Annual Report

techstep

Techstep —— 29-04-2025

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Techstep at a glance

Techstep is a mobile and circular tech enabler that provides end-to-end device lifecycle management solutions for more than 2 100 customers and manage more than 2.5 million devices in Scandinavia, as well as globally through partners.

We deliver a holistic device lifecycle management approach, covering every stage from procurement to recycling, helping organisations shift towards automation, cost reduction, and sustainability. Our end-to-end solutions support an increasingly modern and mobile workforce spanning both office workers and field workers in industries like retail, logistics, manufacturing and healthcare.

By combining proprietary software, unique expertise and strong partnerships in the mobile ecosystem, we help businesses maximise the value of their mobile estate while enhancing security, efficiency, sustainability and user experience. That is why we are recognised by Gartner as a global challenger - supporting our strong market position and commitment to transforming workplace mobility.

Key figures 2024

NOK 1.1 bn **Total revenue**	**NOK 40mill** **EBITA adj.**	**NOK 128mill** **ARR Own software**
257 **Employees**	**+2 500 000** **Device MMS**	**200+** **Recurring customers**
40+ **Eco-system partners**	**2 100** **Customers**	**Challenger** **Gartner MQ MSS**

Letter from the CEO

Dear shareholders, partners and employees,

As we close the chapter on 2024 and look toward the future, I want to extend my gratitude to our dedicated employees, loyal customers and supportive shareholders. This year has been one of continued transformation, resilience and progress as Techstep continues its journey toward becoming Europe's leading provider of managed mobility services and circular technology solutions.

Strengthening our financial foundation

In 2024, we achieved steady profitability improvements through strategic cost optimisation and a strong focus on recurring revenue streams. Despite market fluctuations, our net gross profit margin remained stable at 32%, and our adjusted EBITA grew by 33% year over year, reflecting the success of our initiatives in streamlining operations.

Enhancing efficiency and execution

In 2024, we focused on optimising our commercial strategy and operational efficiency, resulting in tangible improvements. Additionally, we made operational advancements through the successful execution of strategic agreements. Our collaboration with devicenow has progressed according to plan, and our partnership with ICE has led to the onboarding of the first customer. These milestones along with the continued updates of our Device Lifecycle Management solutions, position us well for sustained growth and operational excellence in the years ahead.

A key driver of our success has been our dual go-to-market approach, balancing **direct sales** with **partner-driven growth**. Direct sales remain essential for maintaining close relationships with our enterprise and public sector customers, allowing us to provide tailored mobility solutions and managed services. An important win in 2024 was the frame agreement with the Norwegian procurement agency Tradebroker which covers the delivery of mobile devices, accessories and related mobile and circular technology services to their member organisations. Another key initiative is the ongoing pilot project with Sykehuspartner where the ambition is to deliver a completely managed mobility service, including devices, lifecycle management and managed services for all office and clinical devices in the Health South-East region. At the same time, our expanding partner network has significantly increased our market reach, enabling us to scale efficiently across Europe. Strategic partnerships, such as those with devicenow and ICE and our newly signed Letter of Intent with an IT vendor in the UK and Ireland, are set to drive further revenue growth, supporting our mission of delivering seamless, secure and sustainable mobility solutions.

Our indirect sales model with our Essentials MDM software is definitively a highlight to mention, growing year over year by 34% and adding new sales partners, like mobile operators and managed mobility players to our eco-system. We have signed new partnerships across Europe with both distributors and resellers, and we see a strong interest and momentum in the market driven by the increased focus on management, control and security for mobile devices.

We have also won and onboarded direct customers to our Essentials MDM platform across Scandinavia, often in combination with delivering managed services and security to effectively manage and secure customers mobile estate.

A commitment to circular technology and security

Sustainability remains at the core of our mission. In 2024, we strengthened our position as a leader in circular mobile technology by expanding our Device-as-a-Service (DaaS) offerings and promoting responsible device lifecycle management. Our solutions now incorporate enhanced recycling, refurbishing and residual value recovery mechanisms, ensuring that our customers reduce waste and environmental impact while optimising costs. As businesses across

Europe prioritise ESG-driven procurement, Techstep is well-positioned to support them with sustainable, future-ready mobility solutions.

In addition to our environmental initiatives, we made key advancements in cybersecurity to support our customers' needs. A major milestone in 2024 was obtaining ISO/IEC 27001:2022 certification, reinforcing our commitment to best-in-class information security management. Furthermore, we enhanced our third-party risk management through a new Governance, Risk and Compliance (GRC) tool, ensuring improved oversight of vendor security risks and compliance tracking.

Expanding our market reach

Looking ahead, our growth strategy remains focused on scaling through strategic partnerships, geographic expansion and deepening customer engagement. The recently signed LOI with a new IT vendor in the UK and Ireland, along with our continued expansion in Poland and the broader European market, provides a strong foundation for sustained revenue growth. We anticipate a 15-25% increase in recurring revenue in 2025, driven by the increasing adoption of our managed mobility solutions and the continued shift toward subscription-based technology models.

While challenges remain, we enter 2025 with confidence, equipped with a resilient business model, a committed team and a clear strategic roadmap. We are excited about the opportunities ahead and remain dedicated to delivering long-term value to our stakeholders.

Thank you for your continued trust and support.

Sincerely,

Morten Meier
Chief Executive Officer, Techstep

Financial highlights

(Amounts in NOK 1 000)	**2024**	**2023**
Revenues	1,072,556	1,089,491
Recurring Revenue Annualised [1)]	330,576	312,142
ARR Own Software 1)	128,285	115,348
Net gross profit [2)]	346,803	353,919
Net gross profit margin [3)]	32.3 %	32.5 %
EBITDA adjusted	153,613	137,496
EBITDA rep.	148,175	136,019
EBITA adjusted	39,756	29,892
EBIT	(33,549)	(36,498)
Net profit (loss) for the period	(45,696)	(44,546)
EBITDA adj. margin (%)	14.3 %	12.6 %
EBITA adj. margin (%)	3.7 %	2.7 %
EBIT margin (%)	(3.1 %)	(3.4 %)
Net profit (loss) for the period (%)	(4.3 %)	(4.1 %)
Cash flow from operating activites	136,484	155,560
Cash flow from investment activities	(142,823)	(128,514)
Cash flow from financing activities	(40,288)	(12,730)
Cash and cash equivalents	30,776	77,459
Net interest-bearing debt	108,540	101,218
Capex	(29,520)	(33,920)
Employees	258	267

Board of Directors report

Techstep is on a comprehensive transformation journey, going from a transactional hardware provider to a software-driven mobile technology enabler with a recurring services business model. In 2024 Techstep has primarily focused on three elements to drive profitability: to transfer customers to a recurring revenue business model and high margin products and services; to develop the partner channel for own software and managed services; and to continue to optimise the organisation and reduce the cost base.

Techstep continued to deliver on these targets in 2024. Annualised recurring revenues grew by 5.9% year over year, the strategic partnership agreements announced throughout the year are progressing according to plan and the profitability is improving with cost focus on operations and investments.

Business activities and strategy

Built upon a decade of telecoms and mobile technology expertise, Techstep was established in 2016. Through a series of strategic acquisitions, Techstep has solidified its presence in Scandinavia and later expanded into European markets through Poland. Positioning as a mobile technology specialist, the company's overarching business strategy centres on combining mobile devices with proprietary and/or licensing software and expertise, helping organisations to work smarter and more sustainably. The goal is to be the leading mobile technology company in Europe.

Techstep serves more than 2 100 enterprise customers across different industries and sectors, helping both office workers and frontline workers optimise their work. Based on Techstep's unique mix of competence and partnerships, Techstep has been recognised by Gartner as a challenger in the global quadrant for Managed Mobility Services.

While the company's primary market remains Scandinavia, where its full product portfolio is readily accessible through direct sales and partnerships with both private enterprises and the public sector, its strategic go-to-market focus extends across Europe, led from Poland. Through partner programmes, Techstep offers standardised and scalable solutions, either as stand-alone offerings or bundled with partners' solutions, facilitating broader market penetration and customer reach.

The market opportunity

Mobile technology is one of the fastest growing technologies in the world, and digitalisation is leading this transformation, reshaping industries and work processes. Within the dynamic landscape of the mobile technology market, Techstep's offering answers several key challenges that organisations face, including administration and control of the mobile technology infrastructure, cost reductions, sustainability and security concerns.

Positioned at the forefront of the Managed Mobility Services (MMS) market, Techstep aligns with Gartner's definition, which characterises MMS as the integration of mobile devices, software and services into a unified offering, streamlining operational capabilities. Techstep extends the traditional MMS definition to include strategic advisory and software development services, leveraging mobile technology to transform organisational operations and capabilities.

Gartner's recognition of Techstep as a global challenger in the MMS market underscores the company's strategic positioning and its combined managed mobility offering developed over the past years. With more than 2 200 research and advisory experts doing rigorous analysis for clients in nearly 90 countries worldwide, Gartner stands as a thrusted authority within the IT sector. This acknowledgement reflects Techstep's ongoing commitment to changing the world of work and serves as continued validation towards the European market.

Market trends indicate growth opportunities. According to Gartner, the global MMS market is expected to grow at CAGR by 3.4% from 2023-28, with Norway, Sweden and Poland seeing higher growth at 4.7- 4.8% in the same period[1]. Additionally, the increasing focus on device sustainability and circularity, driven by stricter regulations and stakeholder demands, is set to disrupt the industry. [2] By 2028, 70% of organisations will adopt a managed device lifecycle offering, up from less than 20% in 2024. This shift presents a major opportunity for Techstep to lead in sustainable mobility.

Product offering

Techstep's product offerings range from individual device needs to complete transformative solutions, encompassing software, mobile devices and advisory services packaged into cohesive products.

Central to its offering, are strategic partnerships with top-tier mobile device manufacturers and mobile technology software providers. Leveraging this strong foundation, Techstep adds comprehensive managed services that encompass the entire device lifecycle. They include proactive device management and robust security services, ensuring optimal performance and safeguarding against potential threats.

By integrating its proprietary software with managed services and expert advisory, Techstep delivers best-practice outsourced mobile technology solutions. Techstep has a big cluster of mobile and circular technology expertise in Scandinavia strategising, planning, developing and implementing new ways of working. Whether bundling the entire stack together or delivering individual components based on customer requirements and maturity, everything is offered as-a-service or transactional for maximum flexibility.

The streamlined approach encompasses ready-to-go devices, lifecycle management, and security services, so that customers can effortlessly scale their mobile technology usage within an outsourced model, thereby optimising efficiency and productivity.

Main developments in 2024

In 2024 Techstep has focused on primarily three elements to drive profitability: to transfer customers to a recurring revenue business model and high margin products and services; to develop the partner channel for own software and managed services; and to continue to optimise the organisation and reduce the cost base.

Despite a downturn in the mobile device sales, the focus on transferring customers to a recurring revenue business model and high margin products and services started to yield results, and the annualized recurring revenue at the end of 2024 was NOK 330 million, vs. NOK 312 million at the end of 2023.

The cost optimisation plan initiated in Q4 2022 delivered successful continued cost optimisation during 2024, resulting in a substantially lower cost base compared with 2021, both related to operating expenses as well as investments in internal IT infrastructure. The work with optimising Techstep's cost base and IT infrastructure continues in 2025.

Revitalised commercial strategy

Entering 2024, Techstep launched a refocused commercial strategy and go-to-market model focusing on partner sales. Part of this includes a revised indirect business model, where partner sales are an important channel for highly scalable solutions such as Own Software and managed services. With new and stricter legislation and stakeholder pressure for sustainable and circular tech solutions, Techstep is experiencing a growing interest in its Device Lifecycle Management platform as IT service providers are looking for more sustainable and cost-efficient ways to manage their customers' large device estates.

[1] Gartner Services Forecast, Q4 2024

[2] Market Guide for Managed Device Lice Cycle Services, July 2024

Partner sales

Our indirect sales continue to grow and gain ground across Europe, both with domestic partners in the Nordics and with partners and resellers with global reach. In September 2024, Techstep successfully onboarded the first devicenow customer to the Lifecycle platform, according to plan. Leaving 2024, the partnership is fully operational, and several additional customers are on board the platform.

This milestone follows the strategic partnership agreement entered in Q1 2024 with devicenow, a global provider of subscription-based IT devices, aimed at introducing Techstep's Lifecycle management platform to a wider customer base worldwide. Devicenow, which has a global reach across 190 countries, serves several major global customers. This partnership allows Techstep to increase its global reach whilst devicenow can add further great value to their offering through the Lifecycle platform. Additionally, the partnership includes opportunities for incorporating Techstep's managed services into devicenow's portfolio.

In October, Techstep signed the strategic partnership agreement with the Norwegian mobile operator ICE, for introducing Techstep's own software and managed services to their B2B customers. In Q4, the first customer with ICE was onboarded, in line with the plan.

In February 2025, Techstep announced that it has entered a letter of intent with a leading IT vendor, marking its strategic entry into the Irish and UK markets. With this partnership the vendor will adopt Techstep's Lifecycle platform as their standard solution for Device-as-a-Service (DaaS) offerings, enhancing operational efficiency and customer experiences. Both companies are committed to going live with the Lifecycle platform this year with customers onboarded in the fourth quarter. The commercial model includes a license price per device per month.

Direct sales

Techstep's direct sales encompass the entire portfolio across software, hardware and services through the direct sales teams in the Nordics, serving private enterprises and the public sector. Techstep manages mobility for all types of work scenarios, covering both knowledge workers and frontline workers, and any hybrid combination. Our solutions streamline everything from planning and procurement to device lifecycle management and circularity. This includes over-the-air enrolment, logistics, sustainable recycling, and best practice device management and security. Techstep empowers knowledge workers in a sustainable and cost-efficient way with an automated and self-service driven solution to increase their productivity and manage their entire mobile estate. The frontline workers are equipped with mobility solutions to boost workforce productivity with our end-to-end mobile solutions including industry-specific applications, providing fully managed mobility for your organisations needs and the people performing at the edge of your business.

The commercial strategy includes increased focus on the public sector, both through upselling on existing agreements and by winning new tenders. The previously announced pilot project with Sykehuspartner is steadily progressing forward. The ambition is to deliver a completely managed mobility service, including devices, lifecycle management and managed services for all office and clinical devices in the Health South-East region. Several pilots have been rolled out to hospitals and departments, and Techstep aims to finalise the full scope of deliveries to fully manage business critical devices serving their 82 000 users in the region. The final comprehensive service contract is expected to be finalised during Q1, with a phased roll out over the next years. In parallel, we continue to roll out devices and services to selected projects, both new hospitals and health institutions in the region. This will accelerate further in the coming months and throughout 2025. Strong momentum from the Tradebroker frame agreement that went live in October continued during Q4, growing and expanding existing customers, as well as onboarding new customers.

Revenue streams

Techstep continues to focus on upselling and converting existing customers from transactional to recurring sales. This will enhance financial predictability for Techstep, while at the same time ensuring better value for customers by providing them with continuous service rather than one-off transactions. Today, Techstep has the following three revenue streams:

Devices & Other

This includes revenue from the sale of mobile devices and related accessories. Sold as transactional, one-time sales or "as-a-service" with recurring revenues committed for 24 months or more. Low margin contribution.

Techstep's total Mobile Devices & Other revenue came to NOK 747 million, a decline of 3.7% from 2023. Sales were impacted by a general decline in the global smartphone market, in both Norway and Sweden, in particular in the first half year. In the second half, the market was improving, with revenues year over year increasing. The net gross profit margin was 14.5%, slightly down from the year before due to increasing pressure on margins in Sweden.

Advisory & Services

This consists of revenue from specialised advisory and support and maintenance services. Sold as one-time projects based on fixed hourly rates or "as-a-service" with a minimum 12-month recurring revenue commitment, with a medium to high gross margin contribution. The revenue stream also includes revenue from the resale of third-party software licenses.

Revenue from Advisory & Services came to NOK 205.9 million, at the same level as 2023, while the net gross profit margin decreased by 1 percentage point to 65.9%. The decline relates to the change in the mix of revenue types between high and low margin products.

Own Software

This provides high margin revenue (above 85%) from commercial software products sold as recurring contracts with a minimum commitment of 12 months. The current portfolio consists of four software portfolios: Lifecycle, Expense, Essentials MDM (mobile device management) and Amplify (mobile data capture and workflow).

Revenue from Own Software was NOK 118.2 million for the year, up 10.0% from NOK 107.5 million in 2023. The growth relates to the increased number of users and contracts. Net gross margin on Own Software was 86.1%, slightly down from the year before as the majority of revenue growth was due to high growth in the Essentials MDM portfolio, which generally has a lower margin than the other software products.

Recurring revenue

Total recurring revenue consists of contractually recurring revenue within the revenue segments Own Software, Advisory & Services and Device-as-a-Service. Reported recurring revenue represents future contractual annual revenues. Recurring revenue from Device-as-a-Service is measured as contracts with a duration of 24 months or more, with monthly incurred revenue annualised. Annual recurring revenue from Advisory & Services is calculated as contractual monthly revenue from contracts with a duration of 12 months or more, annualised. Annual recurring revenue from Own Software is calculated as contractual monthly revenue annualised. Techstep includes only contracts where invoicing to customers has commenced.

Total recurring revenues annualised grew by 5,9% in 2024 to NOK 330.6 million, mainly driven by 11% growth in Own Software and 5% growth in Advisory & Services. Growth in Device-as-a-service was 2%, the latter a positive change from 2023, where the as-a-service revenues were highly impacted by the negative decline in the global device market.

Financial performance

Techstep's consolidated financial statements have been prepared and presented in accordance with the IFRS® Accounting Standards as adopted by the EU, relevant interpretations, and the Norwegian Accounting Act. A summary of internal controls related to the accounting process can be found in the Corporate Governance section of this Annual Report.

Profit and loss

Techstep had total revenue of NOK 1 073 million in 2024, a decrease of 1.6% from 2023. The decline relates to reduced sales of mobile devices, as that market was challenging in the first half of the year. In line with the strategy of converting to high margin recurring revenues, the year showed a solid improvement in revenue contribution from our Own Software portfolio. The increase in revenue from high margin products and services was offset by a decline in margins from devices, and resulted in a net gross profit margin of 32%, in line with last year.

Due to the continued cost optimalisation efforts in 2024, Techstep generated positive results from operations. EBITA adjusted came to NOK 39.8 million, an increase of NOK 9.7 million from the year before. Total expenses excluding depreciation and amortisation decreased by 5% compared to 2023. Amortisation of intangible assets was NOK 69.0 million, and increase of NOK 4.1 million from 2023, due to a write-down of retired internal IT systems as the company is investing in newer platforms. Operating loss for the year was NOK 34.7 million, an improvement of NOK 1.8 million from 2023.

Net financial items were negative at NOK 15.8 million (NOK -23.1 million) for the year. Financial items include interest expenses and currency effects from the fluctuation of NOK versus EUR and SEK, in addition to changes in the fair value of the interest rate swap in the amount of NOK -1.3 million (NOK -4.1 million) in 2024. Net loss for the year was NOK 45.7 million (NOK -44.5 million).

Financial position

As at 31 December 2024, total assets were NOK 1 177 million (NOK 1 271 million).

Intangible assets were NOK 756.8 million (NOK 785.2 million), of which goodwill constitutes NOK 632.1 million. Total tangible assets were NOK 199.4 million (NOK 191.0 million) including NOK 167.4 million (NOK 159.5 million) in capitalised devices under Device-as-a-Service to customers and NOK 32.0 million (NOK 31.5 million) in other tangible assets, which include right-of-use assets such as premises and other capitalised equipment.

Total inventories and receivables were NOK 176.1 million (NOK 200.2 million) at the end of 2024. The decrease is due to a reduction in trade receivables of NOK 24.3 million, as the device sales peak in the fourth quarter in 2024 was in beginning/ mid quarter in 2024 vs. towards the end of the quarter in 2023

Total equity was NOK 570.6 million (NOK 573.7 million) at the end of 2024, corresponding to an equity ratio of 48% (45%).

Total non-current liabilities were NOK 178.1 million (NOK 183.9 million). The reduction relates to repayment of debt and a reduction in deferred taxes, offset by an increase in deferred revenues related to Device-as-a-Service. Total borrowings at the end of 2024 were NOK 139.3 million, reduced by NOK 39.3 million from NOK 178.7 million at the end of 2023.

Net interest-bearing debt was NOK 108.5 million, an increase of NOK 7.3 million since the end of 2023, caused by the working capital effects on cash in 2024, as the cash position at the end of 2023 was exceptionally high driven by movements in trade working capital.

Total current liabilities were NOK 428.6 million (NOK 513.2 million). The decrease primarily came from movement in trade payables due to the timing of device sales in the quarter vs. fourth quarter of 2023, as well as a NOK 23.8 million reduction in current interest-bearing borrowings. Current liabilities related to Device-as-a-Service of NOK 149.8 million (NOK 167.2 million) include buy-back obligations and deferred revenues from the Device-as-a-Service revenue segment. Other current liabilities of NOK 78.1 million (NOK 98.9 million) include public duties and general cost accruals

Cash flow

The net cash flow from operating activities was NOK 136.5 million in 2024 (NOK 155.6 million). The change in cash flow from operations is due to a substantial improvement in working capital in 2023 vs a normalisation in 2024.

Net cash outflow for investment activities was NOK 142.8 million and consists of capital expenditures related to Device-as-a-Service of NOK 123.7 million (NOK 112.7 million) and investments in Own Software and IT of NOK 29.5 million (NOK 34 million), offset by proceeds from gains from end-of-lease devices and interest received, in total NOK 14.8 million (NOK 18.1 million).

In 2024, Techstep raised NOK 30 million in capital through a private placement, and net cash flow from financing activities was negative at NOK 40.3 million in 2024 (NOK -12.7 million) and consists primarily of the net proceeds from the private placement of NOK 28,4 million offset by repayment of borrowings of NOK 40.0 million. In 2023, net cash flow from borrowings was proceeds of NOK 17.3 million. Interest and lease repayments were NOK 28.6 million (NOK 30.2 million).

Cash and cash equivalents decreased by NOK 46.6 million during 2024 to NOK 30.8 million at the end of the year. Techstep also has additional liquidity available through new bank facilities. Please see note 15 for further details.

Allocation of the profit/loss for the parent company, Techstep ASA

The loss for the year 2024 attributable to owners of the parent was NOK 35.9 million, compared to a loss of NOK 10.1 million for 2023. The Board has proposed that the loss be covered by other reserves.

Going concern

The Board of Directors confirms that the annual financial statements for 2024 have been prepared under the assumption that the Group is a going concern, in accordance with Section 3-3a of the Norwegian Accounting Act and that such an assumption is appropriate, based on the Group's reported results, business strategy, financial situation and established budgets.

Risk and risk management

Techstep has in 2024 strengthened the risk management. Key milestones in 2024 were obtaining ISO/IEC 27001:2022 certification and enhancing the third-party risk management through a new Governance, Risk and Compliance (GRC) tool, ensuring improved oversight of vendor security risks and compliance tracking. There is frequent risk reporting to the management and Board. The goal is to support effective execution and decision-making to reach the company's goals and to ensure compliance with legal and regulatory requirements.

As a mobile technology company, Techstep is exposed to a range of risks that may affect its business and financial results. Some key risks are highlighted below. Reference is also made to the investor presentation of October 2024, pages 31-37 for information on potential risk factors. The presentation is available from the company's website www.techstep.io/investor.

Operational risk

Techstep's operations, revenues and profits are dependent on its ability to generate sales through existing and new customers and strategic partnerships. Techstep operates in a competitive market segment, and the Group's success depends on its ability to meet changing customer preferences, to anticipate and respond to market and technological changes, and develop effective and collaborative relationships with its customers and partners. Techstep continues to focus on improving and scaling its product offering, reducing customer implementation time, and becoming a software and solution-driven growth business, yielding higher cash flow and profit from operations, and transforming itself into a recurring revenue business model. The operational risk mainly relates to the ongoing turnaround and transformation process, including commercialisation of the product portfolio and keeping key personnel and necessary competence.

Financial risk

Techstep's activities involve various types of financial risk: credit risk, liquidity risk, currency risk and interest rate risk. The primary focus of the Group's capital structure is to ensure sufficient free liquidity, so that the Group can service its obligations on an ongoing basis, and at the same time be able to make strategic acquisitions.

Credit risk

The credit risk relates to customers being unable to settle their obligations as they mature. Techstep has a well-diversified customer portfolio, mainly comprising medium-sized and enterprise organisations in the private and public sectors. The Group has established mitigating procedures including credit evaluation of major private customers, and the credit risk is considered satisfactory.

Liquidity risk

Techstep's liquidity risk is related to a mismatch between cash flows from operations and financial commitments. Techstep is transforming itself from a transactional business model to a software-led recurring revenue model, which leads to postponed cash inflows, negatively affecting the liquidity of the Group. Investments in simplification and standardisation of the company's product portfolio and solutions, new organisational capabilities and acquisitions and integration, have furthermore increased the company's debt over time. The Group's liquidity is closely monitored by management and the Board of Directors. The private placement completed in October 2024 has given Techstep proceeds to fund and accelerate the scalable business and strengthened the company's liquidity buffer. If the need arises, the Group has access to multiple funding sources during the transformation process.

Foreign exchange risk

Techstep uses Norwegian krone (NOK) as its presentation currency but is exposed to exchange rate fluctuations from operations abroad, mainly the Swedish krona (SEK), Polish zloty (PLN) and euro (EUR). The company has exchange rate risks related to the currency translation of profit generated in its foreign subsidiaries. In 2024, around 62% of the Group's revenue was in NOK, with approximately 34% in SEK, and the remaining in PLN and EUR. Techstep does not use any hedging instruments for exchange rate fluctuations, which may have a negative effect on the company's consolidated financial results and financial position if the NOK strengthens considerably against the relevant currencies.

Interest rate risk

Techstep is exposed to changes in interest rates as a result of financing its business operations with bank loans and a credit facility. To mitigate the interest rate risk, Techstep ASA has entered into an interest rate hedge agreement, where interest payments for 75% of the long-term borrowings are secured at a NIBOR base of 4.47% p.a. The duration of the agreement is 5 years.

Macroeconomic and geopolitical risk

The global economy has faced continually increasing challenges over the past years, with slowing growth and higher inflation in Techstep's key markets, which may impact financial results and weaken the economic outlook. In addition, tension in the global political situation increases the risk of supply chain disruptions, sanctions, increasing cyber threats and risk of sabotage of critical infrastructure. At the start of 2025 further uncertainties regarding the global economic and geopolitical order were introduced as the US is introducing new, unilateral trade tariffs abandoning multinational trade agreements. The effects, such as financial market volatility and general economic market conditions, might have an impact on financial results and weaken the economic outlook. Techstep has a large base of public sector and large corporate customers, which are less vulnerable to volatile market conditions.

There is pressure and restrictions against China's technology industry while China is trying to increase its influence and operations worldwide. This may cause new supply chain disruptions, in which Techstep may experience delays in mobile device deliveries. At the date of this report, there are no such indications. Techstep continues to maintain close cooperation with key suppliers to ensure timely deliveries.

