

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON**Enheten**

| | |
|----------------------|-------------------------------------|
| Organisasjonsnummer: | 929 418 298 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | ERLING HOLDCO AS |
| Forretningsadresse: | Grev Wedels gate 1 3111 TØNSBERG |

Regnskapsår

| | |
|-------------------------|-------------------------|
| Årsregnskapets periode: | 01.06.2022 - 31.12.2022 |
|-------------------------|-------------------------|

Konsern

| | |
|---------------------------|----|
| Mørselskap i konsern: | Ja |
| Konsernregnskap lagt ved: | Ja |

Regnskapsregler

| | |
|--|------------------------------------|
| Regler for små foretak benyttet: | Nei |
| Benyttet ved utarbeidelsen av årsregnskapet til selskapet: | Regnskapslovens alminnelige regler |
| Benyttet ved utarbeidelsen av årsregnskapet til konsernet: | - |

Årsregnskapet fastsatt av kompetent organ

| | |
|--|--------------|
| Bekreftet av representant for selskapet: | Markus Nagel |
| Dato for fastsettelse av årsregnskapet: | 18.10.2023 |

Grunnlag for avgivelse

| |
|--|
| År 2022: Årsregnskapet er elektronisk innlevert |
| År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022 |

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 15.10.2024



Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|--|------|-------------------|----------|
| RESULTATREGNSKAP | | | |
| Kostnader | | | |
| Annen driftskostnad | 2 | 399 544 | |
| Sum kostnader | | 399 544 | |
| Driftsresultat | | -399 544 | |
| Finansinntekter og finanskostnader | | | |
| Renteinntekt fra foretak i samme konsern | 3 | 29 392 795 | |
| Sum finansinntekter | | 29 392 795 | |
| Rentekostnad til foretak i samme konsern | 3 | 29 392 795 | |
| Sum finanskostnader | | 29 392 795 | |
| Netto finans | | | |
| Ordinært resultat før skattekostnad | | -399 544 | 0 |
| Ordinært resultat etter skattekostnad | | -399 544 | 0 |
| Årsresultat | | -399 544 | 0 |
| Overføringer og disponeringer | | | |
| Overføringer til/fra annen egenkapital | 7 | -399 544 | |
| Sum overføringer og disponeringer | | -399 544 | |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|--|------|----------------------|----------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | 4 | 5 231 020 797 | |
| Lån til foretak i samme konsern | 5 | 857 468 880 | |
| Sum finansielle anleggsmidler | | 6 088 489 677 | |
| Sum anleggsmidler | | 6 088 489 677 | 0 |
| Omløpsmidler | | | |
| Varer | | | |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | 6 | 8 334 622 | |
| Sum bankinnskudd, kontanter og lignende | | 8 334 622 | |
| Sum omløpsmidler | | 8 334 622 | 0 |
| SUM EIENDELER | | 6 096 824 299 | 0 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Selskapskapital | 7,8 | 3 060 000 | |
| Overkurs | 7 | 5 228 508 926 | |
| Sum innskutt egenkapital | | 5 231 568 926 | |
| Sum egenkapital | | 5 231 568 926 | 0 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---------------------------------|-------------|----------------------|-------------|
| Kortsiktig konserngjeld | 5 | 858 076 085 | |
| Annen kortsiktig gjeld | 5 | 7 179 288 | |
| Sum kortsiktig gjeld | | 865 255 373 | |
| Sum gjeld | | 865 255 373 | 0 |
| SUM EGENKAPITAL OG GJELD | | 6 096 824 299 | 0 |



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 735609

Enheten

Organisasjonsnummer: 929 418 298
Organisasjonsform: Aksjeselskap
Foretaksnavn: ERLING HOLDCO AS
Forretningsadresse: Grev Wedels gate 1
3111 TØNSBERG

Regnskapsår

Årsregnskapets periode: 01.06.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Markus Nagel
Dato for fastsettelse av årsregnskapet: 18.10.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 26.10.2023



Organisasjonsnr: 929 418 298
ERLING HOLDCO AS

RESULTATREGNSKAP

| Beløp i: NOK | Note | 2022 | 2021 |
|--|------|-------------------|----------|
| RESULTATREGNSKAP | | | |
| Kostnader | | | |
| Annen driftskostnad | 2 | 399 544 | |
| Sum kostnader | | 399 544 | |
| Driftsresultat | | -399 544 | |
| Finansinntekter og finanskostnader | | | |
| Renteinntekt fra foretak i samme konsern | 3 | 29 392 795 | |
| Sum finansinntekter | | 29 392 795 | |
| Rentekostnad til foretak i samme konsern | 3 | 29 392 795 | |
| Sum finanskostnader | | 29 392 795 | |
| Netto finans | | | |
| Ordinært resultat før skattekostnad | | -399 544 | 0 |
| Ordinært resultat etter skattekostnad | | -399 544 | 0 |
| Årsresultat | | -399 544 | 0 |
| Overføringer og disponeringer | | | |
| Overføringer til/fra annen egenkapital | 7 | -399 544 | |
| Sum overføringer og disponeringer | | -399 544 | |



Organisasjonsnr: 929 418 298
ERLING HOLDCO AS

BALANSE

| Beløp i: NOK | Note | 2022 | 2021 |
|--------------|------|------|------|
|--------------|------|------|------|

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Finansielle anleggsmidler

| | | | |
|-----------------------------|---|---------------|--|
| Investering i datterselskap | 4 | 5 231 020 797 | |
|-----------------------------|---|---------------|--|

| | | | |
|------------------------------------|---|-------------|--|
| Lån til foretak i samme konsern | 5 | 857 468 880 | |
|------------------------------------|---|-------------|--|

| | | | |
|--|--|----------------------|--|
| Sum finansielle anleggsmidler | | 6 088 489 677 | |
|--|--|----------------------|--|

| | | | |
|--------------------------|--|----------------------|----------|
| Sum anleggsmidler | | 6 088 489 677 | 0 |
|--------------------------|--|----------------------|----------|

Omløpsmidler

Varer

Bankinnskudd, kontanter og lignende

| | | | |
|--|---|-----------|--|
| Bankinnskudd, kontanter og lignende | 6 | 8 334 622 | |
|--|---|-----------|--|

| | | | |
|--|--|------------------|--|
| Sum bankinnskudd, kontanter og lignende | | 8 334 622 | |
|--|--|------------------|--|

| | | | |
|-------------------------|--|------------------|----------|
| Sum omløpsmidler | | 8 334 622 | 0 |
|-------------------------|--|------------------|----------|

| | | | |
|----------------------|--|----------------------|----------|
| SUM EIENDELER | | 6 096 824 299 | 0 |
|----------------------|--|----------------------|----------|

