors used for electricity are based on national gross production mixes from International Energy Agency (IEA) statistics. In line with the GHG Protocol, both location-based and market-based methods are used in this report.

- Location-based method relies on actual emissions associated with the production of electricity within a specific geographic area. Different energy producers within this geographic area operate with a combination of energy sources. According to this methodology, non-renewable sources (oil, coal, gas, etc.) directly emit greenhouse gases.
- Market-based method is calculated based on the organisation's choice to acquire Guarantees of Origin. In cases where Guarantees of Origin are acquired, the supplier confirms that green energy will be produced in an equivalent amount to what the company has purchased certificates for. This results in an emissions factor of 0 $g/CO_2e/kWh$. Electricity for which the organisation has not acquired Guarantees of Origin receives an emissions factor based on the remaining production. This factor is normally higher than the corresponding location-based factor and is referred to as the “residual mix”.

Scope 3 (other indirect emissions):

Scope 3 includes all other indirect emissions arising from the company's value chain. These emissions are often more complex to identify and quantify, as they involve activities outside the company's direct control. To provide a thorough analysis of Scope 3 emissions, they are divided into 15 categories, including:

- Transport: Emissions from the transport of goods and people, either using company-owned vehicles or utilising external transport services.
- Suppliers: Emissions occurring in the supply chain, including the production of raw materials, materials, and components used in the business.
- Customers: Emissions stemming from the use and disposal of products and services delivered to customers.
- Other external activities: Emissions related to other activities in the value chain, such as emissions from third-party logistics or external service providers.

To quantify Scope 3 emissions, various sources and methods are used:

- DEFRA: Conversion factors from DEFRA are used to convert various activities into CO_2 equivalents, providing a standardised approach for quantifying emissions and enabling comparisons across different categories.
- Product-specific EPDs (Environmental Product Declarations): Product-specific EPDs are used to calculate emissions related to purchased goods and services, especially building materials. These detailed declarations provide comprehensive information about the environmental impact throughout a product's life cycle.
- IEA (International Energy Agency): Emission factors for electricity in Scope 3 are calculated using national gross production mixes from IEA statistics. This provides insight into emissions associated with the electricity indirectly used through the business.
- Other certified sources: Other reputable and certified sources for specific industries or activities are supported to ensure accuracy and reliability in emission calculations.

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