Climate change and climate risk

Techstep recognises the urgency of addressing climate change and its implications on both society and the environment. In light of this, and preparing for CSRD, Techstep conducted a climate risk assessment based on the European Sustainability Reporting Standards (ESRS) in 2024/2025. The analysis indicates that in the transition to a low-carbon economy, Techstep may face increased regulatory and market pressures, particularly due to carbon pricing schemes and stricter sustainability requirements, while there are opportunities especially related to increased demand for more sustainable and durable products and circular economy solutions.

The scenario analysis indicates that Techstep, in the transition to a low emission society, will probably face increasing transition risks over time due to higher hardware costs from supply chain disruptions and stricter e-waste regulations. Risks identified over a short- and long-term period are compliance costs, material constraints and potential failure to adapt to a circular economy. At the same time, Techstep has opportunities in lifecycle management, circular economy solutions and sustainable mobile technology. Early adoption can provide a competitive edge and shifting regulations and customer demand will drive market expansion. In the long term, fully circular businesses are expected to benefit from stable revenue streams, while lagging companies face rising costs and regulatory barriers. Techstep is exposed to physical risks, especially in upstream manufacturing and data centre locations, including heavy precipitation, heatwaves, flooding, landslides and sea level rise. Techstep seeks to mitigate this risk by working with a diversified number of vendors, including mobile device brands and distributors

In order to reduce Techstep's impact on climate change, the company must first and foremost reduce its own emissions. Guided by its environmental policy, Techstep works systematically on tracking and reducing greenhouse gas emissions and improving environmental performance. Techstep has set near-term reduction targets of reducing Scope 1 and 2 emissions, validated by Science Based Targets, and started reporting through the Carbon Disclosure Project (CDP) in 2024.

Transactions with related parties

See note 23.

Corporate governance

Techstep's corporate governance structure is based on Norwegian legislation and the Norwegian Corporate Governance Board (NUES/NCGB), last revised 14 October 2021. A statement on Techstep's corporate governance principles and practices is provided in a separate section, Corporate governance report of this annual report. In the company's own assessment, Techstep did not deviate from any sections of the Code as at year-end 2024.

Techstep has Directors and Officers liability insurance for the Group. The insurance covers the Board's and the management's legal personal liability for financial damage caused by the performance of their duties.

Corporate social responsibility (ESG)

Techstep's mission is to make positive changes to the world of work through mobile technologies; freeing people to work more effectively, securely and sustainably. The company's sustainability agenda is an essential part of the company's mission.

As a signatory to UN Global Compact, Techstep is committed to responsible business practices in the areas of human rights, labour, equality, anti-corruption and the environment. During 2024, Techstep has strengthened its focus on environmental, social and governance (ESG), risk and compliance. The organisation has implemented management practices according to ISO 27001 (information security) and achieved certification in addition to the 2023 ISO 9001 (quality) and 14001 (environment) certifications. Subsequently, Techstep has further improved its EcoVadis sustainability rating to Gold-level, placing Techstep among the top 5% of more than 130 000 companies evaluated globally. In October, Techstep made its annual report on climate risks and opportunities through Carbon Disclosure Project (CDP). In 2024 Techstep also started preparing for Corporate Sustainability Reporting Directive implementation (CSRD). However, on 26 February 2025, the EU Commission published proposals entailing that Techstep would no longer be subject to the scope of CSRD.

Details on Techstep's material ESG activities are included in a separate chapter, Sustainability of this annual report, which covers what Techstep does to promote, uphold and recognise human rights, labour rights, social issues, working environment, climate and environmental aspects and anti-corruption measures into the business strategy, daily operations and the relationship with stakeholders. The chapter also includes Techstep's reporting pursuant to the Norwegian Transparency Act and the Equality and Anti-Discrimination Act.

Shareholder information

As at 31 December 2024 Techstep's share capital was NOK 34 407 158, divided into 34 407 158 ordinary shares, compared to a share capital of NOK 31 629 381, divided into 31 629 381 shares, at the end of 2023. During the year, Techstep successfully completed a private placement of NOK 30 million by issuing 2 777 777 new ordinary shares at NOK 10.80 per share.

The total number of shareholders was 3 361 (3 370) at year end, and the company's largest shareholder, Datum AS, held 18.3% of the shares. The 20 largest shareholders held 69.9% (69.4%) of the shares outstanding, and Techstep holds 192 treasury shares.

For detailed shareholder information, see note 25 in the consolidated financial statements for 2024.

Outlook

Techstep serves more than 2 100 customers across industries in both the private and public sector in Europe, and is recognised by Gartner as the only challenger in the Magic Quadrant for Managed Mobility Services. Techstep's goal is to become the leading mobile & circular technology company in Europe for customers that want to work smarter, securely and more sustainably.

Techstep believes that the market for mobile and circular technology solutions and services will continue to increase due to digitalisation, stricter regulation and growing complexity alongside a rapidly evolving security threat landscape. The company considers itself well positioned as enterprises and public sector organisations need help to manage their mobile device portfolio in a sustainable way and keep their mobile ecosystem up to date.

Techstep signed several frame agreements with public sector organisations during 2023 and 2024, with opportunities for upselling products and services. There are indications that the customers' readiness is slower than anticipated and improving upsell on these agreements and new public sector agreements is a focus area in 2025 together with the revised partner strategy. During 2024, Techstep signed several strategic partnership agreements to boost sales and scalability of Techstep's own software. These agreements represent opportunities for significant growth in a steeply growing market. Moving into 2025, the expansion in the partner channel is developing according to plan and is expected to gradually materialise during the next years.

Techstep has successfully delivered on the cost optimisation programme announced in late 2022 and continued with the strict cost focus in 2024. By aligning Techstep's organisation and cost base with a more simplified portfolio and extracting synergies from acquired companies, cost reductions of more than 30% have been achieved since Q4 2022. Ensuring continued optimisation of Techstep's underlying cost base continues into 2025. At the same time, there is a need for investments and upgrades of the IT infrastructure to increase efficiency and further reduce costs going forward, and these investments will continue through 2025.

As the first half of 2024 was highly affected by the decline in device sales, 2024 closed with a 2% decrease in total revenues and net gross profit. However, the decline in revenues turned in the second half of 2024, and moving into 2025 recurring revenue contracts are record high. Going forward, profitable growth will be driven through increased margins by upselling more value-adding products and services in the Scandinavian market, as well as expanding the European reach through new and existing partner channels. Transitioning into the new partner channels is progressing well but is taking somewhat longer time than first anticipated, and the predictability of timing of the ramp up is uncertain. Techstep's ambitions for 2025, are to grow recurring revenues annualised by 15-25%, and achieve a net gross profit growth of 12-18% and an EBITA adj. conversion of 13-18%.

Oslo, 29 April 2025, signatures from the Board of Directors and the CEO of Techstep ASA:

Michael Jacobs Chairman	**Harald Arnet** Board member
Ingrid Leisner Board member	**Jens Rugseth** Board member
Melissa Ann Mulholland Board member	**Morten Meier** CEO

Executive Management

Morten Meier
Chief Executive Officer

Ellen Solum
Chief Financial Officer

David Landerborn
Chief Operations Officer

Bartosz Leoszewski
Chief Product &
Technology Officer

Sheena Lim
Chief Marketing Officer

Suzanne Almbring
Chief People &
Culture Officer

Morten Meier – Chief Executive Officer

Mr. Meier is a seasoned senior executive with more than 25 years of experience from the software and technology industry, including leadership, strategy, business development, sales, marketing and operations. He has a proven track record of driving high performance teams and delivering profitable growth, and is passionate about driving transformation, innovation, growth and customer success. Prior to Techstep, he spent the ten past years with Microsoft Norway, where he served several positions on the leadership team, latest as Senior Director Marketing & Operations (COO) and Deputy General Manager. Previous experience includes four years of leadership positions at IBM in Norway and at the Nordic level, and almost ten years with Hewlett-Packard.

Ellen Solum – Chief Financial Officer

Mrs Solum joined Techstep from the role as Partner in Uniconsult AS, and brings extensive experience from all finance functions, such as accounting, tax, controlling, treasury and investor relations and significant experience from change management, turn-around cases and IPO processes. She has worked in both private and publicly listed companies and has previously held positions such as CFO in TeleComputing ASA, Finance Director in Findus AS, as well as several years as management consultant and partner. Mrs Solum holds a bachelor’s degree from University of Colorado Boulder, as well as an MBA from the Norwegian School of Economics (NHH).

David Landerborn – Chief Operating Officer

Mr. Landerborn is an experienced executive with deep understanding of the mobile technology industry, having held several prominent positions within Techstep. This experience includes his role as Deputy Managing Director and Chief Operating Officer at Optidev AB, which Techstep acquired in 2020, and as part of Techstep’s executive management team since Q4 2022. He is passionate about strategy and operational excellence, mobile technology solutions, and developing a strong and winning company culture. He is actively involved in local tech initiatives in Borås, Sweden, to make sure rising tech stars choose Techstep as their employer. Mr. Landerborn holds a bachelor’s degree in computer science from the University of Borås, Sweden.

Sheena Lim – Chief Marketing Officer

Ms Lim has over 22 years of international brand, marketing and communication experience in telecom, food & beverage, media and pharmaceutical and HR tech. Ms Lim came to Techstep from the position as Marketing and Communication Director at Zalaris, a provider of simplified HR and payroll administration. Previous positions include 12 years with Telenor’s international operations, where she worked through change and improvement projects across all 12 markets in which Telenor was involved. Ms Lim has an executive MBA from BI Norwegian Business School and ESCP European Business School, as well as a bachelor’s degree for business (marketing) from University of Monash.

Bartosz Leoszewski – Chief Product & Technology Officer

Mr Leoszewski is an experienced IT and software leader and entrepreneur. He is experienced in building software products and their strategy, setting a long-term technology direction with cybersecurity always at the forefront. As a software engineer in 2006, Mr. Leoszewski co-founded Famoc, where he was first responsible for product development and engineering as Chief Technology Officer, and in 2012 transitioned to a CEO role - growing the company from just an idea into a recognised player in the enterprise mobility market. Famoc was acquired by Techstep in 2021. Mr Leoszewski holds an MSc in computer science from the Technical University of Gdansk and an Executive MBA from Rotterdam School of Management. He is also a member of the Polish chapter of the Entrepreneurs' Organisation.

Suzanne Almbring

Ms. Almbring is an experienced HR executive with over 20 years of experience in strategic and operational HR, leadership development and organisational growth. She has deep expertise in talent management, recruitment, HR processes and employee engagement, supporting companies through transformation and change.

She joined Techstep in 2022 as HR Business Partner and was appointed Chief People & Culture Officer in 2025. Prior to Techstep, she held senior HR roles at AB Regin, Ingram Micro, and Brightpoint Sweden AB, where she worked closely with leadership teams to develop and implement HR strategies across multiple markets.

Ms. Almbring is committed to fostering a strong workplace culture built on trust, clear communication and collaboration. With a background as a yoga instructor, she also brings a unique perspective on well-being and personal growth.

Board of Directors

Michael Jacobs – Chairman of the Board

Mr Jacobs is the Executive Vice President of the Nordics at Crayon ASA, a customer-centric innovation and IT services company. He has more than 30 years' experience from extensive management positions from several international technology companies. He previously was the CEO of Fell Tech and before that he was the CEO of Atea Norway, where he improved its business performance and led the transformation to more value-added services. He also served as the Managing Director of Microsoft Norway and the Managing Director for the Nordics at Dell. He also has experience from Oracle and Telenor, both in Norway and internationally. He has a degree from California Lutheran University and continuing education from, among others, Harvard University. Customer focus, technology innovation and building strong diverse teams are areas that Michael is passionate about. Mr Jacobs is a Norwegian citizen, living in Oslo, Norway.

Jens Rugseth – Board member

Mr Rugseth has served on the Board in Techstep since February 2019. In January 2023 he stepped down as Chairperson of the Board and remained as an ordinary Board member. Mr Rugseth is a co-founder and Board member of Crayon Group ASA and Link Mobility Group ASA, and other current directorships include Chairman of Karbon Invest AS, Sikri Group ASA, Kastel AS and Rift Labs AS, among others. Over the past 30 years he has founded a number of companies within the IT sector. He has also held the position as chief executive officer in some of the largest IT companies in Norway, including ARK ASA, Cinet AS and Skrivervik Data AS. Mr Rugseth studied business economics at the Norwegian School of Management. Mr Rugseth is a Norwegian citizen, living in Switzerland.

Ingrid E. Leisner - Board member

Ms Leisner has served on the Board of Techstep since February 2016. She has extensive experience as head of audit committees and member of boards in listed companies, currently including the board of Maritime and Merchant Bank ASA, and Xplora Technologies AS. Over several years she held various positions with Statoil (Equinor), including Head of Portfolio Management Electric Power and trader of different oil products. She holds a Bachelor of Business Administration (Siviløkonom) from the University of Texas. Ms Leisner is a Norwegian citizen, living in Oslo, Norway.

Melissa Mulholland - Board member

Ms Mulholland has served on the Board in Techstep since April 2021. Ms Mulholland is Chief Executive Officer of Crayon, a digital transformation expert that through innovation and services helps companies worldwide leverage the power of technology. Her previous experience include 12 years at Microsoft, leading strategy and business development, and two years in Intel Corporation. She has authored 12 books focused on how to build a business in the Cloud and is a board advisor for SHE, Europe's largest gender equality conference. Ms Mulholland holds an MA in Business Administration and Strategic Management from Regis University in Colorado. She is a US national, living in Oslo, Norway.

Harald Arnet - Board member

Mr Arnet has served on the Board in Techstep since September 2021. Mr Arnet has more than 30 years of experience in national and international finance, industrial and financial investments. He is the CEO of Datum AS, one of the company's largest shareholders, and has held several board positions in listed and non-listed companies, including Kahoot! AS, NRC Group ASA and several companies within the Datum group. He holds a master's degree from University of Denver and London Business School. Mr Arnet is a Norwegian citizen, living in Oslo, Norway.

Sustainability

General information

In Techstep, we want to make positive changes in society by making the world of work smarter and more sustainable.

Key highlights from the year

Material topic	Techstep ambitions	2024 performance	2023	SDGs
Resource use and circular economy	Grow number of end-of-life returns	Collected ~**18 000 mobile devices**	(14 900)	
		Prolonged life for 93% of collected devices	(95%)	
Climate change	Minimum 42% reduction of GHG emissions in scope 1&2 by 2030, with 2022 as baseline year[1]	**74% reduction** in Scope 1 & 2 emissions (marked based)	(8%)	
		Committed to Science Based Targets	No change	
	100% electricity consumed at Scandinavian offices covered by Guarantees of Origin (GOs)	**91%** of electricity usage is covered by **Guarantees of Origin.**	(54%)	
	Transition all new or replacement company cars to electric vehicles	**12 of 16 company cars** are now **electrical**. 3 of 4 are hybrid.	n.a.	
Own workforce	Above 30% women in the workforce by 2025	**26% women** in the Group	(28%)	
		50% women in executive management	(43%)	
	Engagement score at 8.0 of 10	**Engagement** score at **7.6** of 10 at 31.12	(7.8)	
Workers in the value chain	ESG due diligence of all Tier 1, Tier 2 and Tier 3 suppliers	**All Tier 1 and Tier 2 suppliers assessed** on ESG topics, ~ 30% of Tier 3 assessed	(38 suppliers assessed)	
Cybersecurity & data privacy	No leak of customer data	**Zero** reported leak of customer data	(Zero)	
	Security awareness training of all employees	**99%** of employees completed **security awareness training**	(87%)	
	ISO 27001 certified by H1 2024	**ISO 27001 certified**	n.a.	
Business conduct	Zero serious compliance incidents	**Zero** reported compliance incidents	(Zero)	
	Strengthen Techstep's preventive anti-corruption programme, including relevant controls to properly mitigate corruption			

Figure 1 - Key highlights sustainability

Basis for preparations

We believe in the power of mobile technology to make employees happier and more productive by freeing them up to work smarter. Our solutions can help them do this in a more sustainable and secure way. This means we will help our customers deliver on their ESG commitments but also ensure that we are using resources in a way so that they aren't depleted over time. It's about taking care of people and the environment, both today and for the future.

Equally important, responsible business practices are a prerequisite for long-term successful operations and profitability. We need to be environmentally, socially and economically responsible across our operations to meet the requirements and expectations from our stakeholders. That means that we need to have effective business processes, tools, governance structures and compliance practices in place.

At Techstep, our sustainability framework adheres to internationally recognised standards for human rights, labour practices, environmental protection and anti-corruption measures. We proudly support the United Nations' 17 sustainable development goals and uphold the principles outlined in the UN Global Compact. Our sustainability reporting transparently illustrates Techstep's impact on, and response to, environmental, climate and societal changes, demonstrating our commitment to sustainable progress.

This sustainability report has been prepared for the period 1 January to 31 December 2024, unless stated otherwise. The report covers the entire Techstep Group, and includes relevant disclosures for a range of environmental, social and governance (ESG) topics, as well as reporting principles related to the reporting process. The content is in accordance with the Global Reporting Initiative (GRI) standards and guided by the UN Global Compact and the UN Sustainable Development Goals. Techstep has conducted a climate risk assessment and initiated a double materiality analysis based on the European Sustainability Reporting Standards (ESRS). Further implementation of Corporate Sustainability Reporting Directive (CSRD) has been suspended awaiting resolution in the EU and Norwegian legislation. Greenhouse gas emissions are reported in accordance with the Greenhouse Gas Protocol and verified by an accredited third party.

Governance and sustainability management

Techstep's ESG policy outlines our overall commitment to responsible business practices with respect to people, the environment and society. Sustainability is incorporated into Techstep's strategy, objectives and management systems. The Board of Directors has the overall responsibility for aligning Techstep's strategy and ESG considerations. Operationalising principles into day-to-day operations lies with the CEO, supported by the executive management group. Each executive is responsible for communicating these to everyone in their respective business units.

Techstep also has a dedicated team to ensure sufficient focus on driving sustainability and advancing the company's ESG programme across the organisation, as well as ensure compliance with internal and external requirements. The ESG and Compliance function reports to the CFO, the audit committee and the Board. In addition, the company's CISO carries responsibility for data protection and information security. The CISO reports to the CEO and the Board. ESG, risk and compliance are on the agenda at the monthly management meetings, as well as quarterly audit committee meetings and selected board meetings.

During 2024, Techstep further strengthened focus and commitment on ESG, risk and compliance across the organisation, implementing management practices according to ISO 27001 (information security). A major milestone in 2024 was obtaining ISO/IEC 27001:2022 certification, reinforcing our commitment to best-in-class information security management. Furthermore, we enhanced our third-party risk management through a new Governance, Risk and Compliance (GRC) tool, ensuring improved oversight of vendor security and ESG risks and compliance tracking. In 2024, Techstep also started preparing for Corporate Sustainability Reporting Directive implementation (CSRD) conducting the first steps of a double materiality analysis. However, on February 26, 2025, the EU Commission published proposals entailing that Techstep would no longer be subject to the scope of CSRD, Techstep will use the insights to enhance the sustainability management and reporting.

Techstep adheres to the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board (NCGB). Techstep's corporate governance practices are included as a separate chapter, Corporate governance report in this annual report. Publicly available governing documents are published on the company's website.

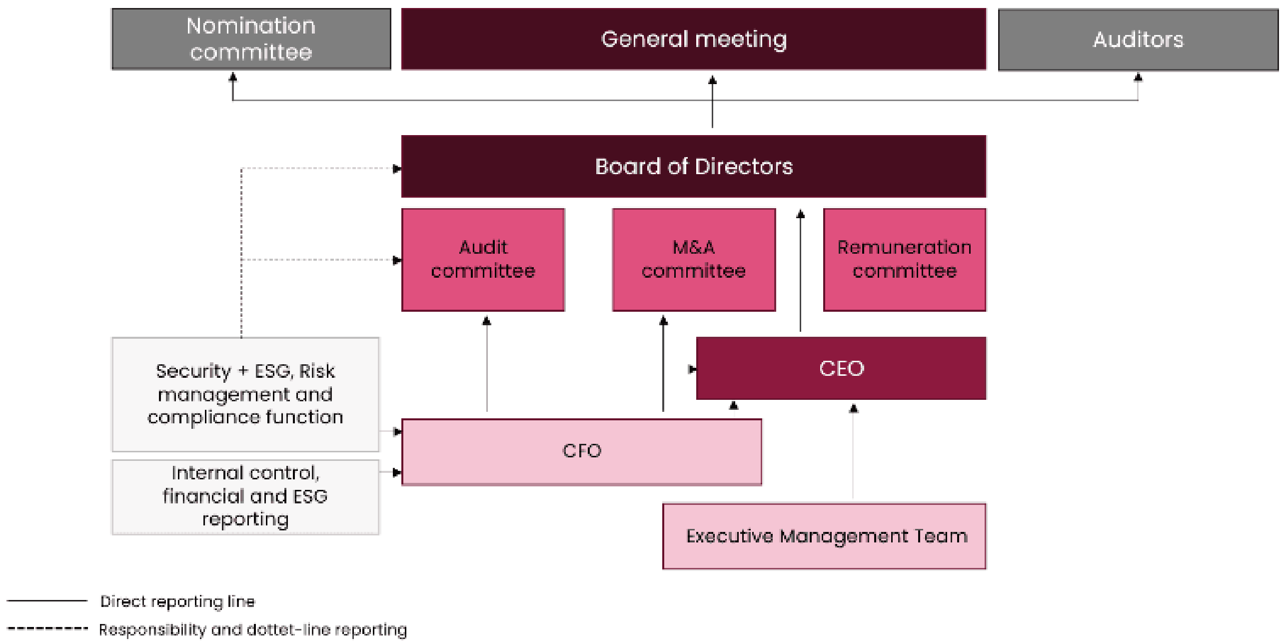


Figure 2 Governance bodies in Techstep

Strategy, business model and value chain

Techstep provides a full suite of managed mobility services, offering all the essential components necessary for organisations to effectively leverage mobile technology. Equally important, we have strategic partnerships with leading mobile devices manufacturers and mobile technology software providers. Our team of experts help customers with designing, implementing, and managing their mobile device infrastructure, ensuring seamless integration and optimal performance. Techstep has own operations in Norway, Sweden, Denmark and Poland while the up and downstream value chain is global, especially regarding hardware and accessories. The software value chain is primarily located in Europe. Key resources and dependencies in the Techstep value chain include minerals, human capital, technology, energy, water, manufacturing facilities, data centers and transportation. Our business partners are actors in the technology and consumer electronics industry, manufacturers and providers of cloud services for infrastructure and development activities. Key aspects of our business model and value chain are visualised in the three main components in Figure 3 Value chain.

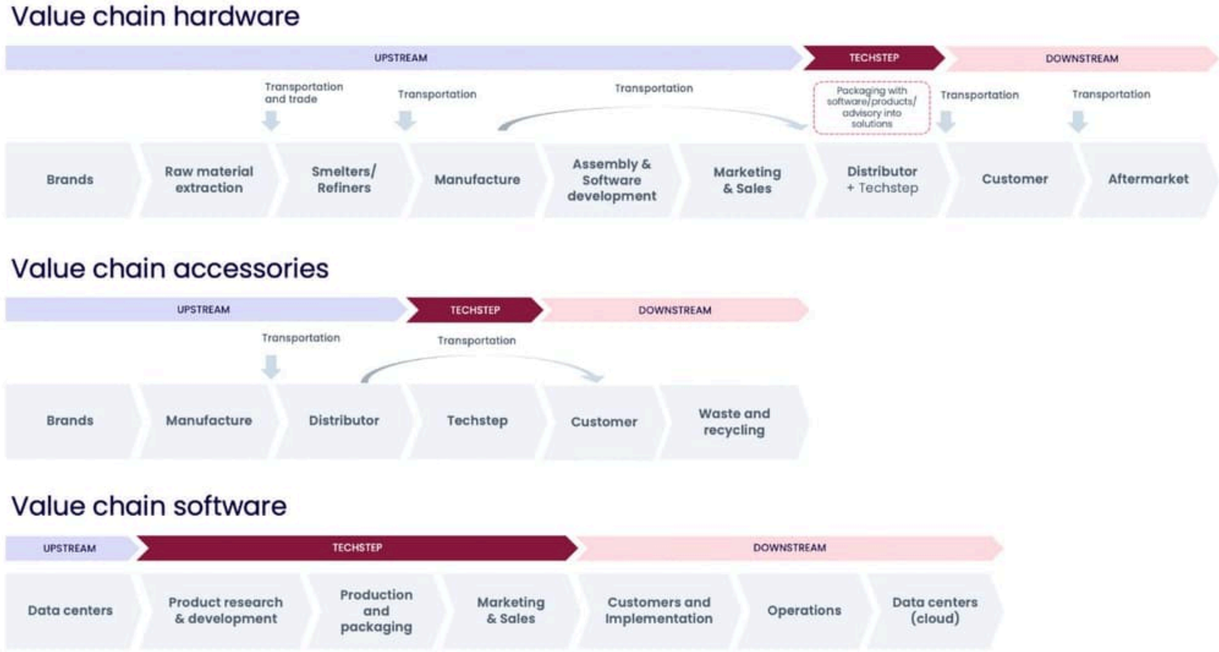


Figure 3 Value chain

Interest and views of stakeholders

We believe that continuous dialogue with our stakeholders is crucial for sustainable growth, ensuring valuable insight and opportunities for improvement. In 2024, Techstep reviewed the stakeholder overview and topics of interest and expectations as part of the initial steps of a double materiality analysis. This engagement includes interviews with selected stakeholders, written documentation from tenders and agreements as well as ongoing dialogue. The stakeholders' views, interests and expectations are an important part of identifying material sustainability topics. Figure 4 Stakeholder engagement displays Techstep's stakeholder groups, how we engage and the topics of interest for the different stakeholder groups.