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

| | | | |
|-----------------|-----|-----------|--|
| Selskapskapital | 7,8 | 3 060 000 | |
|-----------------|-----|-----------|--|

| | | | |
|----------|---|---------------|--|
| Overkurs | 7 | 5 228 508 926 | |
|----------|---|---------------|--|

| | | | |
|---------------------------------|--|----------------------|--|
| Sum innskutt egenkapital | | 5 231 568 926 | |
|---------------------------------|--|----------------------|--|

| | | | |
|------------------------|--|----------------------|----------|
| Sum egenkapital | | 5 231 568 926 | 0 |
|------------------------|--|----------------------|----------|

| | | | |
|-----------------------------|--|----------|----------|
| Sum langsiktig gjeld | | 0 | 0 |
|-----------------------------|--|----------|----------|

Kortsiktig gjeld

| | | | |
|-------------------------|---|-------------|--|
| Kortsiktig konserngjeld | 5 | 858 076 085 | |
|-------------------------|---|-------------|--|

| | | | |
|------------------------|---|-----------|--|
| Annen kortsiktig gjeld | 5 | 7 179 288 | |
|------------------------|---|-----------|--|

| | | | |
|-----------------------------|--|--------------------|--|
| Sum kortsiktig gjeld | | 865 255 373 | |
|-----------------------------|--|--------------------|--|

| | | | |
|------------------|--|--------------------|----------|
| Sum gjeld | | 865 255 373 | 0 |
|------------------|--|--------------------|----------|

| | | | |
|---------------------------------|--|----------------------|----------|
| SUM EGENKAPITAL OG GJELD | | 6 096 824 299 | 0 |
|---------------------------------|--|----------------------|----------|





Organisasjonsnr: 929 418 298
ERLING HOLDCO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

1

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapslovens bestemmelser og god regnskapsskikk. Datterselskap/tilknyttet selskap Datterselskapet og tilknyttede selskaper vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede. Utbytte, konsernbidrag og andre utdelinger fra datterselskap er inntektsført samme år som det er avsatt i givers regnskap. Overstiger utbyttet / konsernbidraget andel av opptjent resultat etter anskaffelsestidspunktet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrukket investeringens verdi i balansen til morselskapet. Klassifisering og vurdering av balanseposter Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter anskaffelsestidspunktet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld. Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på opptakstidspunktet. Anleggsmidler vurderes til anskaffelseskost, fratrukket av- og nedskrivninger. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet. Skatt Skattekostnad består av betalbar skatt og endring i utsatt skatt. Utsatt skatt/skattefordel er beregnet på alle forskjeller mellom regnskapsmessig og skattemessig verdi på eiendeler og gjeld. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt skattemessig underskudd til fremføring ved utgangen av regnskapsåret. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli utnyttet. Kontantstrømpoppstilling Kontantstrømpoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer. Fordringer Andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.

Note

2

Antall årsverk i regnskapsåret

0.00

Sum

Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.



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Årsregnskap

2022

(01.06.2022-31.12.2022)

Erling Holdco AS

Org.nr.: 929 418 298



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Årsberetning 2022

Erling Holdco AS

Virksomhetens art og tilholdssted

Erling Holdco AS er stiftet i 2022. Selskapet er lokalisert i Tønsberg kommune, Vestfold og Telemark fylke. Erling Holdco AS driver investeringsvirksomhet og eier 100% av aksjene i Erling Bidco AS. Erling Holdco AS har gjennom sin aksjepost indirekte eierskap i flere datterselskap.

Redegjørelse for årsregnskapet

Det har bare vært kostnader og renter på konsernmellomværende i 2022. Årsresultatet ble negativt med NOK 399 544.

Totalkapitalen ved utgangen av året var på NOK 6 096 824 299. Eiendelssiden består av investering og fordring på datterselskap.

Gjelden ved utgangen av året var på NOK 865 255 373. Gjelden består av lån fra morselskapet og påløpte renter ved årsslutt.

Selskapets egenkapital er positiv med NOK 5 231 568 926 pr 31.12.2022. Dette utgjør en egenkapitalandel på 85,8%.

Erling Holdco AS har en positiv kontantstrøm i perioden på NOK 8 334 622. Selskapet har en netto negativ kontantstrøm på operasjonelle aktiviteter på NOK 22 613 050. Selskapet har en netto negativ kontantstrøm fra investeringsaktiviteter på NOK 3 584 503 166 som følge av investering i aksjer og en positiv netto kontantstrøm fra finansieringsaktiviteter på NOK 3 615 450 838 som følge av kapitalforhøyelser.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde av selskapets eiendeler og gjeld, samt finansielle stilling og resultat. Det er ikke inntrådt forhold etter regnskapsårets slutt som er av betydning for bedømmelsen av regnskapet.

Redegjørelse for foretakets utsikter

Selskapet har indirekte eierskap i flere datterselskap og er således avhengig i utviklingen i disse selskapene. Det henvises til årsberetningen til EcoOnline AS for beskrivelse av datterselskapenes fremtidsutsikter.

Finansiell risiko

Markedsrisiko

Selskapet har ingen salgsinntekter og markedsrisikoen ligger i de underliggende enhetene og er beskrevet i årsberetningen til EcoOnline AS.

Valutarisiko

Selskapets lån fra morselskapet Erling Lux Bidco SARL (Luxemburg) er i NOK og således er det ingen valutarisiko i selskapet. Konsernets eksterne lån er i henholdsvis GBP og EUR og det er avtalt at renter på konserninterne lån skal være lik som for den eksterne gjelden. Således vil Erling Holdco AS være påvirket av valutakursen mellom NOK og GBP/EUR.

Kredittrisiko

Selskapet har ingen salgsinntekter og har dermed ingen kredittrisiko.

Likviditetsrisiko

Likviditetsrisikoen er risikoen for at selskapet ikke har tilstrekkelige likvider til å gjøre opp sine forpliktelser etter hvert som de forfaller til betaling.



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Selskapets vesentlige utbetalinger er renter på lån fra morselskapet. Selskapet er avhengig av likviditetstilførsel fra morselskapet for å dekke disse løpende rentebetalingene. Likviditeten i selskapet og konsernet følges løpende gjennom prognosemodeller. Styre og ledelsen i virksomheten og konsernet følger utvikling nøye, og vil søke raske tilpasninger av virksomheten og dets finansiering til de til enhver tid rådende forhold. Selskapets finansielle risiko vurderes derfor samlet sett som lav.

Fortsatt drift

Styret legger forutsetningen om fortsatt drift av selskapet til grunn ved avleggelsen av årsregnskapet. Styret har bekreftet at denne forutsetningen kan gjøres med grunnlag i selskapets budsjetter og langsiktige prognoser.

Ansvarsforsikring

Det er tegnet forsikring for styrets medlemmer og konsernledelse for deres mulige erstatningsansvar overfor foretaket og tredjepersoner, herunder personlig ansvar for selskapets gjeld. Forsikringen dekker det rettslige erstatningsansvar styret eller konsernledelsen kan pådra seg under utøvelsen av styreverv, samt ansvar som konsernledelsen kan pådra seg i sine roller.

Forsknings- og utviklingsaktiviteter

Selskapet har ingen forsknings eller utviklingsaktiviteter.

Arbeidsmiljø, likestilling og diskriminering

Selskapet har ingen ansatte. Styret består av 3 personer, hvorav 0 er kvinner.

Ytre miljø

Selskapets virksomhet forurensrer ikke det ytre miljø.

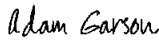
Åpenhetsloven

Selskapet og konsernet har i løpet av året innarbeidet rutiner for å imøtegå kravene til den nye åpenhetsloven og har publisert sitt arbeid på selskapets nettside: www.ecoonline.no/om-oss

18 October 2023 | 00:01:32 CEST


Styret for Erling Holdco AS

17 October 2023 | 14:39:21 PDT

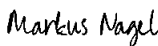
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Adam Kinsler Garson
Styrets leder

18 October 2023 | 16:27:56 CEST

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Andrew Daniel Waidhofer
Styremedlem

DocuSigned by:

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Markus Nagel
Styremedlem



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Erling Holdco AS
Resultatregnskap

| | | 2022 |
|--|-------------|--------------------------------|
| Driftsinntekter og driftskostnader | Note | (01.06.2022-31.12.2022) |
| DRIFTSKOSTNADER | | |
| Annen driftskostnad | 2 | 399 544 |
| Sum driftskostnader | | 399 544 |
| DRIFTSRESULTAT | | |
| | | -399 544 |
| FINANSINNTEKTER OG FINANSKOSTNADER | | |
| Renteinntekt fra foretak i samme konsern | 5 | 29 392 795 |
| Rentekostnad til foretak i samme konsern | 5 | 29 392 795 |
| Netto finansposter | | - |
| ORDINÆRT RESULTAT FØR SKATTEKOSTNAD | | |
| | | -399 544 |
| Skattekostnad på ordinært resultat | 3 | - |
| ÅRSRESULTAT | | |
| | | -399 544 |
| Overføring annen egenkapital | 7 | -399 544 |
| Sum disponert | | -399 544 |



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Erling Holdco AS
Balanse pr. 31. desember

| EIENDELER 31.12 | Note | 2022 |
|--------------------------------------|-------------|----------------------|
| ANLEGGSMIDLER | | |
| Finansielle anleggsmidler | | |
| Investeringer i datterselskap | 4 | 5 231 020 797 |
| Lån til foretak i samme konsern | 5 | 857 468 880 |
| Sum finansielle anleggsmidler | | 6 088 489 677 |
| Sum anleggsmidler | | 6 088 489 677 |
| OMLØPSMIDLER | | |
| Bankinnskudd, kontanter og lignende | 6 | 8 334 622 |
| Sum omløpsmidler | | 8 334 622 |
| SUM EIENDELER | | 6 096 824 299 |



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Erling Holdco AS
Balanse pr. 31. desember

| Egenkapital og gjeld | Note | 2022 |
|-----------------------------------|-------------|----------------------|
| EGENKAPITAL | | |
| Innskutt egenkapital | | |
| Aksjekapital | 7,8 | 3 060 000 |
| Overkurs | 7 | 5 228 508 926 |
| Sum innskutt egenkapital | | 5 231 568 926 |
| GJELD | | |
| Annen langsiktig gjeld | | |
| Gjeld til foretak i samme konsern | 5 | 858 076 085 |
| Sum annen langsiktig gjeld | | 858 076 085 |
| Kortsiktig gjeld | | |
| Annen kortsiktig gjeld | 5 | 7 179 288 |
| Sum kortsiktig gjeld | | 7 179 288 |
| Sum gjeld | | 865 255 373 |
| SUM EGENKAPITAL OG GJELD | | 6 096 824 299 |

31. desember 2022
18 October 2023 | 00:01:32 CEST

DocuSigned by:

Adam Garson

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Adam Kinsler Garson
styrets leder

DocuSigned by:

Andrew

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Andrew Daniel Waidhofer
styremedlem

17 October 2023 | 14:39:21 PDT

DocuSigned by:

Markus Nagel

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Markus Nagel
styremedlem

18 October 2023 | 16:27:56 CEST



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Erling Holdco AS
Kontantstrømoppstilling

2022

Kontantstrømmer fra operasjonelle aktiviteter

| | | |
|---|---|-------------------|
| Resultat før skatt | - | 399 544 |
| Poster klassifisert som investerings- /finansieringsaktiviteter | - | 22 213 506 |
| Netto kontantstrøm fra operasjonelle aktiviteter | - | 22 613 050 |

Kontantstrømmer fra investeringsaktiviteter

| | |
|--|------------------------|
| Utbetaling ved kjøp av aksjer og andeler i andre foretak | -3 614 503 166 |
| Langsiktig lån fra konsernselskaper | 30 000 000 |
| Netto kontantstrøm fra investeringsaktiviteter | - 3 584 503 166 |

Kontantstrømmer fra finansieringsaktiviteter

| | |
|--|----------------------|
| Innbetaling av egenkapital ifm. kapitalforhøyelse | 3 615 450 838 |
| Netto kontantstrøm fra finansieringsaktiviteter | 3 615 450 838 |

| | |
|--|------------------|
| Netto endring i likvider i året | 8 334 622 |
| Kontanter og bankinnskudd per 01.01 | - |
| Kontanter og bankinnskudd per 31.12 | 8 334 622 |



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Erling Holdco AS Noter til årsregnskapet for 2022

Note 1 Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapslovens bestemmelser og god regnskapskikk.

Datterselskap/tilknyttet selskap

Datterselskapet og tilknyttede selskaper vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte, konsernbidrag og andre utdelinger fra datterselskap er inntektsført samme år som det er avsatt i givers regnskap. Overstiger utbyttet / konsernbidraget andel av opptjent resultat etter anskaffelsestidspunktet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrukket investeringens verdi i balansen til morselskapet.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter anskaffelsestidspunktet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på opptakstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, fratrukket av- og nedskrivninger. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Skatt

Skattekostnad består av betalbar skatt og endring i utsatt skatt. Utsatt skatt/skattefordel er beregnet på alle forskjeller mellom regnskapsmessig og skattemessig verdi på eiendeler og gjeld. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt skattemessig underskudd til fremføring ved utgangen av regnskapsåret. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli utnyttet.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.