Stakeholder group	Affected/ user of info	Who (examples)	How we engage	Views, interests & expectations
Customers	Affected Users	Private/Public Public tenders (NO/SE) Tradebroker	Documentation tenders Running dialogue sales Interview selected customers TBC	Environmental management (ISO) Sustainable device product portfolio and circular economy principles Supplier management and human rights Security management and privacy
Suppliers	Affected	OEMs (Apple, Samsung, Poly), Distributors (Itegra, Ingram++), OS providers Data center providers Aftermarket services	Running dialogue Supplier assessments	Circular economy (HW) Environmental management (HW) Workers in the value chain (HW) Energy efficiency Security & privacy
Partners	Affected Users	Infrastructure (Telenor, Telia) Product (devicenow, ICE) Reseller (Scolutions, Frontdesk++)	Partner agreements Running dialogue	Climate and environmental management (SBTi) Circular tech (Device Lifecycle platform) Security management
Employees	Affected	Employees, management	Interview selected representatives Running dialogue, Winningtemp	Working conditions (work-life balance) Corporate culture Circularity and environmental impact Supplier management
Investors	Users	Existing shareholders of Techstep	Interview with Steinar Hoen Running investor dialogue	Circular economy approach (DLM) Employee engagement and culture Security Quality and sustainability performance
Authorities and regulatory bodies	Users	Users of information	Documentation of reporting requirements	Climate change risk, Diversity and non-discrimination, Human rights and labour standards, Ethics and Governance
Bank/insurance	Users	Users of information	Documentation of reporting requirements Sustainability Linked Loan	GHG emissions, Circularity Supply chain management Cybersecurity
Industry associations	Users	TechSverige, Circular Tech Initiative, Vest Sverige Handelskammer	Documentation focus areas, industry sustainability report	Circular tech, climate change, workers in the HW value chain, access to competence
NGOs and academia	Users	UN Global Compact, Electronics Watch	Reporting requirements and ongoing dialogue	Human rights, Labour standards, Environmental impact, Anti-corruption practices, Workers in the HW value chain

Figure 4 Stakeholder engagement

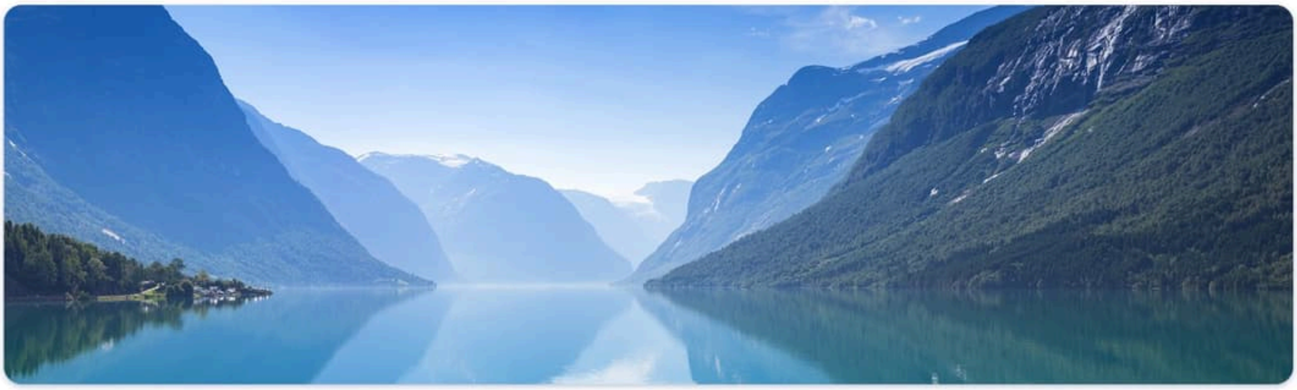
Material impacts, risks and opportunities

Techstep has conducted the first two steps of the double materiality analysis in 2024/2025. As part of this we have identified actual and potential impacts both negative and positive, as well as risks and opportunities, through analysis and conversations with internal and external stakeholders and experts based on the ESRS requirements and EFRAG recommendations. The assessment and scoring of the impacts, risks and opportunities has not been concluded but based on this work, and requirements and information requests especially from customers and investors, peer and industry benchmarks, international reporting frameworks and standards such as Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) and legal requirements, the material topics have been identified. Using the ESRS terminology, the material topics are:

- Climate change
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Cybersecurity & data privacy (entity specific)
- Business conduct

We consider the prioritisation based on materiality assessments as a dynamic process and will continuously adjust our priorities and actions based on company development, changing legislation, stakeholder feedback and developments in sustainability/ESG frameworks.

Climate change



In Techstep we are committed to minimising our climate and environmental impact. Our environmental policy serves as guiding principles to environmental stewardship, outlining proactive measures aimed at reducing our carbon footprint and fostering sustainability throughout our operations. This includes helping our customers and suppliers to optimise their resource usage and minimise electronic waste.

Main developments, climate

During 2024, we have continued to strengthen our environmental management throughout the organisation. The certification of ISO 14001 in 2023 was a confirmation of our work and has made the focus on continuous improvement clearer. Techstep has further committed to reduce emissions by minimum 42% in Scope 1 and 2 by 2030, with 2022 as a baseline year. This target has been validated by Science Based Targets for Small or Medium sized enterprises (SMEs). Techstep uses the market-based approach for energy calculation as this matches the SBT validation. However, both methods are done when accounting and presented in the table below in line with GHG-accounting principles

Key GHG figures

(figures denoted in tCO_2e)	**2024**	**2023**	**2022**	**Change from 23**	**Change from 22**
Scope 1	8.4	16.1	20.2	-47%	-58%
Scope 2 (location-based)	23.6	33.1	32.1	-29%	-27%
Scope 2 (market-based)	12.9	65.8	71.3	-80%	-82%
Scope 3	8,836.3	9,067.9	11,753.8	-3%	-25%
Total Scope 1 + 2 (location-based)	**32.0**	**49.1**	**52.3**	**-35%**	**-39%**
Total Scope 1 + 2 (market-based)	**21.3**	**81.8**	**91.5**	**-74%**	**-77%**
Total Scope 1 + 2 + 3 (market-based)	**8,857.6**	**9,149.7**	**11,845.3**	**-3%**	**-25%**

Scope 1 & 2 emissions

For Techstep Scope 1 emissions are related to the combustion of fuels in company-leased vehicles. Scope 1 emissions account for almost 40% of the total Scope 1 and Scope 2 emissions for the Group using the market-based total (see table below). Scope 1 emissions decreased by 20% from 2022 and additionally 48% from 2023, as Techstep gradually phases out fossil fuel vehicles when leasing agreements expire and vehicles are to be replaced.

Market-based Scope 2 emissions in 2024 were 12.9 tCO_2e and accounts for approximately 60% of the total Scope 1 and Scope 2 emissions. These emissions are mainly attributed to the consumption of electricity and district heating from the company's offices, as well as electrical vehicles. Market-based Scope 2 emissions decreased by an astonishing 80% in

2024. This change was mainly driven by the purchase of Guarantees of Origin in Poland and for one office in Norway. The effect in Poland was quite large (from 23,4 to 0) as the electricity mix in the country has a high share of non renewable energy sources. The emissions using the location-based approach were 23.6 in 2024, down from 33.1 in 2023.

In total Scope 1 and 2 decreased by 70%, reaching the SBTi goal many years ahead of plan.

The total share of renewable energy consumption was 81% (including district heating, district cooling and electrical vehicles), and 91% of electricity consumed was covered by Guarantees of Origin (GOs), up from 54% GOs in 2023. In 2024, 100% of the electricity consumption in Sweden, Denmark and Poland was covered by GOs. In Norway, 71% of the electricity consumption was covered by GOs, increasing from 36% in 2023.

Scope 2 emissions per country

(figures denoted in $tCO2e$)	Market-based	Location-based	% renewable energy*
Norway	8.8	2.2	0.7
Sweden	3.2	5.7	0.8
Denmark	0.9	0.2	0.7
Poland	-	15.5	1.0
Total	**12.9**	**23.6**	**-**

* % renewable energy is calculated as share of Scope 2 (market-based) energy (electricity, district heating/cooling)

For 2025, Techstep will purchase GOs for the remaining Scandinavian office, which is expected to have a further positive effect on the Scope emissions. To even further reduce Scope 1 and 2 emissions, Techstep will reduce company vehicles and switch to electric vehicles when replaced.

The emission factors used for Scope 1 and 2 are factors from well-established sources like DEFRA and IEA and AIB. Electricity emissions are based on national gross electricity production mixes on a three years rolling average (IEA Stat). The Nordic electricity mix covers the weighted production in Sweden, Norway, Finland and Denmark, which reflects the common Nord Pool market area. Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA stat.

Scope 3 emissions

Techstep's Scope 3 emissions accounted for over 99% of the company's total emissions in 2024 and there was very little change from the previous year in total emissions.

Purchased goods and services make up over 98% of Techsteps Scope 3 emissions and are mainly represented by mobile devices (88%) and accessories (12%) sold to customers.

In 2024, the total quantity of purchased mobile devices (for sale and for leasing) increased by over 30 000 units (30%) while emissions still decreased by 1.5% from 2023. This indicates a higher level of accuracy in reporting and improved emission factors for the various products. Techstep uses cloud-based data centres such as Microsoft 365 and Azure Compute, which focus on being more energy efficient than traditional on-premises data centres. In addition, data is stored on different software platforms managed on the providers' hosting infrastructure. As a reseller of mobile devices and accessories, Techstep does not manufacture any own products. Distribution is outsourced to logistics partners as a "dropshipment" solution, which is more efficient and more environmentally friendly as the goods are shipped directly to the customer.

In 2024, business travel decreased nearly 50%. This can be explained by less traveling in the company and changing to a different accounting system for business travels and using different emission factors, in addition to better routines with regards to description of bookings, enabling more accurate reporting.

Emissions related to goods and services are expected to stay relatively stable or decrease slowly going forward as Techstep grows its business, but the introduction of newer products with lower emissions mitigates this effect. In our commitment to reducing the environmental impact, we proactively assist customers in selecting more eco-friendly products from available market options. Moreover, we collaborate with our distributors to improve and optimise logistics solutions.

We will also continue our efforts and broaden the scope of emission data to include additional emission sources and improving data quality going forward. This will be critical to track the development of emissions and define meaningful reduction targets for Scope 3.

Scope 3 is calculated both with the spend-based method and with accurate amount for some categories. The emission sources used in Scope 3 are from DEFRA, EPA and specific emission factors for the specific product (ie. Iphones).

GHG annual emissions

(figures denoted in tCO_2e)	**2024**	**2023**
Transport (diesel)	5.3	9.7
Transport (petrol)	3.1	6.4
Total Scope 1 emissions	**8.4**	**16.1**
Energy		
Electricity Nordic Mix	7.2	34.8
Electricity Poland	-	23.4
District heating	2.6	6.7
Electric cars	3.1	0.9
Total Scope 2 (market-based) emissions	**12.9**	**65.8**
Indirect emissions		
Purchased goods and services	8,708.7	8,841.3
Fuel- and energy related activities	10.2	14.8
Upstream transportation and distribution	5.1	2.4
Waste	7.5	5.5
Business travel	104.9	203.9
Total Scope 3	**8,836.4**	**9,067.9**

Emission intensity

(tCO2e per NOK million)	**2024**	**2023**
Emission intensity – Scope 1, 2 & 3	8.26	8.40

Environmental key performance indicators

		2024	2023
Waste disposed by the type			
Non-hazardous	kg	18,047.00	15496,2*
Hazardous	kg	3.00	-
Fuels for transportation			
Diesel	liter	1,977.00	3,648.40
Petrol	liter	1,380.33	2,709.20
Energy consumption by type			
Electricity	MWh	230.77	336.25
Self-generated renewable energy (solar)	MWh	4.75	10.56
District heating	MWh	59.43	127.53
District cooling	MWh	10.30	-
Renewable energy			
Total energy consumption (scope 1+2)	MWh	337.50	535.50
Renewable energy (location-based)	MWh	211.90	323.81
Total renewable energy share (location-based)	%	69%	61%
Renewable energy (market-based)	MWh	247.10	255.81
Total renewable energy share (market-based)	%	81%	48%

* corrected from the 2023 report as the unit was wrong and tco2e was reported as kg

For boundaries and methodology, please see note on Greenhouse Gas report.

Climate risk assessment

As part of the preparation for the CSRD reporting disclosure requirements Techstep carried out a climate risk analysis with two parallel streams, one for transitions risk and opportunities and one for physical risk. The analysis was carried out through workshops and several work meetings.

Identified transition risks and opportunities

The analysis indicates that in the transition to a low-carbon economy, Techstep may face increased regulatory and market pressures, particularly due to carbon pricing schemes and stricter sustainability requirements, while there are opportunities especially related to increased demand for more sustainable and durable products and circular economy solutions.

The scenario analysis indicates that Techstep, in the transition to a low emission society, will face increasing transition risks over time due to higher hardware costs from supply chain disruptions and stricter e-waste regulations. In the short term (2020-2039), financial risks will rise as regulations tighten and supply chain pressures grow. By the medium term (2040-2059), compliance costs and material constraints will escalate, further impacting margins. In the long term (2080-2099), financial risks will be significant, as circular economy policies dominate, increasing costs for businesses that fail to adapt. At the same time, Techstep has opportunities in lifecycle management, circular economy solutions and sustainable mobile technology. In the short term, early adoption can provide a competitive edge. By the medium term, shifting regulations and customer demand will drive market expansion. In the long term, fully circular businesses will benefit from stable revenue streams, while lagging companies face rising costs and regulatory barriers.

Identified physical risks

Techstep is exposed to several physical risks, especially in upstream manufacturing and data centre locations, including heavy precipitation, heatwaves, flooding, landslides and sealevel rise. Locations that are most exposed include China, Vietnam, India, Taiwan and parts of Europe (Germany, Netherlands, Poland, Denmark and Sweden).

Findings from scenario analysis

In a high-emission scenario, acute physical hazards like heatwaves, floods, drought and extreme precipitation are expected to increase in frequency and severity over time. In the short-term disruptions may be sporadic, causing localised supply chain delays and infrastructure damage. By the medium term, more frequent extreme weather events could increase maintenance costs and logistical disruptions. In the long term, severe and sustained climate impacts may render some manufacturing sites and data centres increasingly vulnerable, leading to higher financial losses and adaptation costs. Chronic, physical hazards, such as rising sea levels, water stress, and temperature variability, will gradually worsen over time. In the short term, localised water stress and increased cooling costs may emerge. By the medium term, rising temperatures and prolonged droughts could affect manufacturing and energy efficiency. In the long term, coastal facilities may face severe flood risks, and chronic water shortages may drive up operational costs.

To ensure resilience and long-term sustainability, the findings from the climate risk analysis will be integrated into the general risk management framework.

Resource use and circular economy

Mobile devices are excellent work tools, but put a strain on climate, environment and society throughout their lifespan, from production to disposal. Globally, over 60 million tonnes of electronic waste are generated each year, and the amount is rising five times faster than documented recycling. (The Global E-waste monitor, 2024) Estimates say that less than one quarter (22.3%) of the yearly e-waste is collected and recycled, leaving a wealth of valuable rare earth and critical materials such as gold, copper, silver, tungsten and tin unaccounted for – resources that could be recovered and returned to the production cycle, instead of causing huge environmental and human health risks.

An effective way of counteracting this is to extend devices' lifetime and ensure that devices that can no longer be used are recycled in a responsible manner. By helping customers with lifecycle management, repair and take-back services, more devices can get a prolonged life and more resources can be preserved.

18023

Mobile devices collected through Techstep's take-back services

93%

of devices collected gained a prolonged life

End-of-life returns

Circular economy practices and device lifecycle management are a central part of Techstep's offering. Our Lifecycle solution is designed to digitise and simplify enterprises' mobile device lifecycle management process, including repair, return and recycling until end-of-life. We cooperate with certified partners specialised in wipe, repair and refurbishment and resale of used devices, so that well-functioning devices can get a new life in the second-hand market. This way, we help extend devices' lifespan while allowing more people access to mobile technology at an affordable cost. Units that cannot be used any more are properly handled for recycling so that resources can be preserved and reused in the manufacturing of new products.

Through our take-back solution, Techstep collected over 18 000 mobile devices in 2024. Over 93% of the units were securely wiped and refurbished for reuse and sold to the second-hand market. This has a positive environmental impact as this enables that the phones to extend the number of years they are used. The remaining units were carefully sorted and recycled by appropriate waste operators, in accordance with the WEEE Directive.

Going forward Techstep will stive to increase the number of devices that are collected for end-of-life handling to prolong their lifespan and intensify collaboration with manufacturers and strategic partners to improve lifecycle management and circularity through the value chain.

Own workforce

At Techstep, one of our main goals is to have the best mobile tech expertise in the market. Achieving this depends upon nurturing a healthy, engaged and skilled workforce where continuous learning, knowledge-sharing and personal development are paramount. We are dedicated to fostering a professional, safe and supportive work environment, characterised by respect, fairness and dignity for all individuals.

Recognising that people are fundamental to Techstep's growth and long-term success, we are committed to recruiting and retaining a talented workforce. Central to our approach is fostering a culture of continuous learning and knowledge exchange, enabling our employees to thrive and excel in their roles.

After the transformative year of 2023 with the cost reduction programme and changes in executive management, 2024 has been a year for Techstep to stabilise operations and establish a good foundation and reenergise. The turnover rate for the year stood at 14%, a good improvement from the high level of 27% in 2023, indicating that things are going the right way.

By year end, the Techstep team comprised 257 employees. Becoming One Techstep and getting acquainted with common standards and practices to streamline our operations and enhance collaboration across the organisation continues to be our focus going forward.

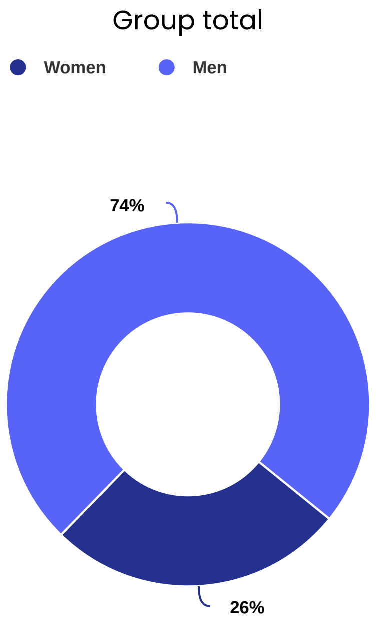
Employee engagement

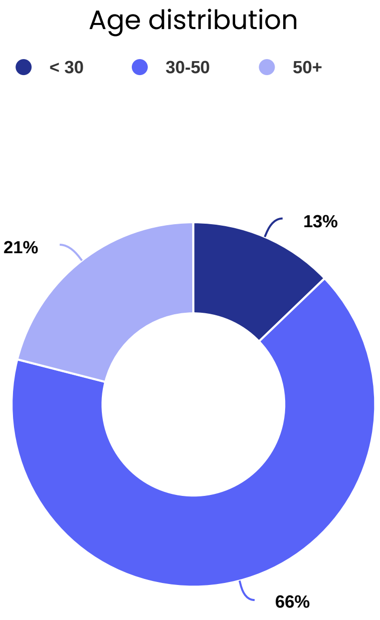
At Techstep, we seek to foster engaged and high-performing teams through regular dialogue and feedback mechanisms. To facilitate this, we offer quarterly check-ins and reviews for all employees. In addition, we utilise an employee engagement survey tool to seek valuable insight and feedback from our employees. This tool covers a wide range of topics, including personal development, team dynamics, work environment and leadership effectiveness. By requesting feedback regularly, we can actively take appropriate actions to continuously maintain a highly engaged organisation and detect and address issues such as discrimination and work-life balance concerns.

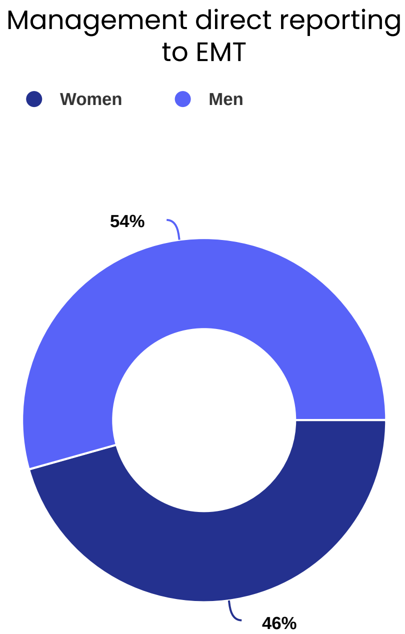
A good indication that 2024 was a more stable year than the previous is that the engagement score stabilised around the same level as in 2023. Together all of this is reflecting the impact of organisational transformation and rightsizing efforts. The focus in 2025 will be on building a unified and strong organisational culture, developing leaders and enhancing our employees' capabilities. The aim is to achieve an engagement score of 8.0 by the end of the year.

Diversity, inclusion and equality

At Techstep we embrace diversity and equality, believing that different perspectives, experiences and backgrounds foster dynamics, creativity and innovation. With increased diversity and broad representation of individuals in the company, we will become a better partner to our customers. Techstep has zero tolerance for discrimination and sexual harassment in the workplace. Techstep's HR function is responsible for following up equality and diversity in the Group.







Operating within an industry historically dominated by men, Techstep has made it a priority to actively recruit, retain and advance women within our organisation. We seek to promote gender balance in recruitment processes and monitor closely to measure progress. During 2024, 38% of all external hires and 60% of management hires (external) or promotions (internal) were women. Despite the rightsizing of the organisation, the share of women in the total Group slightly decreased from 28% to 26% in 2024. Techstep uses the SHE Index to track progress, and at the end of 2024 the SHE Index score landed on 69 points out of 100, relatively stable from the level in 2023 of 72. Over time, Techstep aims to reach a SHE Index score of 80.

Compensation and benefits

Techstep aims to provide competitive remuneration to all employees, reflecting their educational background, experience and professional qualifications and local industry standards. To ensure fairness and inclusivity, all employees are enrolled in a collective bonus scheme and have access to the same insurance benefits based on country-specific regulations.

Techstep offers additional payment for parental leave for both men and women, based on local arrangements. In 2024, men and women in Techstep typically used their allocated amounts of parental leave in line with the national guidelines.

All employees shall be entitled to equal opportunities for equal work, meaning the same rights, salary and career advancement prospects within their respective roles, all other factors being equal. A recent mapping of wage levels throughout the organisation has been conducted to identify potential wage gaps, increase transparency and promote fairness. Our initial analysis indicates no significant gender-related salary differences; however, we recognise that wage gaps may be attributed more to variations in length of experience and types of competencies. Moving forward, we are committed to continued monitoring and refinement of our remuneration practices to foster equity and equality for all employees.

Average ratio of women base salary over men's base salary

Job level	Norway	Sweden	Poland	Denmark
Level 1	na	na	na	na
Level 2	94%	111%	104%	na
Level 3	94%	96%	57%	na
Level 4	89%	92%	72%	na
Level 5	92%	111%	na	na
Level 6	83%	111%	na	na
Level 7	na	na	na	na
Level 8	na	na	na	na

The data is based on annual base salary for permanent employees, with level 8 being the highest representing executive management (excl. CEO). Levels or units with less than five employees are not reported.

Executive remuneration is guided by Techstep's remuneration policy, which is prepared by the Board and adopted by the general meeting. The remuneration report is available from the website www.techstep.io.

Share-based incentive programme

Techstep promotes value creation through increased engagement, commitment and loyalty. A provision has therefore been made for employees to buy shares at a discount through a share purchase employee programme. It is the Board of Directors that decides if the programme is opened for employees to buy shares in the company. This was not done in 2024 but will be decided again for next year.

Working environment, health and safety

Working with IT typically includes many hours in front of a computer. Techstep employees have the right to a healthy and safe workplace, including a good workplace environment and ergonomics. Techstep offers a hybrid working solution that facilitates efficiency and collaboration combined with employees' personal preferences in terms of their work arrangements. The company's offices are located in modern facilities, and all employees are offered health services through private health insurance arrangements. We also comply with the conventions of the UN Global Compact and the International Labour Organisation.

Techstep targets a sickness absence rate of 3% or less. In 2024, the sick leave was 2.7% of the total working hours in the Group, which is lower than in 2023. There were no work-related illnesses or incidents reported during the year.

Employee data

(status year end)	2024	2023	2022
Total number of employees			
Total number of employees (incl. part time)	257	267	315
Number of employees based in Norway	96	102	125
Number of employees based in Sweden	114	119	144
Number of employees based in Denmark	3	3	3
Number of employees based in Poland	44	43	43
Number of part-time employees (all of which voluntary)	5	4	3
Turnover rate (incl. downsizing in 2022)	14%	27%	24%
Employee engagement score at year end	7.6	7.8	7.1
Diversity and equality			
Share of women - Board of Directors	40%	40%	40%
Share of women - Executive management	50%	43%	38%
Share of women - Management direct reporting to EMT	46%	27%	27%
Share of women - Group total	26%	28%	27%
Share of women - Part-time employees	40%	25%	67%
Share of women - New employees	38%	36%	38%
Share of women - Promotion/ hire to management positions	60%	7%	27%
SHE Index score	67	72	69
Age breakdown < 30	13%	12%	11%
Age breakdown 30-50	66%	69%	69%
Age breakdown 50+	21%	19%	20%
Average weeks of parental leave - Norway (women/men)*	32/0	34/15	34/17
Average weeks of parental leave - Sweden (women/men)*	8/161	7/4	23/7
Average weeks of parental leave - Poland (women/men)*	45/0	52/1	32/32
Health and safety			
Sick leave	2.7 %	2.9 %	3.6 %
Occupational inuries	-	-	-
Lost time injuries	-	-	-

Due to internal reorganisations the last years, the figures are not directly comparable year over year.

** In Norway, parents are entitled to 49 weeks of paid parental leave of which 15 weeks are reserved for each parent. In Sweden, the parental benefit is 480 days (16 months) of paid leave, of which 390 days are sickness benefit qualifying days that can be taken, and each parent has an exclusive right to 90 of those days (18 weeks). In Poland, parental leave is 32 weeks and can be used freely by both parents.

Workers in the value chain and the Transparency Act

Techstep is dedicated to upholding and championing internationally proclaimed human rights and workers' rights, as evidenced by our ESG policy and commitment to the UN Global Compact. We want to ensure a responsible value chain and do our part in minimising adverse impacts on people and our planet.

Collaboration with our partners and suppliers is pivotal to our value chain, as they play a crucial role in providing the products and services necessary for delivering mobile technology solutions to our customers. However, this collaboration also entails shared responsibilities. We actively address environmental impact concerns within our supply chain and remain vigilant about potential social and compliance risks, including human rights infringements.

While we acknowledge that we do not exercise direct control over working conditions or environmental emissions in our supply chain, we believe in advocating for positive change. Our approach involves responsible sourcing, where we set clear expectations for our third-party partners. We challenge them to continually improve and foster ethical and sustainable business practices.

Policy commitment and governance

Techstep's ESG (Environmental, Social and Governance) policy has been adopted by the Board and commits Techstep to conducting due diligence assessments for responsible business practices. The company's procurement policy and supplier management procedure establish principles for selecting and monitoring suppliers, including processes and routines for due diligence assessments. These assessments consider potential ESG risks, aligning with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance. Additionally, Techstep's Supplier Code of Conduct specifies our expectations for sustainable and ethical business practices to suppliers and subcontractors. New suppliers are familiarised with the Supplier Code during the onboarding process, while existing suppliers perform self-assessments as part of the due diligence process.

The responsibility for responsible business practices and overseeing supplier due diligence and reporting lies with the Sustainability and Compliance function, which reports directly to the executive management, audit committee and the Board. The work involves collaboration with representatives from other parts of the organisation such as procurement related to customer deliveries, internal IT operations and security, depending on relevance.

Supplier management and due diligence practices

Techstep uses a risk management tool to monitor and oversee suppliers and partners. Suppliers are classified and prioritised based on specific criteria, including direct spend, strategic or operational importance, and the proximity of our relationship with them or their activities.

Techstep's due diligence process is based on the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights, and we are committed to ongoing improvement based on learnings and new regulations. Our supplier assessment procedure aims to verify to what extent our suppliers live up to expectations set by international guidelines, industry standards, our Supplier Code of Conduct, as well as by customer requirements.

New third- parties undergo a due diligence assessment during the onboarding process, while existing third parties are assessed based on classification. Techstep achieves this through a combination of supplier evaluation and self-assessments that suppliers and partners must complete, with the frequency and scope reflecting the classification and prioritisation of each individual supplier. Additionally, we maintain a regular dialogue with our key suppliers. The primary source of information from major global players is their public reporting which serves as the foundation for all communication.

Suppliers identified as high-risk undergo more comprehensive follow-up and evaluation by gathering additional information directly from the relevant supplier or obtaining documentation from external sources. Furthermore, we actively monitor relevant news and media coverage to identify potential events that could impact the risk profile of Techstep's supply chain, particularly in countries and regions where such risks are known. The information is then discussed directly with the supplier and handled in accordance with the OECD Due Diligence Guidance model.

If we uncover a risk or encounter a situation in the supply chain, we will address this directly with the supplier. The aim is to challenge them on how they handle the situation and assess the impact of any measures they may implement. Our own handling and potential contributions to recovery will be carefully evaluated in each individual case.

Main findings from 2024 assessment

In 2024, Techstep has further developed the procurement and supplier management processes. The effort included implementing a new Governance, Risk and Compliance (GRC) tool. This ensures improved oversight of vendor human rights and working conditions risks, compliance tracking and risk mitigation strategies. The due diligence of new and existing suppliers has been an ongoing effort in 2024 and in total 89 suppliers have been evaluated using our methodology, where suppliers are prioritised based on specific criteria. All suppliers categorised as Tier 1 or Tier 2 are evaluated, as well as about 30% of Tier 3 suppliers. This means that Techstep is progressing towards the 2025 due diligence ambition.

The maturity of our suppliers' sustainability efforts varies across different product categories and services. When it comes to mobile devices and related electronic products, we prioritise collaboration with suppliers who share our commitment to sustainability and uphold rigorous ethical standards through their operations and supply chains. Around 98% of our spending on mobile devices and related electronics is attributed to suppliers who are active members of the Responsible Business Alliance (RBA), as well as the RBA-adjacent Responsible Minerals Initiative and Responsible Labour Initiative. These initiatives ensure that our suppliers actively support the rights and well-being of workers and communities worldwide, particularly those affected by the global electronics supply chain. Rigorous audits, assessments, grievance mechanisms, corrective actions and comprehensive documentation are integral components of their commitment. Additionally, their circular economy approach involves offering product return programmes and progressively incorporating recycled materials into their products. This long-term strategy aims to reduce the negative impact on both people and the environment, including minimising electronic waste and reducing the extraction of new raw materials.

When it comes to software providers, Techstep only works with best of breed, market-leading suppliers with a strong focus on sustainability and high security standards in place. The risk of privacy concerns or other ESG risks among the software providers are thus considered low. While our distributors, responsible for delivering products to customers, may be less mature in terms of environmental, social and governance (ESG) practices, we've witnessed significant improvements in this area over recent years.

Our risk assessment indicates that certain suppliers – due to the type of products they manufacture, geographic location and supply chain complexity – entail higher inherent risk related to violations of human rights and workers' rights. The supply chain of mobile devices and other electronics is often lengthy and complex, with limited traceability and transparency, particularly at the product level. Brand owners typically outsource all production and/or assembly to various suppliers, who in turn have an extensive and intricate chain reaching down to raw materials. Additionally, production and assembly occur in countries known for high risks of violations of human and labour rights. Findings shows that safeguarding workers rights, such as forced labour, overtime and health and security at the workplace are the most important issues. Further out in the value chain, the risks are weaker labour rights and increased risk of salient human rights issues such as child labour and conflict minerals. Techstep maintains a proactive approach towards main manufacturers/ brand owners of mobile devices to advocate increased transparency and traceability, and to advance responsible business conduct.

The Norwegian Transparency Act: Advancing responsible business practices

The Norwegian Transparency Act, which took effect on 1 July 2022, has significantly shaped our approach to responsible business practices at Techstep. Our efforts related to the Transparency Act are an integral part of our broader commitment to promoting sustainability within our value chain. We focus particularly on mitigating the highest potential risks related to human rights violations, poor labour standards, and negative environmental impact. These risks affect not only our organisation but also others, including employees in our supply chain. e

Risk assessment and mitigation in own operations

Techstep's code of conduct, aligned with the UN Global Compact and ILO's eight core conventions on labour standards, sets clear expectations for our employees and external stakeholders. Techstep also adheres to the Norwegian Working Environment Act and other relevant employment rules in the countries where we operate. Risk assessments and updates to central documents, including stakeholder analyses, are part of our ongoing work.

Techstep holds certifications in accordance with ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 27001 (information security), reflecting our commitment to maintaining high standards in our operations.

Techstep's most salient risk areas identified include working conditions related to work/life balance and privacy. While these risks are not considered very high, we remain committed to addressing them continuously through our risk assessment processes. Importantly, our operations have not revealed any forms of human rights or worker's rights breaches.

Requests for Information

Techstep has a transparent and open mechanism on its website to allow for information requests under the Transparency Act.

During 2024, Techstep received nine due diligence requests from customers. All questions were answered within three weeks, or a specific deadline set by the customer, with supplementary information showing Techstep's processes for following up supply chains and ensuring respect for human rights and decent working conditions. The company regularly reviews the documentation to ensure that all inquiries can be answered in the best possible way.

Reporting concerns

Techstep's whistleblower channel is open for both employees and external stakeholders to raise concerns without fear of retaliation or reprisal and to provide fair investigation. There were no reported cases during 2024.

Cybersecurity & data privacy

The cybersecurity landscape continues to evolve, with increasingly sophisticated threats targeting businesses worldwide. As mobile devices, particularly smartphones, play a central role in corporate operations, they also present heightened risks due to their dual use for personal and professional purposes. Protecting company and personal data remains a top priority, requiring stringent procurement and management practices for enterprise mobile solutions.

At Techstep, information security is a cornerstone of our commitment to customers. As we expand our focus on software solutions, integrating security and privacy into our product development and operational workflows remains paramount. We adhere to stringent regulatory requirements and industry best practices, ensuring that our solutions help customers safeguard their data effectively.

In 2024, Techstep achieved a significant milestone by obtaining ISO/IEC 27001:2022 certification, reinforcing our commitment to best-in-class information security management. This certification underscores our dedication to implementing robust policies, processes and technologies that meet global security and privacy standards. We continue to uphold comprehensive technical and organisational measures to protect customer data from risks such as unavailability, loss, unauthorised access, and cyber threats.

To further strengthen our security posture, we enhanced our third-party risk management by implementing a new Governance, Risk and Compliance (GRC) tool in 2024. This ensures improved oversight of vendor security risks, compliance tracking and risk mitigation strategies. Additionally, we have deployed a new penetration testing platform, enabling continuous security testing and proactive identification of vulnerabilities across our systems and applications.

Recognising the ever-present danger of phishing and other cyberattacks, we have reinforced our security awareness initiatives. Regular training sessions, including onboarding for new employees, ensure that our workforce remains vigilant against emerging threats. In 2024, 99% of our employees completed security training, reinforcing our strong security culture and commitment to risk mitigation.

Techstep remains dedicated to continuous improvement in information security. Our rigorous incident management procedures enable swift and effective responses to potential threats. Notably, in 2024, we did not experience any incidents involving customer data leakage.

With ISO/IEC 27001:2022 certification, enhanced third-party risk management, continuous penetration testing and a strong security culture, Techstep continues to strengthen trust and resilience in an ever-changing digital landscape.

Business conduct

Techstep's commitment to business ethics and compliance with international regulations and internal policies is anchored in our code of conduct. The code of conduct outlines the principles guiding the Group's operations toward ethical, sustainable and socially responsible practices. Every employee is required to review the code of conduct and sign that the content has been read and understood. Each team member bears individual responsibility for ensuring that their actions align with the tenets of the code. Techstep's code of conduct also establish protocols for reporting any suspicions or instances of illegal or unethical behaviour. We provide a confidential channel, operated by a third party, for discrete handling of such reports. Our Compliance function is entrusted with the handling and monitoring of reported compliance concerns. Techstep received no reported concerns in 2024. We maintain a zero-tolerance stance against bribery, money laundering and corruption, recognising the harmful impact they pose to legitimate business practices. Anti-corruption messaging is communicated to employees through the code of conduct and associated policies. Going forward, we are committed to enhancing our internal policies and procedures, including providing training to all employees to reinforce our stance against unethical conduct.

ESG summary results

	2024	2023	2022
Environmental impact			
Scope 1 - tCO_2e	8.4	16.1	20.2
Scope 2 (location-based) - tCO_2e	23.6	33.1	32.1
Scope 2 (market-based) - tCO_2e	12.9	65.8	32.9
Scope 3 - tCO_2e	8,836.3	9,067.9	11,753.8
Emission intensity - tCO_2e per NOK million	8.3	8.4	8.9
Circularity			
Total mobile devices received for end-of-life handling	18,023	14,929	14,395
% re-sold to the second-hand market	93%	95%	92%
Employees and working environment			
Total number of employees	257	267	315
Number of part-time employees	5	4	3
Turnover rate	14%	27%	24%
Employee engagement core (of 10)	7.6	7.8	7.1
Gender equality			
Share of women - Board of Directors	40%	40%	40%
Share of women - Executive Management	50%	43%	38%
Share of women - Middle Management (direct reporting to EMT)	46%	27%	27%
Share of women - Group total	26%	28%	27%
SHE Index score	67	72	69
Health and safety			
Sick leave	2.7 %	2.9 %	3.6 %
Occupational injuries	-	-	-
Cybersecurity			
Percentage employees completed cybercecurity training	99%	87%	65%
# incidents - leaks of customer data	-	-	-
Compliance			
Percentage employees signing code of conduct*	100%	80%	na
Reported incidents (whistleblowing)	-	-	-
Suppliers assessed on ESG topics (% of Tier 1 and tier 2)	38 (100%)	na	na
Certifications and accreditations			
ISO 9001 (Quality)			
ISO 14001 (Environment)			
ISO 27001 (Information Security)			
EcoVadis score	76	69	66
CDP rating	D		

* Error from the 2022 report corrected, historical figures not applicable due to changes in system.

Corporate governance report

Techstep ASA's principles for good corporate governance establish the foundation for long-term value creation to the benefit of all stakeholders and society at large.

The principles should help inspire trust and confidence in the company, render decision-making more effective, and improve communication between management, the Board of Directors and the company's shareholders.

The principles along with the day-to-day efforts to maintain a healthy corporate culture are both necessary. Trust and confidence in Techstep are based on the existence of respect, responsibility and equality, both internally and externally.

Implementation and reporting on corporate governance

Techstep is a Norwegian public limited company listed on the Euronext Oslo Børs and subject to corporate governance reporting requirements according to the Norwegian Accounting Act section 3-3b, the Oslo Stock Exchange Rule Book II – Issuer Rules, Chapter 4.4, and the latest version of the Norwegian Code of Practice for Corporate Governance (the "Code"), freely available at lovdata.no, oslobors.no and nues.no, respectively.

The principles and implementation of corporate governance are subject to annual reviews and discussions by the company's Board of Directors. This report forms part of the Board of Directors' report and discusses Techstep's main corporate governance policies and practices and how Techstep has complied with the Code of Practice in the preceding year. Application of the Code is based on the "comply and explain" principle, which stipulates that any deviations from the Code are explained.

By the company's own assessment, Techstep did not have any deviations from the Code of Practice in 2024.

Business

The business activities in which Techstep is engaged are set forth in the articles of association of Techstep ASA, section 3:

"The company's purpose is to engage in business operations within information and communication technology, and to develop and provide solutions and software related to the mobility, digitalisation and consultancy business and everything that belongs thereto, including owning shares and other securities in other companies."

The articles of association are published on Techstep's website.

The Board has established clear objectives and strategic ambitions, with responsible business as a foundation for Techstep's strategy, to support value creation for its stakeholders. The company's objectives and strategic ambitions, which are reviewed on an annual basis, are described in the annual report for 2024, together with a report on the company's environmental, social and governance measures.

Equity and dividends

As at 31 December 2024, Techstep's total equity was NOK 578 million and total liabilities amounted to NOK 600 million, which corresponds to an equity ratio of 49%, and a debt-to-equity ratio of 104%. The Group's liquidity is closely monitored by management and the Board of Directors, and the Group has access to multiple funding sources during the transformation process should the need arise going forward.

Techstep has not established a dividend policy beyond a consensus that the company's goals and strategy are to increase shareholder value and contribute to an attractive market for the company's shares. Techstep has not paid dividends to date and does not expect to pay a dividend in the coming years. Techstep's intention is to retain future earnings to finance operations and expansions of the business. Any future decision to pay a dividend will depend on the company's financial position, operating profit and capital requirements.

Board mandates

Three authorisations were granted to the Board of Directors at the annual general meeting on 29 May 2024:

- Authorisation to increase the share capital by NOK 6 325 876 in connection with cash and non-cash contributions, including mergers. It is valid until AGM 2025, but no later than 30 June 2025. The amount utilised was NOK 2 777 777 in connection with the private placement share issue in October 2024.
- Authorisation to increase the share capital with up to 10% of outstanding shares, NOK 3 440 716 after the share issue in October 2024, in connection with the company's share incentive programme for its leading employees. Amount utilised was NOK 3 427 835. It is valid to AGM 2025, but no later than 30 June 2025.
- Authorisation to acquire 10% of the share capital (treasury shares). Valid to AGM 2025, but no later than June 2025.

There was a separate vote on each of the three authorisations. For supplementary information about the authorisations, reference is made to the minutes of the annual general meeting held on 29 May 2024, available from www.techstep.io and www.newsweb.no.

Equal treatment of shareholders and transactions with related parties

Techstep ASA has one class of shares. Treasury shares will be traded on the stock exchange or in accordance with guidelines from Oslo Børs.

According to the Norwegian Public Companies Act, the company's shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights may be set aside, either by the general meeting or by the Board based on authorisation to the Board. In the event of a capital increase based on authorisation from the general meeting, where the pre-emptive rights of shareholders are set aside, the company will provide the reasons for the practice in the stock exchange notice in which the capital increase is announced. On 9 October 2024, Techstep successfully completed a private placement of NOK 30 million. The Board is of the view that it was in the common interest of the company and its shareholders to raise equity through a private placement. By structuring the equity raise as a private placement, the company expected to raise equity efficiently, with a lower discount to the current trading price, at a lower cost and with a significantly reduced completion risk compared to a rights issue.

Any transactions in treasury shares, i.e., a share buy-back programme, will be carried out either through Oslo Børs or otherwise at stock exchange prevailing prices. If there is limited liquidity in the company's shares, the company will consider other ways to ensure equal treatment of all shareholders. There were no transactions in treasury shares during 2024.

For significant transactions with closely related parties, the company will use valuations and statements from an independent third party if the transaction is not to be considered by the general meeting. There were no such transactions in 2024. For further information, refer to note 23 – "Related party transactions" in the annual report for 2024.

Freely negotiable shares

The company's shares are freely negotiable on the Oslo Børs. There are no restrictions on owning, trading or voting for shares in the articles of association.

General meetings

The general meeting is the company's highest decision-making body. The general meeting is open to all shareholders, and Techstep encourages shareholders to participate and exercise their rights at the company's general meetings. In order to vote, the shareholder must be registered with the Norwegian Central Securities Depository (VPS) at the time of the general meeting.

Notices of general meetings are sent no later than 21 days prior to the date of the general meeting. According to the company's articles of association, there is no requirement to send the documents up for consideration by the general meeting directly to shareholders as long as the documents have been made available on the company's website. The same applies to documents that by law are required to be included in or attached to the notice of the general meeting. A shareholder may nonetheless request that relevant documents concerning business to be transacted at the general meeting be sent to him or her. The registration deadline is set as close to the meeting as possible, and all the necessary registration information will be provided in the notice.

Shareholders who are unable to attend may vote by proxy. Whenever possible, the company will prepare a proxy form that permits separate votes for each item up for consideration by the general meeting.

The Chairman of the Board normally chairs the general meeting. In the event of disagreements about individual items, where the Chairman belongs to one of the factions or is for other reasons not regarded as impartial, another Chairperson will be appointed to ensure impartial treatment of the items up for consideration at the meeting.

On 29 May 2024, Techstep held its annual general meeting with 35.95% of the shares represented.

Nomination committee

The nomination committee is governed by the articles of association section 6. The general meeting stipulates the guidelines for the duties of the committee and determines the committee's remuneration. The current instructions were approved at the annual general meeting in 2022 and are available from the company's website.

The committee nominates candidates for the Board and the nomination committee, as well as proposes the Board's remuneration. Grounds for nominations by the nomination committee are provided when nominees are presented to the general meeting. All shareholders are entitled to nominate candidates to the Board, and information on how to propose candidates can be found on the company's website.

The current nomination committee consists of two members, Kyrre Høydalen (Chair) and Anders Hungnes Tautra. At the annual general meeting on 29 May 2024, Anders Hungnes Tautra replaced Jonathan Raknes. Kyrre Høydalen is elected until the annual general meeting in 2025 while Anders Hungnes Tautra is elected until annual general meeting in 2026. Høydalen represents Datum AS, the company's largest shareholder and is a colleague of Board member Harald Arnet. Anders Hungnes Tautra holds the position as CFO of Karbon Invest and represents the company's second largest shareholder.

Board of Directors, composition and independence

The Board of Directors shall consist of three to seven members as regulated in the articles of association section 5. The Board and the Chairman are elected by the general meeting for two years and may be re-elected.

All of the board members were on the annual general meeting 2023 elected for a period of two years, until the annual general meeting in 2025, thus they were not up for election in 2024.

The composition of the Board is based on the representation of the company's shareholders, as well as the company's need for competence, experience, capacity and ability to form balanced decisions. Information on each director's expertise, background and capabilities can be found on the company's website www.techstep.io and in section Board of Directors.

Name	Role	Independent of main shareholder	Attendance board meetings	Served since	Term expires	Shares in Techstep (direct/ indirect) at 31.12.2024
Michael Jacobs*	Chair	Yes	10	21.04.2022	AGM 2025	50 000
Ingrid Leisner	Board member	Yes	10	22.02.2016	AGM 2025	60 157
Melissa Mulholland	Board member	Yes**	7	22.04.2021	AGM 2025	-
Harald Arnet	Board member	No	10	22.09.2021	AGM 2025	63 439
Jens Rugseth**	Board member	No	10	11.02.2019	AGM 2025	4 929 459

* Michael Jacobs was appointed Chairman of the Board at the extraordinary general meeting 15 February 2023.

** Jens Rugseth was serving as Chairman of the Board until 15 February 2023, when he stepped down as ordinary board member. Melissa Mulholland is the CEO and Michael Jacobs is the Executive Vice President of the Nordics of Crayon ASA, where Jens Rugseth is a shareholder and member of the Board

All Board members are regarded as independent in relation to the company's executive management and material business contacts. Three of the five Board members are regarded as independent of the company's main shareholders. Board members are encouraged to hold shares in the company.

The work of the Board of Directors

The Board of Directors is responsible for overseeing and supervising the company's management and operations. The duties and procedures of the Board are regulated by the Norwegian Public Limited Liability Companies Act. In addition, the Board has adopted supplementary rules of procedure which provide further regulations on inter alia the duties of the Board, the Chairman and the CEO, as well as work, responsibilities, authorisations and reporting.

The Board is responsible for determining the company's overall goals and strategic direction, principles, risk management and financial reporting. The Board is also responsible for ensuring that the company has competent management with a clear internal distribution of responsibilities, as well as for continuously evaluating the performance of the CEO.

Techstep treats transactions with shareholders, Board members, employees and other related parties with due care. To ensure that these transactions and situations are handled in the best possible manner, the Board has set clear guidelines for handling agreements in which a Board member, or a party related to a Board member, may have an interest. There were no such cases in 2024. See also note 24 in this annual report.

The Board of Directors meets as often as necessary to fulfil its duties, and at least six times each financial year. The Board of Directors held 10 Board meetings in 2024 with 94% meeting attendance.

The Board conducts a self-assessment of its work periodically.

Board committees

The Board of Directors has established three subcommittees to act as preparatory bodies for the Board. Members are elected by and among the Board.

The audit committee acts as a preparatory and advisory body to the Board with respect to financial reporting and external audits, risk management and internal control systems, corporate governance matters and the appointment mandate and remuneration of the external auditor. As at 31 December 2024, the audit committee consisted of Board members Ingrid Leisner and Melissa Mulholland, both considered as independent of the company. The audit committee met seven times in 2024.

The M&A committee assists the Board with tasks related to screening and evaluating potential M&A candidates and approves investment analysis and term sheets of proposed deals. The M&A committee consists of the Board members Jens Rugseth and Harald Arnet.

The remuneration committee assists the Board with tasks related to the company's remuneration of executive management. As at 31 December 2024, the remuneration committee consisted of Board members Jens Rugseth and Harald Arnet. The remuneration committee met one time in 2024.

Risk management and internal control

The Board is responsible for ensuring that Techstep has good systems in place for risk management and internal control. The systems and procedures for risk management and internal control shall ensure efficient operations, timely and correct financial reporting, and compliance with relevant laws and regulations. The audit committee meets annually with the auditor to review the company's internal control routines, including identifying weaknesses and areas subject to improvements. The Board may engage external expertise if necessary.

During 2024, Techstep has further strengthened its governance, risk and compliance framework. Techstep's management system is based on the ISO standard, with emphasis on quality, security and environment, to support day-to-day operations and promote continual improvement in the organisation. A risk- and opportunity-based approach is central in the standard. Risk reviews and reporting are conducted on a quarterly basis to identify current and potential risks that need to be addressed and mitigated. ESG, risk and compliance are also addressed at monthly management meetings and quarterly meetings with the audit committee.

Techstep's financial accounts are prepared in accordance with IFRS. The Board receives monthly management reports on developments and results related to strategy, finance, KPIs, projects, challenges and plans for upcoming periods. In addition, quarterly reports are prepared in accordance with the recommendations of the Oslo Stock Exchange, which are reviewed by the audit committee prior to approval by the Board of Directors and subsequent publication. The auditor attends meetings of the audit committee and board meetings related to the presentation of the preliminary annual financial statements.

A summary of the company's main risks is presented in the Board of Directors' report and note 20 Financial risk management, in the annual report for 2024.

Remuneration of the Board of Directors

The remuneration of Board members is stipulated annually by the annual general meeting based on the nomination committee's recommendation. The remuneration reflects the Board of Directors' responsibilities, competence, time involved and the complexity of the business.

A total of NOK 1.8 million was paid in directors' fees for 2024. Fees paid to each director are presented in the remuneration report for 2024, available from the company's website www.techstep.io/investor.

The remuneration of the Board was not performance-based and the company has not granted share options to any board members. Members of the audit committee are remunerated separately. The company does not provide loans to Board members.

Board members observe general insider regulations for trading in the company's shares. Reference is made to the Remuneration report for 2024 for an overview of shares owned by directors.

Remuneration of executive personnel

The main principle of Techstep's executive remuneration policy is that the remuneration should be competitive and motivate to attract and retain executives with the required competence to strengthen and ensure the business strategy, long-term interests and sustainability of Techstep. The executive remuneration consists of a fixed salary and a variable part linked to the company's performance, and pension schemes. Performance-related remuneration is subject to an absolute limit of 67% of the fixed salary for the CEO and 45% for the other executives and assessed on both financial, non-financial and operational criteria including sustainability and equality. The corporate objectives are set by the Board and determined for and agreed with the CEO. In 2024, the share option programme for executive management and certain other employees was extended. The programme is linked to value creation to the benefit of shareholders over time.

The executive remuneration guidelines have been presented to, and were adopted by, the annual general meeting on 23 May 2023. Detailed information about the remuneration of the executive management team can be found in the remuneration report for 2024, available from the company's website.

Information and communications

Techstep seeks to comply with Euronext Oslo Børs' Investor Relations (IR) recommendation, last revised 1 March 2021.

The Board has adopted an IR policy which sets the basic principles for the company's communication and dialogue with capital markets participants, including roles and responsibilities. The policy is based on the principles of equal treatment and transparency, to ensure that stakeholders receive factual, relevant, timely and comprehensive information. The policy is available on the company's website.

The responsibility for IR lies with the CEO and the Chairman, supported by the IR team. The IR team focus on the day-to-day communication and IR activities, while the Chairman focus on the shareholders' expectations related to the company's strategic direction and risk preparedness, as well as issues that require resolution by the general meeting.

Interim reports are provided on a quarterly basis, in line with the Oslo Stock Exchange's recommendations. In connection with the interim reporting, presentations are given to the open public to provide an overview of the operational and financial developments, market outlook and the company's prospects. The presentations are made available on the company's website.

All information is primarily provided in English and is distributed to the company's shareholders through Oslo Børs' www.newsweb.no, and the company's website.

Takeovers

The company's articles of association contain no defence mechanisms against takeover bids, nor have other measures been implemented to specifically hinder the acquisition of shares in the company.

In the event of a takeover process, the Board and the executive management shall ensure that the company's shareholders are treated equally, and that the company's activities are not unnecessarily interrupted. The Board has a special responsibility to ensure that the shareholders have sufficient information and time to assess the offer.

In addition to complying with relevant legislation and regulations, the Board will comply with the recommendations in the Code if the situation permits. The Board has established guiding principles for how it will act in the event of a takeover bid.

The main principles include that the Board shall not hinder or obstruct any takeover bid, give shareholders or others unreasonable advantages, or protect their personal interests at the expense of others, and that the Board shall protect the shareholders' values and interests.

If deemed necessary, the Board shall also ensure a valuation from an independent third party. On this basis, the Board will make a recommendation as to whether the shareholders should accept the bid.

Auditor

At the extraordinary general meeting on 13 October 2023, PriceWaterhouseCoopers AS (PwC) was elected as Techstep's new auditor with immediate effect. The auditor is considered independent of Techstep, which is annually confirmed to the Board. The audit committee performs an annual evaluation of the auditor's independence.

The auditor prepares an annual plan for the implementation of the audit, which is made known to the audit committee and the Board. The auditor participates in the Board meeting dealing with the annual accounts. Here the auditor presents their views on accounting matters and principles, risk areas and internal control. The meeting includes an opportunity for a review with the Board without the company's management present. The auditor participates in Board meetings at the request of the Board, as well as all audit committee meetings held in connection with the quarterly financial reporting.

The Board of Directors has prepared separate guidelines for using the auditor for services other than the audit. All non-audit services rendered by the Group's auditor are preapproved by the audit committee, either through the guidelines or on a case-by-case basis.

Remuneration to the auditor is presented to and approved by the annual general meeting, including any fees for other specific assignments if relevant (also see note 5 in the annual report for 2024).