Fordringer

Andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.

Note 2 Lønnskostnader

Selskapet har ingen ansatte.

Godtgjørelse til revisor er fordelt på følgende:

| | 2022 |
|---------------|--------|
| Annen bistand | 78 750 |

Note 3 Skatt

| Årets skattekostnad | 2022 |
|---|-------------|
| Resultatført skatt på ordinært resultat | - |
| Endring i utsatt skatt | - |
| Skattekostnad ordinært resultat | - |
| Skattepliktig inntekt | 2022 |
| Ordinært resultat før skatt | -399 544 |
| Permanente forskjeller | - |
| Endring i midlertidig forskjeller | - |
| Skattepliktig inntekt | -399 544 |
| Betalbar skatt i balansen | 2022 |
| Betalbar skatt på årets resultat | - |
| Sum betalbar skatt i balansen | - |

Skatteeffekter av midlertidige forskjeller og underskudd til fremføring som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller:



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Erling Holdco AS Noter til årsregnskapet for 2022

| | 2022 |
|---|----------|
| Avskåret rentefradrag til fremføring | - |
| Akkumulert fremførbart underskudd | -399 544 |
| Netto midlertidige forskjeller | -399 544 |
| Forskjeller som ikke inngår i utsatt skattefordel | 399 544 |
| Sum grunnlag for utsatt skattefordel | - |

Utsatt skattefordel (22%)

-

Utsatt skattefordel er ikke balanseført, da Erling Holdco AS har valgt å ikke resultatføre endring i utsatt skattefordel, ut fra en vurdering av inntjening de nærmeste år. Selskapet forventer at fremførbart underskudd og skattereduserende midlertidige forskjeller kan utnyttes på noe lengre sikt.

Note 4 Datterselskap

| Selskap | Anskaffet | Eier/stemmeandel | Resultat 2022 | Egenkapital 31.12 | Bokført verdi 31.12 |
|-----------------|-----------|------------------|-------------------|----------------------|----------------------|
| Erling Bidco AS | 2022 | 100 % | - 7 736 114 | 5 223 279 114 | 5 231 020 797 |
| Sum | | | -7 736 114 | 5 223 279 114 | 5 231 020 797 |

Note 5 Mellomværende med selskap i samme konsern

| Fordringer | Selskap | 2022 |
|---------------------|-----------------|--------------------|
| Langsiktig fordring | Erling Bidco AS | 857 468 880 |
| Sum | | 857 468 880 |

Fordringen til Erling Bidco AS forfaller til betaling 6. September 2032. Hensikten med lånet er å sikre tilstrekkelig likviditet og kapital i datterselskapet. Påløpt rente er innregnet i lånesaldoen. Det er avtalt rente tilsvarende lån til Erling Lux Bidco SARL som per nå er på 10,63%. Inntektsførte renter på lånet er 29 392 795 i 2022.

| Gjeld | Selskap | 2022 |
|------------------|-----------------------|--------------------|
| Langsiktig gjeld | Erling Lux BidCo SARL | 858 076 085 |
| Sum | | 858 076 085 |

Erling Holdco AS har i 2022 inngått en låneavtale med Erling Lux Bidco SARL. Lånet forfaller til betaling 6. September 2032. Faktisk rente for 2022 er 10,63%. Kostnadsførte renter på lånet er 29 392 795 i 2022.

Note 6 Bundne midler

Selskapet har ingen bundne midler per 31.12.2022.

Note 7 Egenkapital

| | Aksjekapital | Overkurs | Sum |
|------------------------------------|--------------|---------------|---------------|
| Egenkapital 01.06.2022 (stiftelse) | 30 000 | - | 30 000 |
| Kapitalforhøyelse (11.11.2022) | 2 970 000 | 3 612 480 838 | 3 615 450 838 |
| Kapitalforhøyelse (11.11.2022) | 30 000 | 960 802 631 | 960 832 631 |
| Kapitalforhøyelse (11.11.2022) | 30 000 | 655 625 000 | 655 655 000 |
| Årets resultat | | -399 544 | -399 544 |
| Egenkapital 31.12.2022 | 3 060 000 | 5 228 508 926 | 5 231 568 926 |

Note 8 Aksjekapital og aksjonærinformasjon

| Aksjekapitalen består av: | Antall | Pålydende | Balanseført |
|---------------------------|--------|-----------|-------------|
| Ordinære aksjer | 3 000 | 1 020 | 3 060 000 |

Konsernspiss Erling Lux HoldCo SARL har forretningskontor i Luxemburg og utarbeider konsernregnskap hvor EcoOnline AS inngår. Kopi av konsernregnskapet vil bli tilgjengelig på selskapets nettside, econline.no, når det er ferdigstilt.

Oversikt over de største aksjonærene pr 31.12.

| | Ordinære aksjer | Eierandel | Stemmeandel |
|-----------------------|-----------------|-----------|-------------|
| Erling Lux Bidco SARL | 3 000 | 100 % | 100 % |



Statsautoriserte revisorer
Ernst & Young AS

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www.ey.no
Medlemmer av Den norske Revisorforening

UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i Erling Holdco AS

Konklusjon

Vi har revidert årsregnskapet for Erling Holdco AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening oppfyller årsregnskapet gjeldende lovkrav og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjon

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og *International Code of Ethics for Professional Accountants* (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Andre forhold

Selskapets årsregnskap er avlagt etter utløpet av lovens frist for avleggelse av årsregnskap.

Øvrig informasjon

Øvrig informasjon omfatter informasjon i selskapets årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret (ledelsen) er ansvarlig for den øvrige informasjonen. Vår konklusjon om revisjonen av årsregnskapet dekker ikke den øvrige informasjonen, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen med det formål å vurdere om årsberetningen inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav og hvorvidt det foreligger vesentlig inkonsistens mellom den øvrige informasjonen og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon eller ikke inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav, er vi pålagt å rapportere det.

Vi har ingenting å rapportere i så henseende, og vi mener at årsberetningen er konsistent med årsregnskapet og inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.



Building a better
working world

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvike selskapet eller virksomheten, eller ikke har noe annet realistisk alternativ.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll.
- opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av og tidspunktet for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom revisjonen.