Financial statements

Consolidated income statement

(Amounts in NOK 1 000)	Notes	2024	2023
Revenue	2, 3, 23	1,071,092	1,088,970
Other revenue		1,464	521
Total revenue		**1,072,556**	**1,089,491**
Cost of goods sold	2	(625,531)	(644,460)
Salaries and personnel costs	4, 26	(208,959)	(207,964)
Other operational costs	5, 23, 27	(84,453)	(99,571)
Depreciation	9, 10	(113,857)	(107,603)
Amortisation	11	(68,970)	(64,915)
Other income	6	1,104	494
Other expenses	6	(6,542)	(1,970)
Operating profit (loss)		**(34,653)**	**(36,498)**
Financial income	7	1,369	1,099
Financial expenses	7	(17,160)	(24,153)
Profit before tax		**(50,444)**	**(59,552)**
Income tax	8	4,749	15,006
Net income		**(45,696)**	**(44,546)**
Net income attributable to			
Non-controlling interests		-	-
Shareholders of Techstep ASA		(45,696)	(44,546)
Earnings per share in NOK:			
Basic	24	(1.42)	(1.43)
Diluted	24	(1.42)	(1.43)

Consolidated statement of comprehensive income

(Amounts in NOK 1 000)	**2024**	**2023**
Net income	**(45,696)**	**(44,546)**
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	10,519	32,901
Other comprehensive income	**10,519**	**32,901**
Total comprehensive income for the period	**(35,176)**	**(11,645)**
Total comprehensive income for the period attributable to		
Non-controlling interests	-	-
Shareholders of Techstep ASA	(35,176)	(11,645)

Consolidated statement of financial position

(Amounts in NOK 1 000)			
ASSETS	**Note**	**2024**	**2023**
Deferred tax asset	8	14,122	13,092
Goodwill	11, 12	632,108	624,173
Customer relations and technology	11	124,657	160,991
Right of use assets	9	24,837	24,245
Assets related to Device-as-a-Service	10	167,408	159,501
Property, plant and equipment	10	7,164	7,265
Shares and investments	20	45	695
Other non-current assets	20	125	3,222
Total non-current assets		**970,465**	**993,185**
Inventories	13	4,663	10,502
Trade receivable	14, 20, 23	134,745	159,067
Other receivables	14, 20	36,711	30,586
Total inventories and receivables		**176,119**	**200,155**
Cash and cash equivalents	15	30,776	77,459
Total current assets		**206,895**	**277,614**
Total assets		**1,177,360**	**1,270,799**
EQUITY AND LIABILITIES			
Share capital	25	34,407	31,629
Other equity		536,200	542,067
Total equity attributable to the owners of Techstep ASA		**570,607**	**573,697**
Total equity		**570,607**	**573,697**
Deferred tax	8	7,227	14,674
Non-current interest-bearing borrowings	16, 20	114,315	129,927
Financial derivatives	19, 20	1,307	4,092
Non-current liabilities related to Device-as-a-Service	17	39,476	19,316
Other non-current debt	9, 17, 20	15,794	15,916
Total non-current liabilities		**178,119**	**183,924**
Current interest-bearing borrowings	16, 20	25,000	48,750
Trade payables	20, 23	175,792	198,353
Current liabilities related to Device-as-a-Service		149,770	167,231
Other current liabilities	9, 18, 20	78,071	98,845
Total current liabilities		**428,633**	**513,179**
Total liabilities		**606,752**	**697,103**
Total equity and liabilities		**1,177,360**	**1,270,799**

Oslo, 29 April 2025, signatures from the Board of Directors and the CEO of Techstep ASA:

Michael Jacobs
Chairman

Harald Arnet
Board member

Ingrid Leisner
Board member

Jens Rugseth
Board member

Melissa Ann Mulholland
Board member

Morten Meier
CEO

Consolidated statement of changes in equity

(Amounts in NOK 1 000)	Note	Share capital	Other paid-in capital	Other equity	Trans- lation reserve	Total equity capital
Equity as at 1 January 2023		**305,131**	**690,906**	**(392,252)**	**(32,266)**	**571,520**
Profit for the period		-	-	(44,546)	-	(44,546)
Other comprehensive income		-	-	-	32,901	32,901
Total comprehensive income for the period		**-**	**-**	**(44,546)**	**32,901**	**(11,645)**
Transactions with owners in their capacity as owners:						
Reverse share split	25	(274,618)	274,618	-	-	-
Proceeds from issuance of shares net of transaction costs	25	1,116	13,722	-	-	14,838
Share-based payments	25	-	-	(1,014)	-	(1,014)
Equity as at 31 December 2023		**31,629**	**979,246**	**(437,813)**	**635**	**573,697**
Equity as at 1 January 2024		**31,629**	**979,246**	**(437,813)**	**635**	**573,697**
Profit for the period		-	-	(45,696)	-	(45,696)
Other comprehensive income		-	-	-	10,519	10,519
Total comprehensive income for the period		**-**	**-**	**(45,696)**	**10,519**	**(35,176)**
Transactions with owners in their capacity as owners:						
Proceeds from issuance of shares net of transaction costs	25	2,778	25,613	-	-	28,391
Share-based payments	25	-	-	3,697	-	3,697
Equity as at 31 December 2024		**34,407**	**1,004,859**	**(479,812)**	**11,155**	**570,607**

Consolidated statement of cash flow

(Amounts in NOK 1 000)	Note	2024	2023
Profit before tax		(50,444)	(59,552)
Depreciation	10	102,430	93,498
Depreciation right-of-use assets	10	11,428	14,106
Amortisation	11	68,970	64,915
Share-based payments		3,697	(1,014)
Financial instruments	8	(1,376)	4,204
Gain from sale of PPE reclassified to investment activities		(9,874)	(9,269)
Net exchange differences		(1,233)	4,252
Taxes paid		(961)	(2,386)
Interest expense (revenue) reclassified to investing/financing activities		13,672	13,584
Changes in net operating working capital		176	33,225
Net cash flow from operational activities		**136,485**	**155,560**
Payment for equipment and other fixed assets	10	(4,330)	(4,133)
Payment for equipment related to Device-as-a-service	10	(123,756)	(108,600)
Payment for intangible assets	11	(29,520)	(33,920)
Proceeds from sale of property, plant and equipment	10	13,414	17,071
Interest received		1,369	1,068
Net cash used on investment activities		**(142,823)**	**(128,514)**
Proceeds from issuance of shares	25	28,391	230
Proceeds from borrowings	16	-	178,313
Repayment of borrowings	16	(40,079)	(129,879)
Net change in bank overdraft	16	(0)	(31,196)
Lease repayments	9	(13,414)	(15,263)
Interest paid		(15,186)	(14,935)
Net cash flow from financing activities		**(40,288)**	**(12,730)**
Net change in cash and cash equivalents		**(46,627)**	**14,316**
Cash and cash equivalents as at 1 January	15	77,459	61,119
Effects of exchange rate changes on cash and cash equivalents		(57)	2,024
Cash and cash equivalents as at 31 December	15	**30,776**	**77,459**

Notes to the Group accounts

25. Shares, capital structure, options and shareholders

26. Remuneration to the board and executive management

27. Events after the reporting period

Notes to the consolidated financial statements

Note 1 Corporate information, basis of preparation and critical estimates

1.1 Corporate information

Techstep ASA (the Company or Company) is a public limited liability company domiciled in Norway. The address of its registered office is Brynsalléen 4, NO-0667 Oslo. The shares are listed on the Oslo Stock Exchange under the TECH ticker. The Techstep Group (Group) consists of Techstep ASA and its subsidiaries.

Techstep Group is a Nordic enabler of the mobile workplace, delivering a full range of device and services to facilitate mobile workplaces.

The consolidated financial statements for Techstep Group for the year 2024 were approved by the Board of Directors on 29 April 2025 and will be presented for approval by the Annual General Meeting on 27 May 2025.

1.2 Basis for preparation

In the preparation of the consolidated financial statements the accounting policies applied by the Group are primarily detailed within the individual notes. General accounting policies are outlined below. These policies have been consistently applied to the periods presented, unless specified otherwise.

The consolidated financial statements have been prepared and presented in accordance with the

IFRS® Accounting Standards as adopted by the EU.

Items included in the financial statements of each of the Group's entities are measured in the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in NOK, which is Techstep ASA's functional and presentation currency. The figures presented in the annual accounts are in NOK thousand unless otherwise stated.

There are no new or amended accounting standards that required the Group to change its accounting policies for the 2024 financial year.

1.31.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of Techstep ASA (the Company) and entities controlled by the Company (its subsidiaries). The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. All subsidiaries are 100 percent owned, directly or indirectly, by Techstep ASA.

The income and expenses of Group subsidiaries acquired or disposed of during the year, are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Intercompany transactions, balances and gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset.

For subsidiaries whose functional currency differs from the presentation currency, assets and liabilities are translated using the exchange rate at the reporting date. Income and expenses are translated using the monthly average exchange rates. Any translation differences arising from this process are recognised in other comprehensive income.

1.4 Significant judgement and critical estimates

The application of accounting policies requires management to make judgements, estimates and assumptions in determining the amount of certain assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates, judgements and underlying assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The assumptions and estimation uncertainties at 31 December 2024 that have most significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year are deferred tax assets as outlined in Note 8 and impairment of intangible assets as outlined in note 12.

Note 2 Segments

Over the last years, Techstep has been through a major transition in order to unlock profitability and growth. Historically consisting of 10 acquisitions and 47 different products, the company has transformed and streamlined the organisation and its product solutions, through mergers and disposals of products or services outside the strategic roadmap.

The Group regularly reports revenue, net gross profit and adjusted EBITA to the Board of Directors and the Groups executive management (the Group's chief operating decision makers). Currently, Techstep's product offering range from individual device needs to complete transformative solutions in three different revenue streams, and the Groups strategic goal is to grow recurring high margin and highly scalable revenue streams profitably. To measure performance against strategic goals, the key performance measure is net gross profit per product solution. As the revenue streams are generated, and the Groups resources are utilised across all legal entities and geographical markets, where it is not possible nor reasonable to allocate resources to the different revenue streams, the second key performance indicator is EBITA adjusted on a group level.

Consequently, Techstep's current segment is the Group results on a total level.

Note 3 Revenue recognition and cost of sales

Accounting policy

Revenue from contracts with customers is recognised when a performance obligation in the contract is satisfied. The recognised amount reflects the consideration the Group expects to receive for the goods and services provided. For contracts with several performance obligations, the transaction price is allocated based on their relative stand-alone selling prices.

3.1 Sale of products and services

Device sales

Devices sales consists of hardware product delivery to a customer, in which Techstep purchases a product from a vendor and resells it to the end customer. The revenue is recognised on a gross level, as Techstep has the primary responsibility for ensuring delivery of the specified product and has discretion in establishing the price for the product sale. Revenue from device sales is recognised when control of the device transfers to the customer, typically at shipment. Kickbacks and commissions from partners and suppliers are recognised as a reduction in the cost of goods sold when the device sales performance obligations are satisfied.

Device-as-a-Service

Techstep offers the end-customers the alternative to pay for the use of devices as a service instead of at the time of delivery. Devices are sold upfront to an external funder and payment is received in full, with an obligation for Techstep to repurchase the devices at fixed prices in the future. Devices are delivered to the end-customer, who are invoiced over the contract period by the funder, typically for the initial term of 2-years or 3-years. The Group has no credit risk related to the end user. The sale of the devices to the funder does not constitute a sale according to IFRS 15 due to the repurchase obligation, instead it constitutes a lease with the funder as the counterparty. Payments received (less the estimated buy-back obligation) from the funder at the inception of the lease, are accounted for as prepaid lease and recognised as lease income on a straight-line basis over the lease term. The leased assets are classified as property, plant and equipment in the balance sheet and depreciated over the lease term to their expected second-hand market value per IAS 16. See note 3.2 for prepaid lease income

Advisory & Service

Revenues from Advisory & Services include services which include management of mobile devices, consulting and advisory services and the provisioning of third-party software licenses.

Revenue from support and maintenance services, organized as subscription programmes, is recognised on a linear basis over the period the services are provided and consumed by the customer, normally the contract period. Additional support sales are recognised based on billable hours, as the assumption is that the customer obtains the benefit from the service simultaneously with the delivery of the billable hours.

Transactions arising from the sale of third-party software licenses are often bundled with pre-sales advice and/or other advisory or managed services. Techstep has the sole discretion in determining the sales prices to the end customer. Such contractual obligations are desegregated in separate performance obligations, and the third-party software related revenues are recognized gross. Right-to-use licenses are recognized at the point of transfer, while right-to-access licenses are recognised over the contract period.

Own Software

Revenue from the Group’s own software is recognised when the customer assumes control or consumes the software. Licenses sold as right-to-access licenses in a subscription-based model, are recognised over the contract period, while revenue from licenses sold as right-to-use, where the customer receives control over the software, are recognised at the point of sale.

Cost of goods sold

Expenses in the income statement are aggregated according to their nature. Cost of goods sold includes products and services bought from suppliers and resold to customer. Cost of goods sold includes all direct expenses for goods and services directly connected to the revenues including freight. Kickbacks and commissions from partners and suppliers are recognised as a reduction in the cost of goods sold when the sales performance obligations towards the end customers are satisfied.

Management assessments

Device-as-a-Service contracts with repurchase options allow the external funder to require the Group to buy back devices at a predetermined price, lower than the original selling price. Management assesses if the funder has a significant economic incentive to utilise the option. Where the assessment is positive, the contract is determined to be a lease resulting in the contract being treated as a lease under IFRS 16.

The Group offers bundled products, often consisting of both services and software. For such contracts, the Group determines the transaction price for each performance obligation when stand-alone selling prices are not readily available, using comparable customer contracts. For contracts bundling third-party licenses with services, the license income is based on stand-alone prices, with residual income allocated to support and maintenance. Revenue is recognised either at the transaction date or over the contract period, depending on when the customer can obtain the benefits of the service contract.

Variable considerations, such as commissions and rebates, are assessed based on achieving certain thresholds. The Group uses the most likely amount method per IFRS 15 to determine the transaction price.

Disaggregation of revenues and cost of goods sold

2024 **(Amounts in NOK 1 000)**	**Norway**	**Sweden/ Denmark**	**Poland**	**Eliminations**	**Group**
Total revenues	**664,494**	**370,742**	**44,438**	**(7,118)**	**1,072,556**
Revenue					
Devices	533,203	215,456	-	(1,713)	746,947
Advisory & Services	84,741	125,079	706	(4,584)	205,941
Own Software	46,363	29,158	43,454	(771)	118,204
Other revenues	187	1,049	278	(50)	1,464
Total	**664,494**	**370,742**	**44,438**	**(7,118)**	**1,072,556**
Net Gross Profit	**Norway**	**Sweden/ Denmark**	**Poland**	**Eliminations**	**Group**
Devices	70,028	35,245	-	2,891	108,164
Advisory & Services	59,193	73,581	706	2,155	135,635
Own Software	43,009	23,512	33,665	1,554	101,740
Other revenues	175	844	278	(35)	1,263
Total	**172,406**	**133,182**	**34,649**	**6,565**	**346,803**

2023	**Norway**	**Sweden/ Denmark**	**Poland**	**Eliminations**	**Group**
Total revenues	**678,873**	**375,110**	**33,158**	**(89,630)**	**1,089,491**
Revenue					
Devices	551,078	231,880	-	(7,138)	775,820
Advisory & Services	79,155	129,744	338	(3,571)	205,667
Own Software	48,251	27,168	32,819	(755)	107,483
Other revenues	388	867	-	(735)	521
Total	**678,873**	**389,660**	**33,158**	**(12,199)**	**1,089,491**
Net Gross Profit	**Norway**	**Sweden/ Denmark**	**Poland**	**Eliminations**	**Group**
Devices	79,543	35,867	(6)	6,200	121,604
Advisory & Services	55,926	77,820	338	3,527	137,611
Own Software	45,568	21,491	25,588	1,536	94,183
Other revenues	388	868	-	(735)	521
Total	**181,425**	**136,046**	**25,920**	**10,528**	**353,919**

Please see information about Alternative Performance Measures on page 105 for definition of Net Gross Profit.

3.2 Prepaid lease

The Group has leased out devices where payment received is accounted for as prepaid lease income and recognised on a straight-line basis over the lease term, less the agreed-upon residual value (repurchase amount).

The table below shows when the lease income will be recognised in the income statement

	2024	2023
Opening balance prepaid lease income as at 1 January	148,268	151,568
Revenue deferral new contracts	117,345	104,193
Revenue periodisation	(114,794)	(112,206)
Translation differences	1,705	4,713
Closing balance prepaid lease income as at 31 December	**152,523**	**148,268**

	2024
2025	98,099
2026	47,243
2027 and later	7,181
Closing balance prepaid lease income as at 31 December 2024	**152,523**

	2023
2024	83,653
2025	30,809
2026 and later	33,807
Closing balance prepaid lease income as at 31 December 2023	**148,267**

3.3 Payment terms and customer base

Customers have payment terms varying from 15-90 days.

Of the Group's total customer base as at 31 December 2024, the five largest customers represent approximately 31% (30%) of total revenue in 2024, and the ten largest customers represent approximately 42% (39%) of total revenue.

Note 4 Payroll

(Amounts in NOK 1 000)	2024	2023*
Salaries and holiday pay	180,992	168,695
Social security tax	38,213	39,526
Pension costs including social security tax	10,045	12,414
Other personnel costs	(20,291)	(12,672)
Total personnel costs	**208,959**	**207,964**
Number of employees at year end	258	267

*2023 has been reclassified to ensure comparability to 2024.

Retirement benefit plan

The Group has defined contribution plans covering all employees. A defined contribution plan is a retirement plan in which the Group pays fixed contributions to a separate legal entity. The Group has no legal or other obligation to pay additional contributions if the entity does not have sufficient assets to pay all employee benefits associated with earnings in present and previous periods. Pre-paid contributions are recorded in the accounts as an asset, to the extent the contribution may be refunded or may reduce future contributions.

Regarding remuneration to executive management, please refer to note 26 Remuneration to Board of Directors and executive management.

Other personnel costs

Other personnel costs include sales performance bonus, capitalization of personnel costs for development projects, and costs for the share option programme. See note 25 for details on the share option programme.

Note 5 Other operational costs

Accounting policy

The Group receives government grants, including the Norwegian Skattefunn tax incentive scheme. These grants are recognised over the lifetime of the project, against the costs that they are intended to compensate.

(Amounts in NOK 1 000)	**2024**	**2023**
Office maintenance expenses	4,422	6,307
Human resources	1,577	2,258
Sales and marketing	2,464	3,448
IT expenses	40,875	51,079
Fees for external services	24,886	23,814
Communication	2,024	2,505
Travel expenses	4,343	4,278
Other expenses	3,862	5,882
Total operating costs	**84,453**	**99,571**

Auditor remuneration

2024

(Amounts in NOK 1 000)	Audit services	Other attestation services	Tax advisory services	Other non-audit services	**Total**
PWC	3,164	-	-	353	3,517
Other	193	-	-	-	193
Total	**3,357**	**-**	**-**	**353**	**3,710**

2023

(Amounts in NOK 1 000)	Audit services	Other attestation services	Tax advisory services	Other non-audit services	**Total**
BDO	1,779	-	-	183	1,962
PWC	1,298	-	-	-	1,298
Other	82	-	-	-	82
Total	**3,159**	**-**	**-**	**183**	**3,342**

At the extraordinary general meeting on 13 October 2023, Techstep elected PwC as new auditor for the Group, with immediate effect.

Note 6 Other income and other expenses

Accounting policy and significant judgements

Other income and expenses of a special nature are presented in the separate line items "Other income" and "Other expenses" within operating profit (loss) respectively. These items are characterised by their non-recurring nature and are outside ordinary business activities of Techstep Group.

Other income (Amounts in NOK 1 000)	**2024**	**2023**
Gain on sale of PPE	238	-
Other non-recurring income	866	494
Total	**1,104**	**494**

Gain on sale of PPE relates to termination of a rental agreement.

Other expenses (Amounts in NOK 1 000)	**2024**	**2023**
Other non-recurring expenses	(6,542)	(1,970)
Total	**(6,542)**	**(1,970)**

Other non-recurring expenses relates to expenses for reorganizations and downsizing.

Note 7 Financial income and expenses

Accounting policy

Individual financial statements of Techstep ASA and its subsidiaries are prepared in the respective entities' functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Techstep ASA is Norwegian kroner (NOK). In the individual financial statements, transactions in currencies other than the entity's functional currency are recognised by applying the exchange rate at the date of transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated using the exchange rate at that date. The changes in value due to such foreign currency translations are recognised in the statement of income of the individual entity and reflected as "foreign currency exchange gain/loss" in the consolidated statement of income for the Group.

(Amounts in NOK 1 000)	**2024**	**2023**
Interest income	1,369	1,099
Total financial income	**1,369**	**1,099**
Interest expenses interest bearing borrowings	(15,041)	(13,203)
Interest expenses leasing	(1,763)	(1,449)
Net foreign exchange loss	(279)	(5,546)
Other financial expenses	(77)	(3,954)
Total financial expenses	**(17,160)**	**(24,153)**

Other financial expenses include the fair value adjustment of the interest swap of NOK 1.3 million (NOK 4.1 million). See note 19 for further information on financial instruments.

Note 8 Tax

Accounting policy

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted for changes in deferred tax assets and liabilities attributable to temporary differences.

Tax payable

The current income tax charge is calculated based on the tax laws enacted, or substantively enacted, at the end of the reporting period in Norway, Sweden, Denmark and Poland, where subsidiaries generate taxable income. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulation is subject to interpretation. Management establishes provisions where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period, and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise the temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income, or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Critical estimates

Deferred tax assets are recognised when future taxable profit is probable. Judgements on taxable profit levels, timing, and temporary differences determine the ability to utilise tax positions. At the balance sheet date, tax losses carried forward are excluded from deferred tax assets due to uncertainty about their utilisation.

Income tax expense (Amounts in NOK 1 000)	**2024**	**2023**
Current tax	(2,153)	(1,867)
Change in deferred tax	6,902	16,873
Tax expense	**4,749**	**15,006**
Reconciliation of relationship between accounting profit and tax expense		
Profit before tax	(50,444)	(59,552)
Tax at the Norwegian tax rate of 22%	11,098	13,101
Tax effect permanent differences	(7,011)	1,778
Difference in tax rates	(383)	(739)
Deferred tax asset not recognised	1,272	(21)
Other	(227)	887
Income tax expense	**4,749**	**15,006**
Effective tax rate	-9%	-25%
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	(607,078)	(564,667)
Potential tax asset at 22% tax rate	**(133,557)**	**(124,227)**
Components of deferred taxes		
The balance comprises temporary differences attributable to:		
Intangible assets	5,615	11,124
Tangible assets	17,738	19,064
Inventories	-	(14)
Trade receivables and other receivables	(186)	(180)
Leasing	(265)	(447)
Other current liabilities	(1,051)	(1,470)
Financial Instruments	(288)	(900)
Tax loss carried forward	(143,162)	(138,812)
Carry forward interest	(831)	(831)
for which no deferred tax asset has been recognised	134,175	125,521
Goodwill from acquisitions with no deferred tax effect	(16,871)	(16,871)
Other	(1,769)	5,401
Total net deferred tax	**(6,895)**	**1,582**
Net deferred tax related to Norway	(17,295)	(12,943)
Net deferred tax related to Sweden	7,921	10,811
Net deferred tax related to Polen	2,479	3,714
Total deferred tax (+)/ deferred tax asset (-)	**(6,895)**	**1,582**
Deferred tax asset	(14,122)	(13,092)
Deferred tax liability	7,227	14,674
Total deferred tax (+)/ deferred tax asset (-)	**(6,895)**	**1,582**

Note 9 Leases

Accounting policy

At the lease commencement date, the Group recognises a right-of-use asset equal to the measurement of the lease liability less any lease incentives received, and a lease liability measured at the present value of future lease payments. As the interest rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate to measure the lease liability.

The incremental borrowing rate is determined for each lease using interest rates acquired from external financing sources and adjusted to provide a borrowing rate that is representative of a collateralised amortising loan. Costs in leasing contracts for offices that relate to the provision of services such as maintenance and utilities are identified and treated separately as non-lease components. These costs are expensed as incurred. For office leases, the Group applies judgement in assessing whether it is likely to exercise options to extend or terminate a lease. All factors that create an economic incentive to exercise options, such as the market conditions that impact the price, the entity's demand for office space, contractual incentives and penalties, are considered. The Group assesses each lease on a running basis and recognises an adjustment when it is reasonably certain to exercise an option.

The lease contracts that the Group has for offices are often subject to periodic adjustments based on consumer price indexes. In such cases, the Group remeasures the lease liability with an unchanged discount rate and recognises the adjustment against the right-of-use asset. The adjustment is recognised when the change in payments is in effect.

The Group has elected to exempt leases from the above treatment that have a shorter duration than one year and leases where the value of the underlying asset is below USD 5 000.

Critical estimates

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or Techstep becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year such an event has not occurred.

Righ-of-use-assets (Amounts in NOK 1 000)	**Buildings**	**Equipment**	**Vehicles**	**Total**
As at 1 January 2023	25,508	2,141	2,090	29,738
Additions	7,274	(88)	919	8,105
Depreciation	(11,355)	(1,140)	(1,611)	(14,106)
Disposals	-	-	(328)	(328)
Translation differences	765	32	39	836
As at 31 December 2023	**22,192**	**945**	**1,109**	**24,245**
As at 1 January 2024	22,192	945	1,109	24,245
Additions	10,626	25	1,192	11,843
Reclassification	(1,026)	887	140	-
Depreciation	(9,207)	(1,094)	(1,160)	(11,461)
Translation differences	166	16	27	209
As at 31 December 2024	**22,751**	**779**	**1,307**	**24,837**

Lease liabilities	**Buildings**	**Equipment**	**Vehicles**	**Total**
As at 1 January 2023	27,456	2,259	2,166	31,880
Additions	7,332	(88)	919	8,162
Interest expense	1,111	132	104	1,347
Lease payments	(12,082)	(1,277)	(1,740)	(15,099)
Disposals	-	-	(305)	(305)
Translation differences	676	29	35	740
As at 31 December 2023	**24,494**	**1,055**	**1,178**	**26,725**
As at 1 January 2024	24,494	1,055	1,178	26,725
Additions	10,626	25	1,192	11,843
Reclassification	(1,036)	911	125	-
Interest expense	1,552	104	108	1,764
Lease payments	(11,252)	(1,250)	(1,265)	(13,767)
Translation differences	100	6	17	122
As at 31 December 2024	**24,484**	**852**	**1,354**	**26,690**

Lease liabilities	**2024**	**2023**
Non-current	15,794	15,916
Current	10,896	10,809
Total	**26,690**	**26,725**

Maturity analysis nominal payments of lease liabilities

Lease liabilities	2024	2023
Up to 1 year	11,249	10,128
Between 1 and 2 years	8,474	5,096
Between 2 and 5 years	9,958	8,139
Over 5 years	-	-

Description of the Group's leasing activities

The Group has lease contracts for offices in the countries in which it operates, as well as equipment and vehicles. Rental contracts are typically made for fixed periods of 12 months to 5 years but may have extension options.

Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease. The remaining term of the lease is for all leases held by the Group assessed to be equal to the economic life of the asset.

The costs associated with short duration and low-cost leases are expensed systematically over the duration of the lease.

Total cash outflows for leases in 2024 were NOK 13.4 million (2023: NOK 15.3 million).

Interest expense relating to leases recognised in the statement of profit or loss for 2024 was NOK 1.8 million (2023: NOK 1.4 million)

Note 10 Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenses that are directly attributable to the acquisition of the items Costs are added to the asset's carrying amount or recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. The carrying amount of an asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

- Device-as-a-Service 2-3 years
- Other fixed assets 3-5 years

The residual value and useful lives of the assets are reviewed and adjusted, if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount exceeds its estimated recoverable amount.

Repair and maintenance costs are expensed to the income statement in the period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset and are recognised in the income statement.

Device-as-a-service

The Group offers a leasing alternative to customers (Device-as-a-Service). The contracts are supported by financing solutions from external finance institutions. The leasing agreement is a three-part agreement between Techstep, the customer and the funder. The Group sells the devices up front to the external funder and receives payment in full. The devices are delivered to the end users, and the end users are invoiced over the contract period from the funder. The Group has no credit risk related to the end user. The contracts often require that the Group repurchases the devices at a predetermined price from the funder. This price is always lower than the original selling price.

When the Group enters into contracts containing repurchase options, management assesses whether or not the funder has a significant economic incentive to utilise the option. Where it is determined that the customer has a significant economic incentive to utilise the option, the contract is determined to be a lease and the transaction is accounted for as a lease in accordance with IFRS 16. The assets are capitalised and depreciated over the leasing period to their residual value.

Critical estimates – residual value

Estimates of residual values for Device-as-a-Service assets require management's assessment of future market values. These estimates are supported by external appraisal and producer's estimates for depreciation of values.
The estimated useful lives are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

(Amounts in NOK 1 000)	**Device-as-a-service**	**Other fixed assets**	**Total**
Accumulated cost as at 1 January 2023	337,775	21,498	359,273
Additions	108,600	4,133	112,733
Disposals	(132,697)	(5,956)	(138,653)
Translation differences	9,719	1,384	11,103
Accumulated cost as at 31 December 2023	**323,398**	**21,058**	**344,456**
Accumulated cost as at 1 January 2024	323,398	21,058	344,456
Additions	123,756	4,330	128,086
Disposals	(143,332)	(3,074)	(146,405)
Translation differences	3,012	380	3,392
Accumulated cost as at 31 December 2024	**306,834**	**22,695**	**329,529**
Accumulated depreciation as at 1 January 2023	(177,069)	(13,878)	(190,947)
Current year depreciation	(91,112)	(2,386)	(93,498)
Disposals	110,520	3,326	113,845
Translation differences	(6,235)	(855)	(7,090)
Accumulated depreciation as at 31 December 2023	**(163,897)**	**(13,793)**	**(177,690)**
Accumulated depreciation as at 1 January 2024	(163,897)	(13,793)	(177,690)
Current year depreciation	(100,222)	(2,208)	(102,430)
Disposals	126,714	745	127,458
Translation differences	(2,021)	(275)	(2,296)
Accumulated depreciation as at 31 December 2024	**(139,427)**	**(15,531)**	**(154,957)**
Book value of assets 31 December 2023	159,501	7,265	166,767
Book value of assets 31 December 2024	167,408	7,164	174,572

Note 11 Intangible assets

Accounting policy

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives of the assets. The estimated useful life and amortisation method is reviewed at the end of each reporting period, with the effect of any changes on estimates being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The costs of intangible assets acquired through acquisitions are recorded at fair value at the date of acquisition.

Software expenses related to the purchase of new computer programmes are accounted for as intangible assets if these expenses are not part of device acquisition costs, and the Group is assumed to have control over the asset and future economic benefits. Costs incurred due to updates and general maintenance of the software, are accounted for as running costs over the income statement, unless the changes in the software increase the future economic benefits from the software.

Expenses incurred in developing own software are recognized as intangible assets if the project expenses satisfy the following capitalization criteria:

- The project must be technically feasible, and the entity must intend to complete the asset for use or sale.
- Intention to Complete: The entity must demonstrate its intention to complete the asset and use or sell it.
- Ability to Use or Sell: The entity must have the ability to use or sell the asset.
- Economic Benefits: The asset must generate probable future economic benefits, either through revenue generation or cost savings.
- Availability of Resources: The entity must have adequate technical, financial, and other resources to complete the development and use or sell the asset.
- Ability to Measure Costs Reliably: The costs attributable to the asset during its development must be reliably measurable.

Directly attributable costs that are capitalised as part of the software include employee costs. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Costs that relate to updates and general maintenance of the software are accounted for as running costs in the income statement, unless the changes in the software increase its future economic benefits.

(Amounts in NOK 1 000)	Goodwill	Customer relationships	Other intangible assets	Total
Accumulated cost as at 1 January 2023	738,168	382,316	204,614	1,325,099
Additions	-	-	33,920	33,920
Translation differences	23,090	1,555	8,823	33,466
Accumulated cost as at 31 December 2023	**761,258**	**383,871**	**247,357**	**1,392,485**
Accumulated cost as at 1 January 2024	761,258	383,871	247,357	1,392,485
Additions	-	-	29,520	29,520
Disposals	-	-	(20,959)	(20,959)
Translation differences	7,935	3,297	4,031	15,263
Accumulated cost as at 31 December 2024	**769,193**	**387,168**	**259,948**	**1,416,309**
Accumulated amortisation and impairment as at 1 January 2023	(137,085)	(326,744)	(77,889)	(541,718)
Amortisation	-	(20,385)	(44,530)	(64,915)
Translation differences	-	3,092	(3,781)	(688)
Accumulated amortisation and impairment as at 31 December 2023	**(137,085)**	**(344,036)**	**(126,200)**	**(607,320)**
Accumulated amortisation and impairment as at 1 January 2024	(137,085)	(344,036)	(126,200)	(607,320)
Amortisation	-	(21,025)	(47,945)	(68,970)
Disposals	-	-	20,983	20,983
Translation differences	-	(2,427)	(1,809)	(4,237)
Accumulated amortisation and impairment as at 31 December 2024	**(137,085)**	**(367,489)**	**(154,971)**	**(659,544)**
Book value as at 31 December 2023	624,173	39,835	121,157	785,164
Book value as at 31 December 2024	632,108	19,679	104,977	756,765
Estimated economic lifetime in years	Indefinite	5 years	3-5 years	-
Depreciation method	none	linear	linear	-

Other intangible assets

Other intangible assets consist mainly of internally developed software. Additions to software are costs that are directly related to the development of identifiable and unique software products controlled by the Group.

Customer relationship

Customer relationships were acquired as part of a business combination. They are recognised at fair value as of the acquisition date and amortised on a straight-line basis over their estimated useful lives. The Group estimates the useful life of the customer relationship to be at least five years based on the expected future revenue generated from the customer base. However, the actual useful life may be shorter or longer than five years, based on management assessments of technical innovations, technical obsolescence of existing products and competitor actions.

Goodwill

Goodwill was acquired as part of business combinations. Goodwill is recognised at fair value as of the acquisition date, less accumulated impairment losses. See note 12 for impairment assessment.

Note 12 Impairment of intangible assets

Techstep’s goodwill is material. No impairment loss has been recognised during the current or the previous year.

Goodwill represents the excess of the cost of acquisition over the fair value of the net identifiable assets of the acquired business at the time of the acquisition. Goodwill is tested annually for impairment, or more frequently when there is an indication that the unit may be impaired and carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed in a subsequent period. Goodwill is allocated to the relevant cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the lowest levels for which there are separately identifiable cash flows. Gains and losses on the sale of business interests include the carrying amount of goodwill relating to the entity sold

Cash generating units (CGU)

Since Techstep's establishment in 2016 and up until 2022, the strategy was based in large on acquiring companies with compatible business operations within the mobile technology industry in the Nordics and in Poland, and 14 companies were added to the Group in the period. Over the same period, there has been substantial mergers between legal entities in the Group, resulting in extensive integration of operations. A comprehensive restructuring is still ongoing, where the business is being more closely integrated across legal entities. The Group is currently operating in 3 main legal entities, located in Norway, Sweden and Poland. The device-as-a-service business is operated through two stand-alone entities in Norway and Sweden, but the operations are tightly integrated with the business in the operating entities in the same countries, in line with the strategy of integrating the business across the Group.

	Goodwill	
(Amounts in NOK 1 000)	**2024**	**2023**
Norway	349,404	349,404
Sweden	206,435	203,166
Poland	76,269	71,603
Total	632,108	624,173

The CGU Norway comprise the legal entities Techstep Norway AS and Techstep Finance AS. The operations in Techstep Finance AS are fully interconnected with the operations in Techstep Norway AS, and is therefore not considered to be a stand-alone cash generating unit.

Goodwill allocated to Norway primarily consists of excess values in the acquisition of Nordialog, Techstep Finance AS and Mytos AS. Nordialog and Mytos AS are now merged with Techstep Norway AS.

CGU Sweden comprise the companies Techstep AB, Techstep Finance AB and Optidev ApS. Similarly to Techstep Finance AS, Techstep Finance AB and Optidev Aps are interconnected with Techstep Sweden AB, and are not considered to be individual cash generating units.

Goodwill allocated to Sweden is primarily related to the acquisition of Techstep AB, Optidev AB and eConnectivity, where the two latter entities are now merged with Techstep Sweden AB.

CGU Poland comprise the company Techstep S.A. Goodwill allocated to Poland is related to the acquisition of Techstep S.A and Famoc ltd.

Impairment test

Goodwill are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.
Impairment reviews are undertaken by calculating the recoverable amount of the CGU containing goodwill. The carrying amount of the CGU is then compared to the recoverable amount of the CGU, which is the higher of value in use and fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

The estimate of the recoverable amount of the CGU is largely based on management's assumption pertaining to the Group's future cash flow projections, where the most important factors affecting future cash flow projections is assumptions about future growth in revenues, the terminal growth rate and the EBITDA margin.

The recoverable amount of the cash generating units (CGUs) was determined based on value-in-use calculations. Cash flow is based on the budget for 2025 and projections for 2026-2027 are in line with the 3-year plan approved by the Board of Directors. Growth estimates for 2028 and 2029 are based on management estimates and expected market growth in every country. Cash flows beyond these five years are based on an expected long term inflation rate of 2.0% for an indefinite period.

Assumptions

DCF Norway	**FY25F**	**FY26F**	**FY27F**	**FY28F**	**TV (FY29)**
Growth in revenue	15.8 %	7.1 %	7.7 %	2.3 %	2.4 %
EBITDA margin 1)	7.2 %	9.7 %	12.9 %	12.3 %	11.5 %
DCF Sweden	**FY25F**	**FY26F**	**FY27F**	**FY28F**	**TV (FY29)**
Growth in revenue	12.9 %	3.7 %	4.1 %	4.4 %	3.2 %
EBITDA margin 1)	7.3 %	7.5 %	7.5 %	8.4 %	8.2 %
DCF Poland	**FY25F**	**FY26F**	**FY27F**	**FY28F**	**TV (FY29)**
Growth in revenue	35.5 %	14.7 %	14.8 %	14.8 %	14.8 %
EBITDA margin 1)	32.7 %	37.2 %	41.3 %	46.3 %	50.9 %

1. *EBITDA includes depreciation on Device-as-a-service.*

Key assumptions for estimating future cash flow

	Norway	Sweden	Poland
Material factors that affect the cash flow from operations	The cash generating unit provides the customer with the entire managed mobility offering, consisting of device, third party software within the mobility space, consultancy, maintenance and support and all of the Group's own software. The CGU holds several larger frame or purchase agreements with the largest enterprises and public institutions I Norway. In particular the managed services contract expected to be entered into with Sykehuspartner as well as the product partner agreements already in operation with European Daas providers or MSP's will contribute substantially to the growth in Own Software and Advisory & Services. Additionally, free cash flows are expected to increase in the years to come as the organisation delivers on the market strategy, streamline operations and becomes more effective.	The cash generating unit provides the market with a comprehensive service stack comparable to the Norwegian counterpart. The company is moving towards offering a full suite of managed mobility, in addition to growing the rugged device sales through newly acquired customers from the Consafe agreement entered into in 2024. Additionally, large frame agreements with several Swedish municipalities were entered into in 2024. Free cash flows are expected to increase in the years to come as the organisation delivers on the market strategy, streamline operations and becomes more effective.	The cash generating unit is based in Poland and delivers software solutions for mobility management to SMEs and enterprises throughout Europe. The software has a good fit with the Groups other offerings and integration of the product into the Nordic offerings is being undertaken. The entity experienced significant growth in 2024, based entirely on existing customers, and the strategy for 2025 and onwards entails increasing the international reach though adding additional European partners. The CGU has stable free cash flows.
Market factors	The CGUs operates in stable economies with a high penetration of use of advanced mobile devices. The markets related to other service offerings from the CGU's are expected to grow in the future. Third party independent agency Gartner have reported an expected compound average growth rate in the Managed mobility services markets the CGUs operates in of about 4.8% in the period 2023-2028.		The CGU operates from Poland; however, it has customers in many geographies where both economic and market conditions differ. A strength is that the CGU's customer base is diversified, however the risk profiles of the individual customers vary.
Capital expenditures	Capital expenditure consists of development costs for own software. The larger investments in business support systems such as ERP and ecommerce platform in 2024 and 2025 will not be capitalized, as they are largely investments in SaaS.		
Budget, long-term assumptions and risks	The budget for 2025 is based on detailed plans, agreements entered into and sales pipelines. The long term projections are based on further estimates for growth, and the CAGR for revenues in the period 2025-2029 is 4.8%, in line with market projections from Gartner. In addition to growing the business in line with the market, the agreements with Sykehuspartner and the announced product partners, are expected to generate revenues above the market growth	The budget for 2025 is based on detailed plans, agreements entered into and sales pipelines. The long term projections are based on further estimates for growth, and the CAGR for revenues in the period 2025-2029 is 3.8%, which is below the market projections from Gartner.	The budget for 2025 is largely based on recurring revenue contracts in place at the end of 2024, and the long-term projections are based on conservative growth rates below the achieved rates in 2023 and 2024.

Discount rates

Discount rates represent the current market assessment of the risks specific to each cash-generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGU's and is derived from its weighted average cost of capital (WACC) using the capital asset pricing model (CAPM). The

WACC rates used in discounting the future cash flows are based on a 10-year government bond rate in the respective countries, with a premium added to reflect the creditors' risk when lending funds to the Group. The discount rate includes a small business premium (operational risk) and the expected future levels of inflation.

The discount rates also consider the gearing, corporate tax rate and asset beta. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying a beta factor.

These assumptions have been applied consistently across the Group for impairment reviews performed at year-end 2024 and 2023

WACC after tax (Amounts in NOK 1 000)	2024	2023
CGU Norway	10.1 %	9.5 %
CGU Sweden	9.4 %	9.0 %
CGU Poland	11.2 %	10.5 %

Sensitivity

In addition to impairment testing using the base case assumptions above, separate sensitivity analyses were performed for each cash-generating unit for the input assumptions that are assumed to impact the outcome the most:

- Sensitivity towards changes in applied discount rate (WACC),
- Sensitivity to changes in EBITDA and
- Sensitivity to changes in long-term growth rate in the terminal year.

Sensitivity analysis indicates that even with the use of conservative estimates of future cash flows and discount rates, the book value of any of the assets will not exceed the recoverable amounts

Norway: In order to have an impairment loss situation, the long-term growth rate must be 0.1% and the WACC must be 18%, or EBITDA must decrease by 33%

Sweden: In order to have an impairment loss situation, the long-term growth rate must be 0.1% and the WACC must be 12%, or EBITDA must decrease by 17%

Poland: In order to have an impairment loss situation. the long-term growth rate must be 0.1% and the WACC must be 22%, or EBITDA must decrease by 34%

These scenarios highlight the sensitivity of the CGU's recoverable amount to changes in key assumptions. Management will continue to monitor these factors closely to ensure the carrying value of intangible assets remains appropriate.

Note 13 Inventories

Accounting policy

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated sales price under ordinary operations less the cost of sales. Cost is determined using the FIFO or weighted average method, depending on the nature of the inventories.

Book value of inventories (Amounts in NOK 1 000)	2024	2023
Inventories	4,663	10,791
Less write-down of inventories	-	(289)
Total inventories	**4,663**	**10,502**

Note 14 Trade receivables and other receivables

Accounting policy

Trade receivables represent the amounts owed by customers for goods sold or services provided during regular business operations. Typically, these receivables are expected to be settled within 30 days, classifying them as current assets.

Due to the short-term nature of the current receivables, they are measured at nominal value.

The carrying amount of a trade receivable is written off when the Group has no reasonable expectations of recovering the trade receivable in its entirety or a portion thereof.

Trade receivables shown at maturity: as

Trade receivables outstanding	(Amounts in NOK 1 000)	2024	2023
Not due		122,003	140,592
1-30 days overdue		14,052	15,353
30-60 days overdue		(760)	2,238
60-90 days overdue		363	883
More than 90 days overdue		417	1,361
Total		**136,075**	**160,427**

Allowance of doubtful accounts in the balance sheet	2024	2023
Opening balance as at 1 January	1,361	1,792
Net allowance/reversal (-)	(30)	(431)
Closing balance as at 31 December	**1,330**	**1,361**

Profit or loss effect of bad debt	2024	2023
Realized losses	116	157
Allowance for doubtful accounts	(30)	(431)
Net accounting losses on receivbales	**86**	**(274)**

Other short-term receivables	2024	2023
Accrued revenues	8,848	2,074
Prepaid expenses	27,863	28,512
Total	**36,711**	**30,586**

Note 15 Cash and cash equivalents

The fair value for cash and cash equivalents is assessed to be equal to the nominal amount.

The Group's cash and cash equivalents consists of (Amounts in NOK 1 000)	2024	2023
Cash and bank deposits	30,776	77,459
Total	**30,776**	**77,459**
Of which is restricted	3,663	3,957

The Group's cash and cash equivalents consist in their entirety of short-term bank deposits.

The carrying amounts of the Group's cash and cash equivalents by currency (Amounts in NOK 1 000)	2024	2023
NOK	11,397	42,693
SEK	10,598	18,685
Other	8,781	16,081
total	**30,776**	**77,459**

Note 16 Financial liabilities

Accounting policy

Financial liabilities are recognised at fair value when the loan is disbursed, net of the transaction costs incurred. Transaction costs are charged as an expense over the term of the loan (effective interest rate). Financial liabilities are classified as current liabilities unless there exists an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. According to IFRS® Accounting Standards 9, the financial liabilities are measured at amortised cost.

The Group's interest-bearing borrowings consist of:

	2024		2023	
(Amounts in NOK 1 000)	Current	Non-current	Current	Non-current
Bank loans	15,000	114,315	18,750	129,927
Credit facilities	10,000	-	30,000	-
Total interest-bearing borrowings	**25,000**	**114,315**	**48,750**	**129,927**

Bank Loans

The bank loan consists of a Term Loan A and Term Loan B of NOK 75 each. The Term Loan A matures over five years, with quarterly straight-line amortisations, while the Term Loan B matures in five years.

Credit facilities

Available credit facilities consist of a Revolving Credit Facility of NOK 30 million, an overdraft facility of NOK 25 million and a seasonal facility of NOK 20 million.

All the interest-bearing borrowings are provided by Nordea Bank APB.

Maturity analysis for loans

		Due within			
2024 (Amounts in NOK 1 000)	Total	1 year	1-5 years	over 5 years	Annual interest rate
Bank overdraft facilities	-	-	-	-	3-month NIBOR + 250 bps
Bank loan	129,315	15,000	114,315	-	3-month NIBOR + 305 / 285 bps
Revolving Credit Facility	10,000	10,000	-	-	3-month NIBOR + 285 bps
Total	**139,315**	**25,000**	**114,315**	-	

		Due within			
2023	Total	1 year	1-5 years	over 5 years	Annual interest rate
Bank overdraft facilities	-	-	-	-	3-month NIBOR + 225 bps
Bank loan	148,677	18,750	129,927	-	3-month NIBOR + 280 / 260 bps
Revolving Credit Facility	30,000	30,000	-	-	3-month NIBOR + 260 bps
Total	**178,677**	**48,750**	**129,927**	-	

In connection with the refinancing, Techstep ASA entered into an interest rate hedge agreement, where interest payments for 75% of the long-term borrowings are secured at a NIBOR base of 4.47% p.a. The duration of the agreement is five years.

Collateral

Nordea Bank ABP has entered into the following agreements regarding collateral for Techstep ASA's loans in Nordea Bank ABP:

- Share Pledge Agreements covering the shares in Techstep Norway AS, Techstep Finance AS, Techstep AB and Techstep Finance AB.
- Security Agreements with Techstep Norway AS and Techstep Finance AS, covering their respective trade receivables, operating assets, and inventory.
- Business Mortgage Agreements (Foretagshypotek) with Techstep AB and Techstep Finance AB.

Financial covenants

The financial covenants related to the new financing are:

- Maximum leverage ratio*: 2.2x to 2.0x over the next three quarters
- Minimum interest cover ratio**: 3.2x to 4.0x over the next four quarters
- Equity ratio: above 30%

* Leverage ratio means net interest-bearing debt, including leasing liabilities and liabilities related to device as a service, to EBITDA adjusted.

** Interest cover ratio means net EBITA adjusted to net interest expenses.

The Group was in compliance with all financial covenant requirements as at 31 December 2024.

Reconciliation of interest-bearing debt (Amounts in NOK 1 000)	**2024**	**2023**
Balance as of 1 January	**178,677**	**173,987**
Cash flow from financing activities		
Proceeds from borrowings	-	178,313
Payments of borrowings	(40,079)	(161,075)
Net cash flow from financing activities	*(40,079)*	*17,238*
Additions arising from business combinations		
Non-cash settlements	717	(14,607)
Effects from exchange rate fluctuations	-	2,024
Other	-	35
Balance as of 31 December	**139,315**	**178,677**

In September 2023, Techstep refinanced all interest-bearing borrowings from several financial credit institutions in the countries in which it is located into one borrowing relationship with Nordea Bank APB.

Sustainability Linked Loan

In July 2024, Techstep added Sustainability features to the loan terms connected to three KPIs, which may give a discount of up to 5 bps on the margin if the three KPIs are reached, or a penalty of up to 5 bps if the KPIs are not reached. The KPI performance, which relates to reduction of greenhouse gas emissions (Scope 1 and 2), supplier due diligence and cybersecurity training, will be evaluated on an annual basis. The two latter KPIs will be replaced by new KPIs for the last two years of the loan period.

Note 17 Other non-current liabilities

Other non-current liabilities consists of the following: (Amounts in NOK 1 000)	**Note**	**2024**	**2023**
Lease liabilities	9	15,794	15,916
Non-current liabilities related to Device-as-a-Service		39,476	19,316
Total other non-current liabilities		**55,270**	**35,231**

Non-current liabilities related to Device-as-a-Service include prepaid lease income with expected revenue recognition beyond 12 months of the balance sheet date, and buy-back obligations to funder. See note 3 for information about liabilities related to Device-as-a-Service.

Note 18 Trade payables and other current liabilities

Accounting policy

Trade payables and other current liabilities are initially recognised at fair value. Subsequently they are measured at amortised cost using the effective interest method. Short-term payables are normally not discounted as the interest element is minimal.

Other current liabilities (Amounts in NOK 1 000)	Note	2024	2023
Accrued expenses		19,923	42,584
Prepaid revenue		18,054	17,142
Lease liabilities	9	10,896	10,809
Public duties		27,184	24,278
Tax payable		1,841	599
Other current financial and non-financial liabilities		174	3,433
Total other current liabilities		**78,071**	**98,845**

Note 19 Financial Derivatives

Accounting policy

Financial derivatives are initially recognised at fair value on the date a derivative contract is entered into, and are subsequently remeasured to fair value through profit and loss at the end of each reporting period.

Liabilities (Amounts in NOK 1 000)	2024		2023			
	Nominal amount	Fair Value	Nominal amount	Fair Value	Maturity Date	Interest rate
Interest rate swap	98,438	(1,307)	112,500	(4,092)	Sept 2028	4.47% p.a
Total interest-bearing debt	**98,438**	**(1,307)**	**112,500**	**(4,092)**		

The derivative instrument consists of an interest rate swap entered into with the purpose of reducing the interest rate risk on the long term loans. In connection with the refinancing, Techstep ASA entered into an interest rate hedge agreement, where the floating interest base for 75% of the long-term borrowings is secured at 4.47% p.a. The duration of the agreement is five years.

A negative change in fair value of the interest rate swap of NOK 1.3 million (NOK 4.1 million) is included in financial expenses.

Note 20 Financial risk management

The Group's financial risk is related to credit risk, liquidity risk, currency risk and interest rate risk. The Group's risk management aims to support value creation and ensure a solid financial platform, through transparent and strategic management of both financial and operational risk factors. Operational risk relates mainly to major projects, which are continuously reviewed by management.

The Group's capital consists of net interest-bearing debt (NIBD) and equity: (Amounts in NOK 1 000)	**2024**	**2023**
Non-current interest-bearing borrowings	114,315	129,927
Current interest-bearing borrowings	25,000	48,750
Cash and cash equivalents*	30,776	77,459
NIBD	**108,540**	**101,218**
Group equity	578,289	573,697
Net gearing (NIBD/equity)	19%	18%
Undrawn credit facilities*	45,000	28,368

* Seasonal facility of NOK 20 million is not included in undrawn credit facility. The seasonal facilitiy is available for four months with opening in the period between 1 May and 30 September.

A) Capital management

Techstep manages its capital to secure the ongoing operations of the companies in the Group and to maximise the shareholders' return. The Group's capital structure's focus is to ensure sufficient free liquidity in the form of cash and cash equivalents along with bank overdraft facilities to ensure that the Group can continually service its obligations and at the same time be able to make strategic acquisitions.

B) Credit risk

Credit risk is the risk that customers are unable to settle their obligations as they mature. Credit risk is considered part of the business risk and is included in ongoing operations. The Group has established procedures for credit rating major of private customers, and the risk that customers do not have the financial means to meet their obligations is considered low. Historically, only minor losses have been realised as a result of customers experiencing financial difficulties.

The customer base comprises many medium-sized customers, along with a few larger customers. The customer portfolio is considered to be well diversified across industries, with both private and public customers. The risk level is considered satisfactory. The bulk of the Group's customers are Norwegian and Swedish, which constitutes a geographic concentration of risk.

In 2024 there are two single customers that represented 10% or more of the Group's revenues (10.6% and 10.3%). No customers constituted more than 10 % of the total in 2023.

The maximum credit exposure consists of the carrying value of receivables and cash and cash equivalents. All receivables are due within one year. Normally, payment is 30 days after invoicing.

Provisions for losses on trade receivables are based on portfolio assessment of trade receivables as disclosed in note 14.

Historically, actual losses on trade receivables have been immaterial, as was also the case in 2024. It is management's assessment that the Group's overall credit risk is satisfactory. Please also refer to note 14, Trade receivables and other receivables.

C) Liquidity risk

Liquidity risk is the risk of not being able to pay the Group's financial obligations upon maturity. Liquidity risk arises from a mismatch between cash flows from operations and financial commitments. Liquidity budgets are prepared based on the Group's financial budgets. The budgets are prepared annually and are updated with new forecasts throughout the year. Transforming from a transactional model to a recurring revenue model, which by definition postpones incoming cash flows, puts a higher strain on the liquidity position of the Group. The Group's liquidity is closely monitored by management and the Board of Directors. If the need arises, the Group has access to multiple funding sources to balance the transformation.

For details regarding the Group's interest-bearing borrowings refer to note 16 Borrowings.