Tønsberg, 23. oktober 2023
ERNST & YOUNG AS

Revisjonsberetningen er signert elektronisk

Morten Mobråthen
statsautorisert revisor

Uavhengig revisors beretning - Erling Holdco AS 2022

A member firm of Ernst & Young Global Limited

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Erling Lux HoldCo SARL

Consolidated Financial statements for the period from 11 July 2022 to 31 December 2022 and approved
independent auditor's report



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Report from Board of Directors

The parent company, Erling Lux Holdco SARL was incorporated on 11 July 2022. The Group was established with effect from 1 September 2022 through the purchase of all the shares in EcoOnline Holding AS.

2022 was a year of significant developments for Erling Lux Holdco SARL in terms of business expansion, technology and product development, organizational evolution, and financial positioning. Annual Recurring Revenue (ARR) reached GBP 65.4 million (proforma 01.01.2022 – 31.12.2022) for the whole year and GBP 20.3 million in the Group period. The acquisition of the EcoOnline Group (“EcoOnline”) and the subsequent acquisition of parts of the Alcumus Group (“Alcumus Software”) established a solid foundation and catalyst for successful growth and international expansion.

Organizational overview

Through its investments, Erling Lux Holdco SARL is a European EHS/ESG Software-as-a-Service (SaaS) market leader dedicated to developing software that creates safer and more sustainable workplaces while ensuring compliance and sustainability. The main operational activities of the Group have offered a positive contribution to its more than 10 000 customers and their employees for more than 20 years. Operating through fully owned subsidiaries in Europe, UK, North America and Asia Pacific, EcoOnline is organized as one operational entity to secure efficiency and alignment across the whole group, with local sales teams and customer support functions in all markets complemented by groupwide support functions. The more than 900 employees (including contractors) represent a strong build-up of the R&D, Sales, and Marketing departments as well as central functions like HR, IT, Finance, Corporate Development, and Compliance.

Business overview

Due to its SaaS business model 91,3 % of the total 2022 revenue of GBP 22.3 million is generated from revenues from subscriptions (recurring revenue). The Group experienced a continued high degree of customer satisfaction with a gross retention rate of 94% and a net retention rate of 107%. Being industry agnostic and offering products to businesses of almost all sizes, the Group has a diverse, global, and loyal customer base across industries with no dependency on certain segments or large customers. The top five customers contribute only 3,5% of the total ARR.



Market

The EHS/ESG software market is expected to grow due to increased adoption, driven by underlying compliance demands supported by strong tailwinds for ESG and digitalization. This is further accelerated by new regulations and continuous upgrading of existing frameworks. The common denominator is the move towards a green and digital transition, strongly supported by a “vision zero”- approach, both for the carbon footprint and through the elimination of work-related deaths and illness, as proactively increase safety and sustainability. The Group’s product suite is a leading modern solution for this demand.

Financial review

The following financial review is based on the consolidated financial statements of the Group. The statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

In the view of the Board, the income statement, the statements of comprehensive income, changes in equity and cash flow, the balance sheet, and the accompanying notes, provide satisfactory information about the operations, financial result and position of the Group 31 December 2022.

The Group was incorporated 1 September 2022 with its profit and loss not included in the Group’s consolidated financial statements before 1 September 2022. All figures are for the consolidated period unless otherwise specifically stated.

Statement of comprehensive income

Total revenues amounted to GBP 22.4 million. Recurring revenue mainly deriving from subscription fees amounted to GBP 20.3 million, non-recurring revenue mainly deriving from consulting and learning amounted to GBP 2.0 million, and other operating revenue deriving from grant amounted to GBP 0.1 million. See notes 2.1 and 2.2 for further details.

Cost of services and goods sold, consisting mainly of hosting costs and support services, amounted to GBP 1.6 million.

Personnel expenses include salaries and benefits, pension, tax, vacation pay and other related items. Salaries and personnel costs amounted to GBP 14.6 million. See note 2.3 for further details.

Other operating expenses amounted to GBP 37.5 million, with the main cost items being personnel expenses of GBP 14.6 million, IT costs GBP 1.9 million, consultant fees GBP



3.3 million, sales and marketing costs GBP 0.8 million, other costs GBP 2.4 million and M&A costs GBP 12.4 million. Other operating expenses were also affected by investments – especially in internal IT structures as well as in new HR and ERP systems and sales and customer insight tools.

Depreciation and impairment costs amounted to GBP 5.5 million with amortization intangible assets of GBP 4.6 million (GBP 1.6 million technology, GBP 1.0 million acquired customer portfolios and GBP 2.0 in other intangible assets), depreciation of right-of-use assets GBP 0.4 million and depreciation of property, plant and equipment GBP 0.5 million. See note 2.5 for further details.

Net financial costs were GBP 7.5 million and income tax amounted to positive GBP 0.2 million. Net loss for the year was GBP 27.8 million. Exchange differences of negative GBP 12.1 million gave a total comprehensive loss for the year of GBP 40.0 million.

Statement of financial position

Total assets as at 31 December 2022 amounted to GBP 678.8 million. Non-current assets were GBP 615.0 million and consisted primarily of acquisition-related goodwill GBP 513.1 million. Currently, there are no indications that an impairment is required. Intangible assets GBP 96.1 million (acquisition-related customer portfolios GBP 49.6 million and technology GBP 26.8 million). Right-of-use assets related to office rentals have been recognized in the balance sheet at the total amount of GBP 4.3 million. Total current assets of GBP 63.8 million consists of cash for an amount of GBP 30.9 million, trade receivables and other current receivables for GBP 20.1 million and other current assets for GBP 12.8 (sales commissions and other prepaid costs).

Total equity and liabilities as at 31 December 2022 amounted to GBP 678.8 million. Total equity of GBP 436.4 consisted of share premium GBP 428.7 million, share capital GBP 47.6 million and other equity negative GBP 40.0 million. Non-current liabilities amounted to GBP 167.2 million and consisted mainly of non-current interest-bearing liabilities of GBP 143.8 million and deferred tax liabilities GBP 16.7 million. Current liabilities of GBP 75.3 million consisted of contract liabilities (prepayment from customers) GBP 41.5 million and trade and other payables GBP 18.5 million. See notes 2, 3 and 6 for further details.

Cash flow

Net cash flow from operating activities amounted to negative GBP 45.7 million in 2022 as it was a year of significant organizational build-up and implementation of new and improved internal systems, solutions, and structures. Net cashflow from investing activities was negative by GBP 485.9 million in 2022. The investments are mainly related



to acquisitions amounting to GBP 479.9 million and development of new technology and products for GBP 5.7 million. Net cash flow from financing activities of GBP 565.9 million consisted primarily of proceeds from issuance of equity GBP 476.4 million, proceeds from borrowings GBP 141.9 million, paid interest GBP 4.4 million and repayment of borrowings GBP 46.1 million. See notes 2, 3, 4, 5, and 6 for further details.

2022 was, in accordance with EcoOnline's strategy, a year of major investments in technology, products, internal IT, and the organization to build the foundation for further strong growth and scaling. These investments in future growth and profitability affected the 2022 loss before tax that amounted to negative GBP 28.1 million.

Net financial costs were GBP 7.5 million and income tax amounted to positive GBP 0.2 million. Net loss for the year was GBP 27.8 million. Exchange differences of negative GBP 12.1 million gave a total comprehensive loss for the year of GBP 40.0 million.

Risk and risk management

The Group is exposed to various risks and uncertainties of market, operational and financial character. Risks are identified and managed on an ongoing basis. The risk factors described below have been identified as key risks by the management.

Market risk

The Group's results are affected by macroeconomic development and demand for its services. Its fully digital cloud offering, highly digitalized sales process, diverse, global, and loyal customer base across industries with no material dependency on certain segments or large customers, have a somewhat mitigating effect on the market risk exposure of the Group. The long-term nature of customer contracts is also reducing market risk exposure.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing loans with floating interest rates, in total GBP 143.8 million as of 31 December 2022. The Group did not hedge its interest risk exposure in 2022, however, the Group has entered into interest swaps in 2023 to fully hedge its interest risk exposure.

Foreign currency risk



Currency risk refers to the exposure through operations across different countries, in regard to unpredictable gains or losses due to changes in the value of one currency in relation to another currency. Through its operations in Europe, UK, and North America, the Group is exposed to fluctuations in exchange rates between NOK and SEK, DK, EUR, GBP, AUD, NZD and USD that can affect the Group's business, results of operations, cash flows, financial condition and/or prospects. Currently, the Group does not have any hedging positions in place to limit the exposure to exchange rate fluctuations.

Ability to attract and retain talent

The employees are an important asset of the Group. In order to ensure growth, the Group is dependent on being an attractive employer to retain and attract new employees. At its core, the strategy is continuing to invest in its employees and to be an attractive workplace focusing on social sustainability both within own Company and for all the Company's customers. Salaries and benefits are regularly evaluated and benchmarked to ensure competitiveness in all local markets. The Group is using tools and concepts, like Peakon employee surveys, to monitor and driving engagement and dedication.

Research and development

The Group capitalized GBP 5.7 million in research and development in the Group period. The Group's expenditure on research and development in 2022 was capitalized as it was incurred since it was considered that the requirements for capitalization were met.

Self-developed intangible assets are mainly linked to EcoOnline web-based solutions, including Platform (all major products available on Platform), Chemical Manager (overall major upgrade of UX and several important enhancements), EHS (expanded capabilities and improved product market fit to Nordics in particular) and Training & Learning Management (New solutions launched in all markets). automated data processing and the Eco Plus database.

Employees

The Group makes great efforts in taking good care of its employees in terms of health, safety and environment management. The Company has a zero-tolerance policy against harassment, bullying and discrimination, and is equally supporting the employees' personal and professional development. As of 31 December 2022, the Group had a total of 912 employees (including contractors).

Environmental, Social, and Governance (ESG)

Through the Group's sustainability plan, which guides how to reach a set of identified environmental, social, and governance metrics based on a materiality analysis, focuses



is on ensuring responsible operations, covering themes from climate action to diversity. In addition, the Group's business solutions and services significantly impact creating safe, healthy, and sustainable workplaces.

Insurance for Board Members and CEO

The Group has liability insurance for the Board and Executive management covering any indemnity for financial losses arising from personal managerial liabilities, including personal liability for the Company's debt, arising out of any claims first made against the Company.

Events after the reporting period

21 August 2023, the Group acquired 100 % of the shares in Ecometrica Ltd. through its subsidiary EcoOnline UK Ltd. The total estimated purchase price for the acquisition is GBP 30.3 million.

Going concern/liquidity

The annual accounts have been prepared on a going concern assumption. The Board has confirmed that this assumption can be made on the basis of the Group's budgets and long-term forecasts.

The Group has a loss in the period of GBP 40.0 million. As of 31 December 2022, the Group had a positive equity of GBP 436.4 million and a cash balance of GBP 30.9 million.

In connection with the restructuring of the Group in 2023, the losses continued in the first half of the year, but after the first half year the savings projects that have been started having an effect and it is seen that the Group will have a positive cash flow at the end of the year. As of August 2023, the Group had a cash balance of GBP 15.9 million. In addition, the Group has an undrawn credit facility in Norway of GBP 0.5 million and available loan facilities of GBP 16.53 million with a maturity date in September 2028. During the course of 2023, the Group has implemented a number of actions to significantly improve its cash flow performance which will be the foundation of achieving an overall positive free cash flow level in 2023. Thus, the board confirms that the Group has the ability to generate sufficient cash flow to cover operating expenses and debt service obligations.

Outlook

The Group has become a leading EHS SaaS company based on a combination of strong organic growth and a successful M&A strategy. The broad industry agnostic platform,



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Information classification: Internal

extensive product suite, solid customer base, effective sales and marketing teams, and the highly purpose-driven organization will enable the Group to continue to flourish in the rapidly growing market its operating in. The link between EHS and ESG reporting has traditionally focused on environmental impacts, such as a net-zero carbon goal. Now, megatrends within the future of work such as digital transformation, hybrid working, and increased focus on sustainability, worker well-being, and mental health, have shifted the EHS and ESG landscape. The Group is well prepared to capture these trends. As the business scales, EBITDA margins are expected to further improve in 2023.

Erling Lux Holdco SARL
Luxembourg, 29 September 2023

Maxime Donneau
Class A manager of Erling Lux
HoldCo SARL

Laurent Thailly
Class B manager of Erling Lux
HoldCo SARL



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Independent auditor's report

To the Shareholders of
Erling Lux HoldCo SARL
1-3, boulevard de la Foire
L-1528 Luxembourg

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Erling Lux HoldCo SARL and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the period from 11 July 2022 (date of incorporation) to 31 December 2022, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the period from 11 July 2022 (date of incorporation) to 31 December 2022 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Managers is responsible for the other information. The other information comprises the information included in the Report from Board of Directors but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers for the consolidated financial statements

The Board of Managers is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Managers is responsible for assessing 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 the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.

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- Conclude on the appropriateness of Board of Managers' 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 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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 those charged with governance 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.