D) Currency risk

The material part of the Group's operations is conducted in the Nordics. The Group is thus not materially affected by operational currency fluctuations other than fluctuations between NOK and SEK. The bulk of the Group's goods and services is billed in NOK or SEK as appropriate. To a minor extent, some solutions revenue and expenses are invoiced in PLN, EUR and USD. The Group does not hedge cash flows in foreign currencies. The Group has low cash holdings, trade receivables and trade payables in currencies other than NOK and SEK.

Therefore, the consequences on the Group's profit and equity from changes in exchange rates between NOK and foreign currencies, and SEK and foreign currencies is limited and deemed acceptable. There is limited trade between Norway and Sweden and currency risk is considered to be low overall. Group values related to foreign operations are subject to currency fluctuations. As such, there will be variations in the financial statement's line item Exchange differences on translating foreign operations in the consolidated statement of comprehensive income.

E) Interest rate risk

Interest rate changes have an effect on consolidated operating income and cash flows from operating activities. The Group's interest rate risk is related to floating interest rates on bank accounts and deposits, in addition to floating rate debt in credit institutions. The Group has no fixed-rate deposits or debt and is therefore not exposed to fair value interest rate risk. The Group assesses its capital structure on an ongoing basis.

Interest rate sensitivity	Increase/ decrease in basis points	Increased interest rate effect on profit before tax	Decreased interest rate effect on profit before tax
Based on net interest-bearing items 31.12.2024	+/- 100	-1,085	1,085
Based on net interest-bearing items 31.12.2023	+/- 100	-1,012	1,012

F) Categories of financial instruments

Accounting policy

Financial assets and liabilities include investments, derivatives, receivables, borrowings, payables and other liabilities. Financial instruments are classified as:

- Fair value through profit or loss, or
- Amortised cost

Financial instruments at fair value through profit or loss are derivatives entered into to hedge the interest rate risk for the long-term borrowings.

Financial assets at amortised cost are held for principal and interest payments, initially recognised at fair value plus transaction cost, and measured using the effective interest method. Current assets are assumed to be at fair value due to their short-term nature.

Financial liabilities at amortised cost includ borrowings, payables and other liabilities, recognised initially at fair value and measured using the effective interest method. Effective interest is recognised in the income statement as financial expenses. Current liabilities are not amortised unless material.

Trade and other receivables are assessed for credit loss based on payment defaults and debtor's financial difficulties. For trade receivables the loss allowance is measured at the lifetime expected credit loss. The loss is recognised as other operating expenses in the income statement.

Fair value of financial instruments is based on market prices or valuation techniques that are expected to provide a reliable estimate of the fair value. Unlisted securities are valued using discounted cash flows. Financial assets and liabilities are classified by valuation method:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Valuation based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Valuation based on inputs for the asset or liability that are unobservable market data.

Changes in fair value recognised in profit or loss are presented in the line items Financial expenses and Other income and expenses.

Financial instruments by category

The Group has the following categories of financial instruments as at 31 December 2024: (Amounts in NOK 1 000)	**Financial assets at fair value through profit or loss**	**Financial assets at amortised cost**	**Total**	**Level in fair value hierarchy**
ASSETS				
Shares and investments	45		45	3
Other non-current assets	-	125	125	
Accounts receivables	-	134,745	134,745	
Other receivables	-	36,711	36,711	
Cash and cash equivalents	-	30,776	30,776	
Total assets	**45**	**202,357**	**202,401**	

(Amounts in NOK 1 000)	**Financial liabilities at fair value through profit or loss**	**Financial liabilities at amortised cost**	**Total**	**Level in fair value hierarchy**
LIABILITIES				
Non-current interest-bearing borrowings	-	114,315	114,315	
Other non-current debt	-	6,118	6,118	
Financial derivatives	1,307	-	1,307	2
Non-current liabilities related to Device-as-a-Service	-	39,476	39,476	
Current interest-bearing borrowings	-	25,000	25,000	
Accounts payables	-	175,792	175,792	
Current liabilities related to Device-as-a-Service	-	149,770	149,770	
Current lease liabilities	-	10,896	10,896	
Other current financial liabilities	-	68,611	68,611	
Total liabilities	**1,307**	**589,979**	**591,286**	

The Group has the following categories of financial instruments as at 31 December 2023: (Amounts in NOK 1 000)	**Financial assets at fair value through profit or loss**	**Financial assets at amortised cost**	**Total**	**Level in fair value hierarchy**
ASSETS				
Shares and investments	695	-	695	3
Other non-current assets	-	3,222	3,222	
Accounts receivables	-	159,067	159,067	
Other receivables	-	30,586	30,586	
Cash and cash equivalents	-	77,459	77,459	
Total assets	**695**	**270,334**	**271,029**	

(Amounts in NOK 1 000)	**Financial liabilities at fair value through profit or loss**	**Financial liabilities at amortised cost**	**Total**	**Level in fair value hierarchy**
LIABILITIES				
Non-current interest-bearing debt	-	129,927	129,927	
Other non-current debt	-	15,916	15,916	
Financial derivatives	4,092	-	4,092	2
Non-current liabilities related to Device-as-a-Service	-	19,316	19,316	
Current interest-bearing borrowings	-	48,750	48,750	
Trade payables	-	198,353	198,353	
Current liabilities related to Device-as-a-Service	-	167,231	167,231	
Current lease liabilities	-	10,809	10,809	
Other current financial liabilities	-	88,036	88,036	
Total liabilities	**4,092**	**678,337**	**682,429**	

Note 21 Legal disputes and contingencies

The Group has no ongoing legal disputes or contingencies.

Note 22 Group structure

As at 31 December 2024 the Group consisted of the following companies:

Company	Location	Segment	Ownership
Techstep ASA	Oslo	Headquarters	100%
Techstep Norway AS	Oslo	Norway	100%
Techstep Finance AS	Oslo	Norway	100%
Techstep AB	Karlstad/Borås	Sweden	100%
Techstep Finance AB	Karlstad	Sweden	100%
Techstep ApS	Vejle	Denmark	100%
Optidev ApS	Vejle	Denmark	100%
Techstep S.A	Gdansk	Poland	100%
Santa Rita Private Venture	Gdansk	Poland	100%

Note 23 Related party transactions

The following are considered related parties to the Group:

All the members of the Board of Directors and Group management, including close family members, as defined by the Norwegian Accounting Act and associated regulations.

The following companies are considered as related parties to the Group during 2023 and 2024**:**

Company	Relationship	Role
Crayon Group Holding ASA and Crayon AS	Melissa Mulholland	Board member
Crayon Group Holding ASA and subsidiaries	Jens Rugseth	Board member
Stobor Invest AB*	Åke Fredrik Logenius	Chief operation officer (until June 2023)
Virtudev AB**	Åke Fredrik Logenius	Chief operation officer (until June 2023)

Consolidated income statement	**Revenue from**		**Expenses to**	
(Amounts in NOK 1 000)	**2024**	**2023**	**2024**	**2023**
Crayon	2,830	3,044	6,053	5,530
Stobor Invest AB*	-	-	-	290
Virtudev AB **	-	-	4,741	8,909

	Receivables		**Payables**	
Balance as at 31 December (Amounts in NOK 1 000)	**2024**	**2023**	**2024**	**2023**
Crayon	1,270	1,221	733	598
Virtudev AB **	-	-	-	2,680

*Stobor Invest AB is 50% owned by former COO Åke Fredrik Logenius. He resigned from the role as COO 1 June 2023.

** Virtudev AB is 26% owned by Stobor Invest AB.

All transactions with related parties are carried out at the arm's length principle.

Note 24 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to shareholders of the company by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	2024	2023
Net income attributable to shareholders of Techstep ASA (Amounts in NOK 1 000)	(45,696)	(44,546)
Weighted average number of shares outstanding (Basic)	32,205,993	31,094,275
Weighted average number of shares outstanding (Diluted)	32,205,993	31,094,275
Earnings per share (Basic)	(1.42)	(1.43)
Earnings per share (Diluted)	(1.42)	(1.43)
Number of outstanding ordinary shares as at 1 January	31,629,381	30,513,107
Number of outstanding ordinary shares as at 31 December	34,407,158	31,629,381

The Group has issued stock options to some members of the executive management group and other key employees, refer to note 26 Remuneration to the board and executive management for details.

For details regarding the issuance of shares in 2024 and 2023, refer to note 25 Shares, capital structure, options and shareholders.

Note 25 Shares, capital structure, options and shareholders

Share capital

The company's share capital as at 31 December 2024 was NOK **34,407,158** based on **34,407,158** ordinary shares with a par value of NOK 1.00.

Each share gives the right to one vote at the company's general meeting. At the date of this report, Techstep holds 192 treasury shares.

The development in share capital and other paid-in equity is set out in the consolidated statement of changes in equity.

The nominal value of treasury shares is reported in the balance sheet, as a deduction to other equity.

Development in the number of issued and outstanding shares:

	Shares outstanding	Treasury shares*	Issued
Number of shares 1 January 2024	31,629,281	192	31,629,281
New share capital	2,777,777		2,777,777
Number of shares 31 December 2024	**34,407,158**	**192**	**34,407,158**
Number of shares 1 January 2023	30,513,107	192	30,513,107
Employee share purchase programme	63,146		63,146
Conversion of debt	1,053,028		1,053,028
Number of shares 31 December 2023	**31,629,281**	**192**	**31,629,281**

*Treasury shares are included in the column other equity in the statement of changes in equity.

Please note that on the Annual General Meeting 23 May 2023, it was approved to resolve a 10:1 reverse share split, so that 10 shares were reversely split into 1 share (ex-date 30 May 2023). On 12 July, a share capital decrease was completed, reducing the nominal value of each Techstep share to NOK 1. The number of shares stated for 1 January 2023 reflects this reverse share split.

2024
Techstep has issued consideration shares in relation to the following:

2 777 777 new shares in a private placement

2023
Techstep has issued consideration shares in relation to the following:

63 146 new shares related to employee share purchase programme

1 053 028 new shares related to issuance of shares to Stobor Invest AB by conversion of the company's debt owed to Stobor Invest AB into shares in the company

As at 30 December 2024, Techstep's 20 largest shareholders were as follows:

Shareholder	Number of shares	Ownership
DATUM AS [1)]	6,296,415	18.30%
KARBON INVEST AS [2)]	4,755,546	13.82%
VALSET INVEST AS	2,530,000	7.35%
Swedbank AB	2,524,685	7.34%
CAMIKO AS	1,073,082	3.12%
STEENCO AS	869,566	2.53%
AS CLIPPER	869,566	2.53%
CIPRIANO AS	759,916	2.21%
SPECTER INVEST AS	652,500	1.90%
VERDIPAPIRFONDET DNB SMB	628,206	1.83%
Saxo Bank A/S	483,023	1.40%
GIMLE INVEST AS	407,096	1.18%
Sbakkejord AS	363,134	1.06%
TIGERSTADEN AS	325,000	0.94%
TORSTEIN TVENGE	300,000	0.87%
NILS GABRIEL ANDRESEN	260,191	0.76%
TIGERSTADEN MARINE AS	250,000	0.73%
NORDHOLMEN AS	238,372	0.69%
NORDNET LIVSFORSIKRING AS	235,704	0.69%
PIKA HOLDING AS	214,346	0.62%
Total number owned by top 20	**24,036,348**	**69.86%**
Total number of shares	**34,407,158**	**100.00%**

1. Datum AS is controlled by deputy Board member Jan Haudemann-Andersen.
2. Karbon Invest AS is owned by Board member Jens Rugseth. Jens Rugseth also owns shares in Techstep ASA through RugZ AS.

Duo Jag AS, which is partly owned by Board member Ingrid Leisner, owns 60 157 shares in Techstep ASA. Hermia AS, which is partly owned by Board member Harald Arnet, owns 63 439 shares in Techstep ASA.

Options

Accounting policy

Share-based payments are part of the remuneration to executive management and other key personnel.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which the vesting conditions are satisfied. At the end of each period, the estimate of the number of options that are expected to vest based on the non-market vesting and service conditions is revised. The revision, if any, of the original estimates is recognised in the income statement, with a corresponding adjustment to equity.

Social security tax is provided for at each balance sheet date based on the intrinsic value of the options.

Share option grant

Programme	Grant date	Vesting date	Expiry date	Share options granted	Exercise price	Share options 31.12.23	Share options 31.12.24
2020	6/22/2020	6/22/2021	6/22/2024	426,988	30.00	131,922	-
2021	4/22/2021	4/22/2022	4/22/2026	153,110	58.00	70,429	70,429
	4/22/2021	4/22/2023	4/22/2026	153,110	58.00	50,525	50,525
	4/22/2021	4/22/2024	4/22/2026	153,110	21.70	50,525	50,525
2022	4/21/2022	4/21/2023	4/21/2027	105,688	32.45	56,775	45,420
	4/21/2022	4/21/2024	4/21/2027	105,688	21.70	56,775	56,775
	4/21/2022	4/21/2025	4/21/2027	105,688	25.60	56,775	56,775
2023	8/30/2023	6/14/2024	6/14/2028	238,333	18.7	188,329	188,329
	8/30/2023	6/14/2025	6/14/2028	238,333	18.7	188,333	158,333
	8/30/2023	6/14/2026	6/14/2028	238,333	18.7	188,338	158,337
2024	4/5/2024	4/5/2025	4/5/2029	509,991	8.75	-	509,991
	4/5/2024	4/5/2026	4/5/2029	510,000	10.9	-	510,000
	4/5/2024	4/5/2027	4/5/2029	510,009	13.6	-	510,009
	7/1/2024	4/5/2025	4/5/2029	13,334	8.75	-	13,334
	7/1/2024	4/5/2026	4/5/2029	13,333	10.9	-	13,333
	7/1/2024	4/5/2027	4/5/2029	13,333	13.6	-	13,333
Total						**1,038,725**	**2,405,447**

The fair value at grant date is independently determined per tranche using the Black Scholes Model. As option gains are taxed with personal income tax rates (higher) and gains on ordinary shares are taxed with capital gains tax rates (lower), the assessment is that the participants will exercise early. Hence, exercise is assessed to occur before a full lifetime has lapsed. As the options are "non-transferable", it is also likely that participants will tend to realise the gain on the options by exercising early as soon as exercise is possible.

Due to the arguments above, it is management's best estimate that using the term from the grant date until one year after the vesting date as the estimated lifetime on the options is a fair assumption.

The expected volatility of the company's share price is 64%. To estimate the volatility of the Techstep share, the company's historic volatility over the expected lifetime of the options has been used.

The risk-free interest rate used in the B&S model is the zero-coupon government bond issues of the country in whose currency the exercise price is expressed, with the term equal to the expected term of the option being valued. Since the exercise price is expressed in Norwegian kroner, the "Norges Bank Treasury Bill" and "Government bond" rate is used as input. The interest rates used for the options with term structures outside of the quoted terms of Norges Bank's interest rates are calculated with the use of a linear interpolation between the two closest quoted rates.

Please see separate remuneration report for 2024 for more information about the share option programmes.

Overview of share options held by members of the management group as at 31 December 2024:

Name	Position	Shares	Share Options
Morten Meier*	CEO	100,000	350,000
Ellen Solum	CFO	15,402	350,000
David Landerborn	Chief Product Officer	32,497	282,966
Bartosz Leoszewski	Chief Technology Officer	41,336	164,065
Sheena Lim	Chief Marketing Officer	2,134	164,065
Suzanne Almbring	Chief People & Culture Officer	2,394	-

- *Morten Meier owns 50.000 shares directly, and controls 50.000 shares through close associate Mia Unhjem Meier*

Total cost for the share option program in 2024 included in personnel costs, was NOK 3.7 million (NOK -1.4 million), the difference between 2023 and 2024 is due to the reversal of previously recognized costs for unvested share options for employees leaving the company during 2023.

Note 26 Remuneration to the board and executive management

For detailed information on remuneration to executive management and the Board of Directors, see the separate remuneration report for 2024. The company has established guidelines for remuneration to executive management which were approved by the company's general meeting on 27 May 2024.

Note 27 Events after the reporting period

On 12 February 2025, Techstep announced that it had entered into a Letter of Intent with a leading IT vendor in Ireland/UK, marking its strategic entry into the Ireland and UK markets. With this partnership the vendor will adopt Techstep's Lifecycle platform as their standard solution for Device-as-a-Service (DaaS) offerings, enhancing operational efficiency and customer experiences. Both companies are committed to going live with the Lifecycle platform this year with customers onboarded in the fourth quarter. The commercial model includes a license price per device per month.

On 3 April 2025, Techstep announced that it had entered into an extensive agreement with LKAB, one of Sweden's most historically significant industrial companies. Under the agreement, Techstep will be responsible for managing LKAB's growing mobility initiatives in a secure, efficient, and sustainable manner. Techstep will deliver, manage and support their entire mobile estate with mobile devices, experience and security management. The agreement initially spans three years and covers LKAB's entire mobile estate.

Techstep ASA – Income statement

(Amounts in NOK 1000)	Note	2024	2023
Other revenue	9	37,664	70,896
Total revenues		**37,664**	**70,896**
Salaries and personnel costs	2	(17,395)	(19,219)
Other operational costs	2, 3	(31,598)	(43,179)
Depreciation	7	(3,583)	(4,319)
Amortisation and impairment	8	(13,220)	(6,710)
Other expenses	10	(51)	(1,970)
Operating profit (loss)		**(28,182)**	**(4,501)**
Financial income	4	20,637	18,541
Financial expense	4, 13	(23,104)	(26,626)
Profit before taxes		**(30,649)**	**(12,856)**
Income taxes	5	(2,653)	2,512
Net profit (loss) for the period		**(33,303)**	**(10,074)**

Statement of comprehensive income

(Amounts in NOK 1000)	Note	2024	2023
Net profit (loss) for the period		**(33,303)**	**(10,074)**
Other comprehensive income		**-**	-
Total comprehensive income		**(33,303)**	**(10,074)**

Statement of financial position

(Amounts in NOK 1000)	Note	2024	2023
ASSETS			
Deferred tax asset	5	2,970	5,623
Technology	8	18,250	16,249
Total intangible assets		**21,220**	**21,872**
Right-of-use assets	7	9,376	13,156
Total tangible assets		**9,376**	**13,156**
Shares and investments	6	826,975	826,352
Total financial assets		**826,975**	**826,352**
Total non-current assets		**857,570**	**861,380**
Current receivables from Group companies	9	53,071	120,795
Other receivables		11,152	11,157
Total inventories and receivables		**64,224**	**131,952**
Cash and cash equivalents	12	555	520
Total current assets		**64,778**	**132,472**
Total assets		**922,348**	**993,852**
EQUITY AND LIABILITIES			
Share capital		34,407	31,629
Other equity		657,004	660,998
Total equity		**691,412**	**692,627**
Non-current interest-bearing borrowings	11	113,378	128,365
Financial derivatives	13	1,307	4,092
Other non-current debt	7	6,826	10,930
Total non-current liabilities		**121,511**	**143,386**
Current interest-bearing borrowings	11	43,999	92,257
Trade payables		8,368	8,991
Current liabilities til Group companies	9	51,743	48,302
Other current liabilities	7	5,315	8,288
Total current liabilities		**109,425**	**157,838**
Total liabilities		**230,937**	**301,224**
Total equity and liabilities		**922,348**	**993,852**

Oslo, 29 April 2025, signatures from the Board of Directors and the CEO of Techstep ASA:

Michael Jacobs
Chairman

Harald Arnet
Board member

Ingrid Leisner
Board member

Jens Rugseth
Board member

Melissa Ann Mulholland
Board member

Morten Meier
CEO

Statement of changes in equity

(Amounts in NOK 1000)	Share capital	Other paid-in capital	Other equity	Total equity
Equity at January 1, 2023	**305,131**	**717,794**	**(334,048)**	**688,877**
Profit for the period	-	-	(10,074)	(10,074)
Total comprehensive income for the period	**-**	**-**	**(10,074)**	**(10,074)**
Transactions with owners in their capacity as owners:				-
Proceeds from issuance of shares net of transaction costs	1,116	13,722	-	14,838
Reverse share split	(274,618)	274,618	-	-
Share-based payments	-	-	(1,014)	(1,014)
Equity at December 31, 2023	**31,629**	**1,006,134**	**(345,137)**	**692,627**
Equity at January 1, 2024	**31,629**	**1,006,134**	**(345,137)**	**692,627**
Profit for the period	-	-	(33,303)	(33,303)
Total comprehensive income for the period	**-**	**-**	**(33,303)**	**(33,303)**
Reclassification	-	-	-	-
Proceeds from issuance of shares net of transaction costs	2,778	25,613	-	28,391
Share-based payments	-	-	3,697	3,697
Equity at December 31, 2024	**34,407**	**1,031,747**	**(374,743)**	**691,412**

Statement of cash flow

(Amounts in NOK 1000)	Note	2024	2023
Profit before tax		(30,649)	(12,586)
Depreciation, amortisation and impairment	7, 8	16,803	11,029
Share-based payments		3,697	(1,014)
Dividends and other reclassified to investment activities		14,041	(2,131)
Changes in net operating working capital and other non-cash items		42,979	(90,261)
Net cash flow from operational activities		**46,871**	**(94,964)**
Payment for intangible assets	8	(3,507)	(2,738)
Repayment of loans from subsidiaries		-	34,340
Group contribution received		12,666	9,996
Interest received		2,079	1,988
Net cash used on investment activities		**11,237**	**43,586**
Proceeds from issuance of shares		28,391	230
Repayment of borrowings	11	(39,454)	53,481
Net change in bank overdraft	11	(24,442)	15,745
Lease repayments	7	(5,108)	(4,467)
Interest paid		(17,459)	(14,865)
Net cash flow from financing activities		**(58,072)**	**50,124**
Net change in cash and cash equivalents		**35**	**(1,254)**
Cash and cash equivalents at beginning of period	**12**	**520**	**1,773**
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at end of period	12	**555**	**520**

Techstep ASA – Notes to the annual accounts

Note 1 General information, basis for preparation

Techstep ASA is a public limited company incorporated and domiciled in Norway. The address of its registered office is Brynsalléen 4, 0667 Oslo, Norway. The shares of Techstep ASA are listed on the Oslo Stock Exchange under ticker TECH.

Techstep ASA is the parent company of the Techstep Group, with business in Norway, Sweden and Denmark. For more information see the consolidated financial statements.

The financial statements were approved by the Board of Directors on 29 April 2025 and will be proposed to the General Meeting 27 May 2025.

The financial statements for the company Techstep ASA have been prepared and presented in accordance with simplified IFRS pursuant to Section 3-9 in the Norwegian Accounting Act.

For the accounting principles used to prepare and present the financial statements refer to note 1 General information and the accounting policies presented in the notes in the Group financial statement.

Note 2 Salaries and personnel cost

(Amounts in NOK 1 000)	2024	2023
Salaries and holiday pay	10,456	16,688
Social security tax	2,002	2,284
Pension costs including social security tax	344	807
Other personnel costs	4,592	(560)
Total personnel costs	**17,395**	**19,219**
Number of employees at year end	4	5

2023 numbers are reclassified to align with 2024 presentation. Other personnel consist mainly of option costs and other personnel benefits.

The company's pension plans meet the requirements of the Act on Mandatory Occupational Pensions (OTP).

For detailed information on remuneration to executive management and the Board of Directors, see the separate remuneration report for 2024. The company has established guidelines for remuneration to executive management which were approved by the company’s general meeting on 27 May 2024.

Please refer to note 25, Share, capital structure and shareholders in the consolidated Group financial statements for information about share option grants.

2024

	Audit services	Other attestation services	Tax advisory services	Other non-audit services	Total
PWC	1,150	-	-	353	1,503
Total	**1,150**	**-**	**-**	**353**	**1,503**

2023

	Audit services	Other attestation services	Tax advisory services	Other non-audit services	**Total**
BDO	876	-	-	123	1,000
PWC	400	-	-	-	400
Total	**1,276**	**-**	**-**	**123**	**1,400**

Note 3 Other operational costs

(Amounts in NOK 1 000)	**2024**	**2023**
Office maintenance expenses	1,699	2,063
Human resources	392	474
Sales and marketing	2,991	4,349
IT expenses	19,876	25,368
Fees for external services	5,649	8,595
Communication	16	39
Travel expenses	109	419
Other expenses	863	1,873
Total operating costs	**31,598**	**43,178**

Note 4 Finance income and expenses

(Amounts in NOK 1 000)	**2024**	**2023**
Interest income	3,272	5,755
Group contribution received	11,613	4,590
Other financial income	5,752	6,444
Total financial income	**20,637**	**18,541**
Interest expenses	18,096	13,657
Other financial expenses	5,008	12,969
Total financial expenses	**23,104**	**26,626**

Interest income includes interest from group companies of NOK 2.4 million and interest expenses include interest to Group companies of NOK 2.5 million.

Note 5 Income tax

Income tax expense (Amounts in NOK 1 000)	**2024**	**2023**
Current tax		
Change in deferred tax	2,653	(2,512)
Tax expense	**2,653**	**(2,512)**
Reconciliation of relationship between accounting profit and tax expense		
Profit before tax	(30,649)	(4,632)
Tax at the Norwegian tax rate of 22%	(6,743)	(1,019)
Tax effect permanent differences	(819)	(602)
Deferred tax asset not recognised	8,098	(1,001)
Other	2,117	110
Income tax expense	**2,653**	**(2,512)**
Amounts recognised directly in equity		
Deferred tax: Share issue cost	-	-
Total	**-**	**-**
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	(583,937)	(536,977)
Potential tax asset at 22% tax rate	**(128,466)**	**(118,135)**
Components of deferred taxes		
The balance comprises temporary differences attributable to:		
Tangible assets		-
Leasing	(1,192)	(1,962)
Financial Instruments	(1,307)	(4,092)
Tax loss carried forward	(6,937)	(18,551)
Total basis for deferred tax	**(13,499)**	**(25,561)**
Deferred tax asset	(2,970)	(5,623)
Deferred tax liability	-	-
Total deferred tax (+)/ deferred tax asset (-)	**(2,970)**	**(5,623)**

Note 6 Shares in subsidiaries

Shares in subsidiaries

Subsidiaries are all entities controlled, either directly or indirectly, by Techstep ASA. Techstep ASA controls an entity when it is exposed to, or has rights to, variable returns from the involvement with the entity and has the ability to affect those returns through power over the entity.

Shares are classified as investment in subsidiaries from the date Techstep ASA effectively obtains control of the subsidiary (acquisition date).

Shares are measured at cost, and impairment loss is recognised if the carrying amount exceeds the recoverable amount. The impairment is reversed if the basis for the write-down is no longer present.

Group contributions received are included in financial income if they do not represent a repayment of capital invested. Group contributions received are recognised in the year of provision if it is probable that the future benefits will flow to the entity and the amount can be measured reliably. Group contributions that represent a repayment of capital are accounted for as a reduction in the cost of investments. Net Group contributions payable (gross Group contributions less tax effect) are accounted for as cost of investments in subsidiaries.

Dividends from subsidiaries and associates are included in financial income.