Report on other legal and regulatory requirements

The Report from Board of Directors is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Anca Lungu Negoita

Luxembourg, 2 October 2023

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Consolidated statement of comprehensive income

For the period ended 31 December

| Amounts in GBP thousands | Notes | 11.07.2022- 31.12.2022 |
|---|-------|---------------------------|
| Revenues | 2.1 | 22 279 |
| Other operating income | 2.2 | 128 |
| Total revenue and other operating income | | 22 406 |
| Cost of goods and services sold | | 1 560 |
| Personnel expenses | 2.3 | 14 610 |
| Other operating expenses | 2.4 | 8 858 |
| M&A costs | 4.2 | 12 423 |
| Total operating expenses | | 37 451 |
| Operating profit or loss before depreciation and amortization | | -15 045 |
| Depreciation and amortization | 2.5 | 5 473 |
| Operating profit or loss | | -20 518 |
| Finance income | 2.6 | 2 650 |
| Finance costs | 2.6 | 10 184 |
| Net financial items | | -7 534 |
| Loss before tax | | -28 052 |
| Income tax expense | 2.7 | -225 |
| Loss for the period | | -27 827 |
| Other comprehensive income: | | |
| <i>Items that subsequently may be reclassified to profit or loss:</i> | | |
| Exchange differences on translation of foreign operations | | -12 130 |
| Total items that may be reclassified to profit or loss | | -12 130 |
| Other comprehensive loss for the period | | -12 130 |
| Total comprehensive loss for the period | | -39 957 |
| Loss for the period attributable to: | | |
| Equity holders of the parent company | | -27 827 |
| Total comprehensive loss attributable to: | | |
| Equity holders of the parent company | | -39 957 |



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Consolidated statement of financial position

| Amounts in GBP thousands | Notes | 31.12.2022 |
|--|----------|----------------|
| ASSETS | | |
| Non-current assets | | |
| Intangible assets | 5.1 | 96 087 |
| Goodwill | 5.2 | 513 096 |
| Property, plant and equipment | 5.3 | 1 062 |
| Right-of-use assets | 5.4 | 4 281 |
| Deferred tax assets | 2.7 | 297 |
| Non-current financial assets | 6.1 | 172 |
| Total non-current assets | | 614 996 |
| Current assets | | |
| Inventories | 3.1 | 57 |
| Trade and other receivables | 3.2 | 20 058 |
| Other current assets | 2.8 | 12 815 |
| Cash and cash equivalents | 6.6 | 30 903 |
| Total current assets | | 63 832 |
| TOTAL ASSETS | | 678 829 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 6.7 | 47 646 |
| Share premium | 6.7 | 428 719 |
| Other equity | 6.7 | -39 957 |
| Total equity | | 436 408 |
| Non-current liabilities | | |
| Non-current interest-bearing liabilities | 6.2, 6.3 | 143 820 |
| Non-current lease liabilities | 5.3 | 3 048 |
| Non-current liabilities | 2.9 | 3 607 |
| Deferred tax liabilities | 2.7 | 16 686 |
| Total non-current liabilities | | 167 161 |
| Current liabilities | | |
| Lease liabilities | 5.4 | 1 280 |
| Trade and other payables | 3.4 | 18 482 |
| Government grants | 2.2 | 1 110 |
| Contract liabilities | 3.3 | 41 519 |
| Income tax payable | 2.7 | 11 |
| Provisions | 3.5 | 3 377 |
| Other current liabilities | 2.9 | 9 481 |
| Total current liabilities | | 75 259 |
| Total liabilities | | 242 420 |
| TOTAL EQUITY AND LIABILITIES | | 678 829 |

Erling Lux HoldCo SARL

Luxembourg, 29 September 2023

Maxime Donneau
Class A manager of Erling Lux
HoldCo SARL

Laurent Thailly
Class B manager Erling Lux
HoldCo SARL



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Consolidated statement of changes in equity

| Amounts in GBP thousands | Paid-in equity | | Cumulative translation differences | Retained earnings | Total equity |
|--------------------------------------|----------------|----------------|------------------------------------|-------------------|----------------|
| | Share capital | Share premium | | | |
| Equity as at 11 July 2022 | 12 | - | - | - | 12 |
| Loss for the period | - | - | - | -27 827 | -27 827 |
| Other comprehensive loss | - | - | -12 130 | - | -12 130 |
| Total comprehensive loss | - | - | -12 130 | -27 827 | -39 957 |
| Issue of share capital (Note 6.7) | 47 634 | 428 719 | - | - | 476 354 |
| Equity as at 31 December 2022 | 47 646 | 428 719 | -12 130 | -27 827 | 436 408 |



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Consolidated statement of cash flows

For the period ended 31 December

| | | 11.07.2022- 31.12.2022 |
|--|--------------|---------------------------|
| Cash flows from operating activities (GBP thousands) | Notes | |
| Loss before tax | | -28 052 |
| <i>Adjustments to reconcile loss before tax to net cash flows:</i> | | |
| Net financial items | 2.6 | 7 534 |
| Depreciation and amortisation | 2.5 | 5 473 |
| <i>Working capital adjustments:</i> | | |
| Changes in inventories | 3.1 | -2 |
| Changes in trade and other receivables | 3.2 | -1 336 |
| Changes in trade and other payables | 3.3, 3.4 | -26 910 |
| Changes in contract liabilities | 3.3 | 6 215 |
| Changes in provisions | 3.5 | 404 |
| Changes in other non-current assets | 6.1 | 5 |
| Changes in other operating items | | -8 999 |
| Net cash flows from operating activities | | -45 670 |
| Cash flows from investing activities (GBP thousands) | | |
| Development of software and other intangible assets | 5.1 | -5 748 |
| Purchase of property, plant and equipment | 5.3 | -394 |
| Purchase of shares in subsidiaries, net of cash acquired | 4.2 | -479 867 |
| Interest received | 2.6 | 104 |
| Net cash flow from investing activities | | -485 905 |
| Cash flow from financing activities (GBP thousands) | | |
| Proceeds from issuance of equity | 6.7 | 476 354 |
| Proceeds from borrowings | 6.2 | 141 905 |
| Repayment of borrowings | 6.2 | -46 078 |
| Net change in bank overdraft | 6.2 | -837 |
| Payments for the principal portion of the lease liability | 5.4 | -914 |
| Payments for the interest portion of the lease liability | 5.4 | -109 |
| Interest paid | 2.6 | -4 408 |
| Net cash flows from financing activities | | 565 912 |
| Net change in cash and cash equivalents | | 34 337 |
| Cash and cash equivalents at the beginning of the period | | - |
| Net foreign exchange difference | | -3 435 |
| Cash and cash equivalents at 31 December | | 30 903 |



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Section 1 - General information and accounting policies

1.1 Corporate information

Erling Lux HoldCo SARL ("the Company") is a privately held company and was incorporated in Luxembourg on 11 July 2022. The Company's principal offices are located at 1-3, boulevard de la Foire L - 1528 Luxembourg.