Shares in subsidiaries 2024	Location	Ownership/voting rights	Book value	Equity 31.12.2024	Net income 2024
Techstep Norway AS*	Oslo	100%	368,485	123,258	4,046
Techstep Finance AS	Oslo	100%	39,916	3,582	7,342
Techstep AB	Borås/Karlstad	100%	308,471	60,156	(3,400)
Techstep APS (owned by Techstep AB)	Denmark	100%	688	425	140
Techstep Polen S.A**	Gdansk	100%	109,415	25,191	4,979
Santa Rita Private Venture	Gdansk	100%	-	2,770	-
Total			**826,975**	**216,136**	3,849

*Crypho AS was merged into Techstep Norway AS on 1 December 2024.

** Techstep ASA owns 75% Techstep SA and Santa Rita Private Venture owns the remaining 25%.

Shares in subsidiaries 2023	Location	Ownership/voting rights	Book value	Equity 31.12.2023	Net income 2023
Techstep Norway AS	Oslo	100%	365,608	123,427	(12,701)
Techstep Finance AS	Oslo	100%	39,916	8,862	6,261
Crypho AS	Oslo	100%	2,877	(3,020)	(95)
Techstep APS	Denmark	100%	65	474	1,145
Techstep AB	Borås/Karlstad	100%	308,471	24,723	(23,344)
Techstep Polen S.A	Gdansk	100%	109,415	24,641	7,286
Techstep Ireland Ltd	Cork	100%	-	69	443
Santa Rita Private Venture	Gdansk	100%	-	2,770	472
Total			**826,352**	**181,945**	(20,533)

Note 7 Leases

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

(Amounts in NOK 1 000)	Buildings	Equipment	Total
As at 1 January 2024	12,795	361	13,156
Additions / remeasurement	(198)	1	(197)
Depreciation	(3,221)	(362)	(3,583)
As at 31 December 2024	**9,376**	**-**	**9,376**

(Amounts in NOK 1 000)	Buildings	Equipment	Total
As at 1 January 2023	7,806	853	8,659
Additions	8,821	(5)	8,816
Depreciation	(3,832)	(487)	(4,319)
As at 31 December 2023	**12,795**	**361**	**13,156**

Lease liabilities

	Buildings	Equipment	Total
As at 1 January 2024	14,700	392	15,092
Additions / remeasurement	(198)	1	(197)
Interest expense	771	11	782
Lease payments	(4,704)	(404)	(5,108)
As at 31 December 2024	**10,569**	**-**	**10,569**

	Buildings	Equipment	Total
As at 1 January 2023	9,316	904	10,220
Additions	8,821	(5)	8,816
Interest expense	493	30	523
Lease payments	(3,930)	(537)	(4,467)
As at 31 December 2023	**14,700**	**392**	**15,092**

Lease liabilities	2024	2023
Non-current	6,827	9,938
Current	3,742	5,154
Total	**10,569**	**15,092**

Maturity analysis nominal payments of lease liabilities

Amounts recognised in the income statement of profit or loss

The statement of profit or loss show the following amounts relating to leases:

Depreciation charge	2024	2023
Buildings	3,221	3,832
Equipment	362	487
Total	**3,583**	**4,319**
Other charges*	-	0

Note 8 Intangible assets

(Amounts in NOK 1 000)	Technology	Total
Accumulated cost as at 1 January 2024	27,066	27,066
Additions*	41,597	41,597
Accumulated cost as at 31 December 2024	68,663	68,663
Accumulated cost as at 1 January 2023	24,328	24,328
Additions	2,738	2,738
Accumulated cost as at 31 December 2023	27,066	27,066
Accumulated amortisation and impairment as at 1 January 2024	(10,817)	(10,817)
Additions*	(26,376)	(26,376)
Amortisation	(10,020)	(10,020)
Impairment	(3,201)	(3,201)
Accumulated amortisation and impairment as at 31 December 2024	(50,413)	(50,413)
Accumulated amortisation and impairment as at 1 January 2023	(4,107)	(4,107)
Amortisation	(6,710)	(6,710)
Accumulated amortisation and impairment as at 31 December 2023	(10,817)	(10,817)
Book value as at 31 December 2024	18,250	18,250
Book value as at 31 December 2023	16,249	16,249
Estimated economic lifetime in years	3-5 years	-
Depreciation method	linear	-

*During 2024, certain intangible assets were transferred at gross values from Techstep Norway AS to Techstep ASA through a group internal transaction at book values, included in "Additions" in the table above.

Note 9 Receivables and liabilities to Group companies

Management fee

Techstep ASA provides management services to its subsidiaries under formal service agreements. These services include strategic, administrative, and financial support. Management fees are recorded as other revenue in the income statement, and any outstanding receivables at year-end are presented as current receivables from Group companies in the statement of financial position.

Management fee for 2024 was NOK 37.7 million in 2024 and NOK 70.9 million in 2023.

(Amounts in NOK 1 000)	2024	2023
Group contribution received	11,613	31,224
Other current receivables	36,319	83,560
Trade receivables	5,138	6,011
Current receivables from Group companies	**53,071**	**120,795**

(Amounts in NOK 1 000)	**2024**	**2023**
Trade payables	11,714	-
Other current liabilities	40,029	48,302
Current liabilities to Group companies	**51,743**	**48,302**

Note 10 Other income and other expenses

Other expenses (Amounts in NOK 1 000)	**2024**	**2023**
Other non-recurring expenses	(51)	(1,970)
Total	**(51)**	**(1,970)**

Other non-recurring expenses in 2023 and 2024 are related to restructuring.

Note 11 Borrowings

	2024		**2023**	
(Amounts in NOK 1 000)	**Current**	**Non-current**	**Current**	**Non-current**
Bank loan incl RCF	25,000	113,378	48,750	129,927
Bank overdraft	18,999	-	43,441	-
Total interest-bearing borrowings	**43,999**	**113,378**	**92,191**	**129,927**

The table below sets out expected nominal payments on borrowings:

		Due within			
2024 (Amounts in NOK 1 000)	Total	1 year	1-5 years	over 5 years	Annual interest rate
Bank overdraft facilities	18,999	18,999	-	-	3-month NIBOR + 250 bps
Bank loan	128,378	15,000	113,378	-	3-month NIBOR + 305 / 285 bps
Revolving Credit Facility	10,000	10,000	-	-	3-month NIBOR + 285 bps
Total	**157,377**	**43,999**	**113,378**	**-**	

		Due within			
2023 (Amounts in NOK 1 000)	Total	1 year	1-5 years	over 5 years	Annual interest rate
Bank overdraft facilities	43,441	43,441	-	-	3-month NIBOR + 225 bps
Bank loan	147,115	18,750	128,365	-	3-month NIBOR + 280 / 260 bps
Revolving Credit Facility	30,000	30,000	-	-	3-month NIBOR + 260 bps
Total	**220,556**	**92,191**	**128,365**	**-**	

The bank loan consists of a Term Loan A and Term Loan B of NOK 75 million each. The Bank overdraft is short-term credit lines consisting of a Revolving Credit Facility of NOK 30 million, an overdraft facility of NOK 25 million and a seasonal facility of NOK 20 million.

The Term Loan A matures over five years, with quarterly straight-line amortisations, while the Term Loan B matures in five years.

The annual interest rates are

- TLA/RCF: NIBOR 3m + 285bps
- TLB: NIBOR 3m + 305bps
- Overdraft/seasonal: NIBOR 3m + 250bps

In connection with the refinancing, Techstep ASA entered into an interest rate hedge agreement, where interest payments for 75% of the long-term borrowings are secured at 4.47% p.a. The duration of the agreement is for five years.

The Group was in compliance with the leverage covenant requirement as at 31 December 2024.

Sustainability Linked Loan

In July 2024, Techstep added sustainability features to the loan terms connected to three KPIs, which may give a discount of up to 5 bps on the margin if the three KPIs are reached, or a penalty of up to 5 bps if the KPIs are not reached. The KPI performance, which relates to reduction of greenhouse gas emissions (Scope 1 and 2), supplier due diligence and cybersecurity training, will be evaluated on an annual basis. The two latter KPIs will be replaced by new KPIs for the last two years of the loan period.

Note 12 Cash and cash equivalents

The Group's cash and cash equivalents consists of (Amounts in NOK 1 000)	2024	2023
Cash and bank deposits	555	454
Total	**555**	**454**
Of which is restricted	469	520

Note 13 Financial derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and are subsequently remeasured to fair value through profit and loss at the end of each reporting period.

The purpose of derivative transactions is to reduce the interest rate risk. In connection with the refinancing, Techstep ASA entered into an interest rate hedge agreement, where interest payments for 75% of the long-term borrowings are secured at 4.47% p.a. The duration of the agreement is five years.

Liabilities (Amounts in NOK 1 000)	2024		2023			
	Nominal amount	Fair Value	Nominal amount	Fair Value	Maturity Date	Interest rate
Interest rate swap	98,438	(1,307)	112,500	(4,092)	Sept 2028	4.47% p.a
Total interest-bearing debt	**98,438**	**(1,307)**	**112,500**	**(4,092)**		

The interest rate swap is recorded at fair value through profit and loss. A positive change in fair value of the interest rate swap of NOK 2.8 million is included in financial income.

Note 14 Events after the reporting period

Please refer to note 27 Events after the reporting period in the consolidated Group financial statements.

Alternative performance measures

Techstep Group's financial information is prepared in accordance with International Financial Reporting Standards (IFRS). In addition, it is management's intention to provide alternative performance measures that are regularly reviewed by management to enhance the understanding of Techstep's performance, but not instead of the financial statements prepared in accordance with IFRS. The alternative performance measures presented may be determined or calculated differently by other companies. The principles for measuring the alternative performance measures are in accordance with the principles used both for segment reporting in note 2 and internal reporting to Group executive management (chief operating decision makers) and are consistent with financial information used for assessing performance and allocating resources.

Gross profit

Gross profit is defined as total revenue less cost of goods sold.

Net gross profit

Net gross profit is defined as total revenue less cost of goods sold and depreciation from Device-as-a-Service.

Gross margin

Gross margin is defined as total revenue less cost of goods sold and depreciation from Device-as-a-Service, divided by total revenue.

EBITDA

Earnings before interest, tax, depreciation, amortisation and impairment. The EBITDA margin presented is defined as EBITDA divided by total revenue.

EBITDA adjusted

Earnings before interest, tax, depreciation, amortisation and impairment adjusted for transactions of a non-recurring nature. Such non-recurring transactions include, but are not limited to restructuring costs, gains or losses related to the sale of subsidiaries, acquisition-related costs and other non-recurring income and expenses. The EBITDA adjusted margin presented is defined as EBITDA adjusted divided by total revenue.

EBITA

Earnings before interest, tax, amortisation and impairment The EBITA margin presented is defined as EBITA divided by total revenue.

EBITA adjusted

Earnings before interest, tax, amortisation and impairment adjusted for transactions of a non-recurring nature. Such non-recurring transactions include, but are not limited to restructuring costs, gains or losses related to sales of subsidiaries, acquisition-related costs and other non-recurring income and expenses. The EBITA adjusted margin presented is defined as EBITA adjusted divided by total revenue.

EBITA conversion

EBITA conversion rate is EBITA adjusted divided by net gross profit, and is a performance indicator to measure profitability vs net gross profit.

EBIT

Earnings before interest and tax (EBIT) is useful to users with regard to Techstep's financial information in evaluating operating profitability on a cost basis as well as the historic cost related to past business combinations and capex. The EBIT margin presented is defined as EBIT divided by Total revenue.

Device revenue

Device revenue is defined as revenue from sales of tangible goods and related discounts from suppliers and partners.

Device's share of revenue is the Device revenue divided by Total revenue.

Advisory & Services revenue

Revenue from Advisory & Services includes revenue from advisory, support and maintenance services, and sales of third-party software licenses including related commission.

Advisory & Services share of revenue is the revenue from Advisory & Services divided by Total revenue.

Own Software revenue

Revenue from Own Software includes revenue from the right to access and use software developed by Techstep (Own Software).

Own Software share of revenue is the revenue from Own Software divided by Total revenue.

Net interest-bearing debt (NIBD)

Net interest-bearing debt is non-current interest-bearing borrowings plus current interest-bearing borrowings less cash and cash equivalents.

Equity ratio

Equity ratio is defined as Total equity divided by Total equity and liabilities.

Capital expenditure (Capex)

Capital expenditure is the same as payment for property, plant and equipment and intangible assets.

Recurring revenue annualised

Reported Recurring revenue annualised represents future contractual annual revenue from Own Software, Advisory & Services and Device-as-a-Service. Revenues are based on contracts for 12 or more months and calculated as last months invoiced contractual revenues times 12 months. Contracts where invoicing to customers has not commenced at the reporting date, are not included in the calculation.

Responsibility statement

Oslo, 29 April 2025

From the Board of Directors and CEO of Techstep ASA

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2024, and the comparative figures presented for the period 1 January to 31 December 2023 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the Group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the Group, together with a description of the principal risks and uncertainties facing the entity and the Group.

Michael Jacobs Chairman	**Harald Arnet** Board member
Ingrid Leisner Board member	**Jens Rugseth** Board member
Melissa Ann Mulholland Board member	**Morten Meier** CEO

To the General Meeting of Techstep ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

- the financial statements of the parent company Techstep ASA (the Company), which comprise the Statement of financial position as at 31 December 2024, the Income Statement, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Techstep ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow 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 simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, 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 Techstep ASA for 2 years from the election by the general meeting of the shareholders on 13 October 2023 for the accounting year 2023.

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 Group's business activities are largely unchanged compared to last year. We have not identified regulatory changes, transactions or other events that qualified as new key audit matters this year. *Valuation of goodwill* carries the same characteristics and risks as in the prior year and continues to be an area of focus this year.

Key Audit Matters	How our audit addressed the Key Audit Matter
Valuation of goodwill	
At the balance sheet date, the net value of goodwill was NOK 632 108 thousand distributed between several cash generation units (CGU's). The values involved are significant and constitute a major part of total assets in the balance sheet. Management performed impairment testing by estimating the recoverable amount of goodwill. Determination of the recoverable amount requires application of significant judgment by management, particularly in relation to cash flow forecast and discount rate. We focused on valuation of goodwill due to the pervasive effect a potential write down could have in the financial statement, and due to management's use of judgement in estimating the recoverable amount. See note 11 and 12 to the consolidated financial statements for further explanation of management's impairment review and management's use of judgement.	We obtained an understanding of management's process related to impairment of goodwill. We obtained management's impairment assessment and evaluated whether the impairment review and the valuation model used, were aligned with the requirements in IAS 36. We also tested the mathematical accuracy of the valuation model. We challenged management's assumptions on future revenues and margins by comparing them to historical financial data, budget for 2025 approved by the Board of Directors and long-term forecasts. We evaluated the discount rates for the different CGU`s used by management by comparing the assumptions in the calculation of the discount rate against relevant internal and external information. Finally, we assessed the adequacy of the disclosures in note 11 and 12 to the consolidated financial statements and found them appropriate and in accordance with the IFRS requirements.

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.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

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 simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, 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 and using 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 Techstep 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 Techstep-2024-12-31-EN.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, 29 April 2025

PricewaterhouseCoopers AS

Jone Bauge

State Authorised Public Accountant

Note: Greenhouse Gas reporting

Techstep's greenhouse gas reporting is guided by the principles of the international standard GHG Protocol. All activity data are converted into GHG emissions, or CO2e using conversion factors. Techstep uses the operational control approach when defining the boundaries of its GHG inventory. The carbon footprint report for 2024 includes all Techstep's core operations in Norway, Sweden, Denmark and Poland. The boundaries and assumptions used are outlined below:

Boundaries and assumptions

- Techstep does not own any office premises and is dependent on data input from landlords with respect to energy consumption and waste. Access to data from the various landlords varies, and for some offices the data provided is calculated as a share of the m^2 office space rented (Scope 2, energy consumption + Scope 3, waste)
- Techstep has different expense systems in Norway, Sweden/Denmark and Poland, respectively, which impacts data quality and comparability with respect to travels (Scope 3, Business travel)
- Techstep has outsourced all distribution to logistics partners, mainly as a "drop-shipment" solution with direct shipment to customers. Emission data provided by distribution partners and their sub-suppliers are of various quality, and hence impact somewhat the data accessibility and accuracy on parts of the transportation (Scope 3, upstream transportation and distribution)
- Techstep is a reseller of mobile devices and accessories, and do not manufacture any own products. Emission data mainly includes average estimates based on product categories. Accuracy and granularity of data will be improved in the years to come (Scope 3, Purchased goods and services)
- Scope 3 emissions are not yet complete or fully mapped, and total Scope 3 emissions are expected to change as more emission sources are included in the carbon accounting and the data is more accurate. Techstep is committed to expanding its Scope 3 reporting to include more emission sources and improving data quality in the future. This will be a high priority as this is a necessary development in order to define meaningful reduction targets for Scope 3.

(figures denoted in tCO_2e)	2024	2023	2022
Techstep Group			
Scope 1	8.4	16.1	20.2
Scope 2 (location-based)	23.6	33.1	32.1
Scope 2 (market-based)	12.9	65.8	71.3
Electricity (incl. Electric car)	10.3	59.1	66.8
District heating/cooling	2.6	6.7	4.5
Scope 3			
Purchased goods and services	8,708.7	8,841.3	11,648.9
Fuel- and energy related activities	10.2	14.8	16.7
Upstream transportation and distribution	5.1	2.4	3.0
Waste	7.5	5.5	3.7
Business travel	104.9	203.9	81.4
Techstep Norway			
Scope 1	-	-	-
Scope 2 (location-based)	2.2	5.4	6.1
Scope 2 (market-based)	8.8	35.5	34.1
Scope 3			
Purchased goods and services	6,855.2	5,757.6	8,109.0
Fuel- and energy related activities	1.4	3.3	1.6
Upstream transportation and distribution	4.6	1.5	2.1
Waste	0.8	2.8	3.6
Business travel	35.7	113.5	21.1
Techstep Sweden			
Scope 1 (transportation)	0.8	5.5	6.1
Scope 2 (location-based)	5.7	9.8	7.2
Scope 2 (market-based)			
Electricity	0.6	0.2	6.8
District heating/cooling	2.6	6.7	4.5
Scope 3			
Purchased goods and services	1,791.8	3,060.1	3,539.6
Fuel- and energy related activities	2.7	4.1	6.0
Upstream transportation and distribution	0.5	0.9	1.0
Waste	6.7	2.7	0.1
Business travel	57.4	70.3	51.8
Techstep Denmark			
Scope 1 (transportation)	7.7	10.6	14.1
Scope 2 (location-based)	0.2	0.1	
Scope 2 (market-based)	0.9	-	0.5
Scope 3			
Purchased goods and services	57.7	23.7	0.3
Fuel- and energy related activities	2.0	2.6	3.4
Upstream transportation and distribution	-	-	-
Waste	-	-	-
Business travel	4.1	2.9	0.2
Techstep Poland			
Scope 1	-	-	-
Scope 2 (location-based)	15.5	17.8	18.7
Scope 2 (market-based)	-	23.4	25.4
Scope 3	-	-	-
Purchased goods and services	3.9	-	-
Fuel- and energy related activities	4.1	4.8	5.7
Upstream transportation and distribution	-	-	-
Waste	-	-	-
Business travel	7.8	17.1	8.3

GHG annual emissions

Methodology

Techstep reports according to the GHG Protocol Corporate Accounting and Reporting Standard Revised edition for calculating and reporting GHG emissions. The reporting is done through the CEMAsys portal where emission sources are converted into CO2-equivalents.

The GHG Protocol provides the following definitions for Scope 1, 2 and 3 emissions:

Scope 1 emissions: direct emissions from owned and controlled sources, including fuel combustion from company vehicles.

Scope 2 emissions: indirect emissions related to purchased energy; electricity and heating/cooling consumed by Techstep's offices or company-owned electric vehicles. The emission factors used are based on assumptions in the International Energy Agency's statistics (IEA Stat).

The location-based method: This is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilise a mix of energy resources, where the use of fossil fuels (coal, oil and gas) result in direct GHG-emissions. These emissions are reflected in the location-based emission factor.

The market-based method: The choice of emission factors when using this method is determined by whether the business acquires Guarantees of Origin (GoOs/RECs) or not. When selling GoOs or RECs, the supplier certifies that the electricity is produced exclusively by renewable sources, which has an emission factor of 0 grams CO2e per kWh. However, for electricity without the GoO or REC, the emission factor is based on the remaining electricity production after all GoOs and RECs for renewable energy are sold. This is called a residual mix, which is normally substantially higher than the location-based factor.

Scope 3 includes indirect emissions resulting from value chain activities, including purchased goods and services, business travel, transportation and distribution (upstream and downstream), investments, leased assets etc.

To the Board of Directors of Techstep ASA

Independent Practitioner's Assurance Report on the Greenhouse Gas (GHG) Statement

We have undertaken a limited assurance engagement in respect of Techstep ASA's Greenhouse Gas (GHG) Statement (the Subject Matter) included in the accompanying Annual Report of Techstep ASA for the year ended 31 December 2024, comprising the tables "Key GHG figures", "Scope 2 emissions per country" and "GHG annual emissions", with the accompanying text, showing total emissions in Scope 1, Scope 2 and selected categories in Scope 3, and the explanatory notes in the chapter " Note: Greenhouse Gas reporting",

The applicable criteria against which the GHG Statement has been evaluated is the Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard (2004) (the Criteria), applied as explained in the GHG statement. The GHG Protocol Corporate Accounting and Reporting Standard, is available at https://ghgprotocol.org/corporate-standard.

Management's Responsibility

Management is responsible for the preparation of the GHG Statement in accordance with the applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG Statement that is free from material misstatement, whether due to fraud or error.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the GHG Statement based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG Statement is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3410 involves assessing the suitability in the circumstances of management's use of the Criteria as the basis for the preparation of the GHG statement, assessing the risk of material misstatement of the GHG Statement whether due to fraud or error, responding to the assessed risk as necessary in the circumstances, and evaluating the overall presentation of the GHG Statement. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risk.

The procedures we performed were based on our professional judgment and, among others, included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have:

- through inquiries, obtained an understanding of Techstep ASA's control environment and information systems relevant to emissions quantification and reporting, but we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Techstep ASA's methods for developing estimates are appropriate and have been consistently applied.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Techstep ASA's GHG Statement has been prepared, in all material respects, in accordance with the Criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Techstep ASA's GHG Statement for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the applicable Criteria.

Oslo, 29 April 2025
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant

Note: GRI Index

Disclosures			**Reference**
GRI 2: General disclosures 2021	2 - 1	Organisational details	Techstep ASA
	2-2	Entities included in the organisation's sustainability reporting	Techstep at a glance
	2-3	Reporting period, frequency and contact point	1 January to 31 December 2024 (unless stated otherwise). Annual reporting. ellen.solum@techstep.no
	2-4	Restatements of information	
	2-5	External assurance	The GHG report has been assured by PwC
	2-6	Activities, value chain and other business relationships	Techstep at a glance, BOD report, Strategy, business model and value chain
	2-7	Employees	Own Workforce
	2-8	Workers who are not employees	NA
	2-9	Governance structure and organisation	Corporate governance report, Governance and sustainability management
	2-10	Nomination and selection of the highest governance body	Corporate governance report, Governance and sustainability management
	2-11	Chair of the highest governance body	Board of directors
	2-12	Role of the highest governance body in overseeing the management of impacts	Board of directors
	2-13	Delegation of responsibility for managing impacts	Governance and sustainability management
	2-14	Role of the highest governance body in sustainability reporting	Governance and sustainability management
	2-15	Conflicts of interests	Corporate governance report, Governance and sustainability management
	2-16	Communication of critical concerns	Reporting concerns
	2-17	Collective knowledge of the highest governance body	Board of directors
	2-18	Evaluation of the performance of the highest governance body	Corporate governance report

	2-19	Remuneration policies	Corporate governance report
	2-20	Process to determine remuneration	Corporate governance report, Remuneration of the Board of Directors, Remuneration of executive personnel
	2-21	Annual total compensation ratio	The organization's highest paid individual is the CEO. Additional information on CEO remuneration can be found in the Remuneration Report 2024, available from the website www.techstep.io.
	2-22	Statement on sustainable development strategy	Letter from the CEO, Sustainability
	2-23	Policy commitments	Governance and sustainability management
	2-24	Embedding policy commitments	Governance and sustainability management, Policy commitment and governance
	2-25	Process to remediate negative impacts	Workers in the value chain
	2-26	Mechanisms for seeking advice and raising concerns	Reporting concerns
	2-27	Compliance with laws and regulations	No non-compliances during the year
	2-28	Membership associations	UN Global Compact, Sustainability Board of Tech Sweden, Science Based Targets, Eco Vadis
	2-29	Approach to stakeholder engagement	Interest and views of stakeholders
	2-30	Collective bargaining agreements	All employees in Sweden are covered by collective bargaining agreements
Stakeholder engagement			
GRI 3: Material topics 2021	3-1	Process to determine material topics	Basis for preparation, Material impacts, risks and opportunities
	3-2	List of material topics	Material impacts, risks and opportunities
Material topics			
Ethical business conduct			
GRI 3: Material topics 2021	3-3	Management of material topics	Business conduct , Code of conduct
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	All business areas in the group

	205-2	Communication and training about anti-corruption policies and procedures	Mandatory signature on Code of Conduct for all employees
	205-3	Confirmed incidents of corruption and actions taken	No incidents reported during 2024
GHG emissions (climate and environmental impact)			
GRI 3: Material topics 2021	3-3	Management of material topics	Climate change
GRI 305: Environment	305-1	Direct (Scope 1) GHG emissions	Scope 1 & 2 emissions
	305-2	Energy indirect (Scope 2) GHG emissions	Scope 1 & 2 emissions
	305-3	Other indirect (Scope 3) GHG emissions	Scope 3 emissions
	305-4	Emission intensity (Scope 1 & 2 per NOK million revenue)	Scope 1 & 2 emissions
	305-5	Reduction of GHG emissions	Climate change
Circularity			
GRI 3: Material topics 2021	3-3	Management of material topics	Resource use and circular economy
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	Resource use and circular economy
GRI 306: Topic-specific Management approach disclosures	306-2	Management of significant waste-related impacts	Resource use and circular economy
Techstep-specific disclosure		Number of mobile devices received	Resource use and circular economy
Responsible sourcing and supply chain management			

GRI 3: Material topics 2021	3-3	Management of material topics	Workers in the value chain
GRI 308: Supplier environmental assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	Supplier management and due diligence practices, Main findings from 2024 assessment
GRI 214: Supplier social assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	Supplier management and due diligence practices, Main findings from 2024 assessment
Cybersecurity & data privacy			
GRI 3: Material topics 2021	3-3	Management of material topics	Cybersecurity & data privacy
GRI 418: Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer	Cybersecurity & data privacy
Gender equality			
GRI 3: Material topics 2021	3-3	Management of material topics	Own Workforce
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Diversity, inclusion and equality

Mandatory concepts

Name of reporting entity or other means of identification	Techstep ASA
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period	NA
Domicile of entity	Norway
Legal form of entity	ASA
Country of incorporation	Norway
Address of entity's registered office	Brynsalléen 4, NO-0667 Oslo
Principal place of business	Norway, Sweden, Poland
Description of nature of entity's operations and principal activities	Business within managed mobility services, hereunder sale of hardware, software and consultancy.
Name of parent entity	Techstep ASA
Name of ultimate parent of group	Techstep ASA