Erling Lux HoldCo SARL and its subsidiaries (collectively "the Group", or "EcoOnline") was established with effect from 1 September 2022 through the purchase of all the shares in EcoOnline Holding AS. This transaction has been accounted for as a business combination (resulted in a change of control) under IFRS 3, hence profit and loss items in the EcoOnline Holding AS has been incorporated in these financial statements from 1 September 2022. For more information on the PPA and related accounting, see note 4.2.

The Group's vision is to be a preferred provider of solutions that enable safer, healthier, and sustainable workplaces for businesses of all sizes and all industries.

The consolidated financial statements of the Group for the period ended 31 December 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 28 September 2023.

1.2 Basis of preparation

The consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and related notes.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union ("EU"), and represents the first financial statements of the Group in accordance with IFRS.

The consolidated financial statements have been prepared on a historical cost basis, except for contingent considerations that have been measured at fair value. All figures are presented in thousands (000), except when otherwise stated.

As Erling Lux HoldCo SARL was incorporated on 11 July 2022, these financial statements cover the period from this date and no comparable figures for 2021 are being presented. The Group is regnognized in the financial statements from the point in time when Erling Lux HoldCo SARL obtained control of the EcoOnline Group, which was on 1 September 2022.

Further, the consolidated financial statements are prepared based on the going concern assumption.

Presentation currency and functional currency

The consolidated financial statements are presented in British pound ("GBP").

The functional currency is determined in each entity in the Group based on the currency within the entity's primary economic environment. Erling Lux HoldCo SARL has British pound ("GBP") as its functional currency, and its subsidiaries have NOK, SEK, EUR, DKK, CAD, NZD and GBP as their functional currency.

Transactions in foreign currency are translated to functional currency using the exchange rate at the date of transaction. Monetary items in foreign currency are at the end of the reporting period translated to functional currency using the closing rate. Differences arising on settlement of monetary items are recognized in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. The resulting translation differences are recognized in other comprehensive income.



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1.3 General accounting policies

The Group has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgmental considerations are disclosed in the notes to which the policies relate. A summary of the Group's general accounting policies are disclosed in the notes, as presented below:

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Statement of cash flows

The consolidated statement of cash flows is prepared using the indirect method.

Changes in accounting policies

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, when they become effective. Adopting the standards not yet effective are not expected to have any material impact on the Group's financial performance or financial position. The amendment related to disclosure of accounting policies is however expected to influence how the Group presents its accounting policies in the notes. The Group is currently considering the effects and will start to rewrite its accounting policy disclosures shortly.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current - effective in 2023 financial statements
- Amendments to IAS 8: Definition of Accounting Estimates - effective in 2023 financial statements
- Amendments to IAS 1: Disclosure of Accounting Policies - effective in 2023 financial statements
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a single transaction
- Amendments to IAS 12: International Tax Reform - Pillar Two model rules



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1.4 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgements that may have the most significant effect on the amounts recognized in the financial statements, are summarized below:

Estimates and assumptions:

- Impairment considerations of goodwill (note 5.2)
- Purchase price allocation in business combinations (note 4.2)
- Useful lives of intangible assets (note 4.2 and note 5.1)

A detailed description of the significant estimates and assumptions are included in the individual notes referenced above.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Accounting judgements:

- Capitalization of internal development costs (note 5.1)
- Determination of CGUs (note 5.2)

A detailed description of the significant accounting judgements are included in the individual notes referenced above.



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2.1 Operating segments and profit and loss items

The Group is a provider of solutions that enable safer, healthier, and sustainable workplaces. The Group's revenue from contracts with customers are reported in one main segment. The Group sell a wide range of HSE software products. The common denominator is that all products are placed on one platform. When buying one product customers get access to the platform and the visibility to all the other products on the platform. The platform enables customers to expand the use of effective digital tools within the HSE space and works as an engine for cross sales. The key performance indicator for management when it comes to measurement of revenue is the total annual recurring revenue (ARR) generated by the platform through new sale, up sale and cross sale to existing customers.

ACCOUNTING POLICIES

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in all its revenue arrangements (and recognize revenue gross).

At contract inception, the Group identifies and determines the performance obligations in the contract. A performance obligation is a promise to transfer to the customer a good or a service (or a bundle of goods or services) that is distinct.

The Group's revenue mainly relates to license fees, which are typical SaaS contracts consisting of a software licensing model where software is licensed on a subscription basis and centralized on EcoOnline's platform. Revenue from SaaS arrangements, where the customer cannot take possession of the software license and where the software license cannot be separated from its related hosting services are considered as "right to access" licenses and revenue is recognized over time (i.e. the subscription period).

Revenue from workshops/training and other services is recognized over time using an input method to measure progress towards completion of the services, because the customer simultaneously receives and consumes the benefits provided by the Group.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., service type warranties). In determining the transaction price for its sales, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and any consideration payable to the customer.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal, in the amount of cumulative revenue recognized, will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

| Revenue from contract with customer | 2022 |
|--|---------------|
| Major products and services | |
| SaaS license | 19 313 |
| SaaS implementation fee | 1 019 |
| Other services | 1 947 |
| Total recurring and non recurring revenue | 22 279 |
| Geographic information | |
| Norway | 5 570 |
| Sweden | 2 409 |
| Finland | 1 467 |
| Denmark | 1 755 |
| Ireland | 1 926 |
| Canada | 1 166 |
| New Zealand | 303 |
| England | 7 683 |
| Total recurring and non recurring revenue | 22 279 |



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2.1 Operating segments and profit and loss items (Continued)

| Timing of revenue recognition | |
|--|---------------|
| Services transferred at a point in time | 1 947 |
| Services transferred over time | 20 332 |
| Total recurring and non recurring revenue | 22 279 |

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are, as follows:

| 2022 | |
|--------------------|---------------|
| Within one year | 23 862 |
| More than one year | 23 428 |
| Total | 47 290 |

The remaining performance obligations expected to be recognized in more than one year relate to sold subscription plans at the balance sheet date with a duration of more than one year.

SaaS license fee:

SaaS license fee consists of subscription fees. The Group's performance obligation is satisfied over time (as "right to access" licenses). The customer receives the right to access EcoOnline's intellectual property throughout the license period for which revenue is recognized over the license period. The software is run on EcoOnline's platform and the customer may only access the software through a network (cloud). The customer cannot take possession of the software/code and is not able to run the software on its own server. Revenue is recognized over the subscription period (typically 3-years).

SaaS implementation fee:

At time of delivery the Group often provides certain services to the customer to allow the customer to access the license, including customization to the relevant customer. These services are separated into pure set-up services and implementation services.

Set-up services consists of activities related to "activating" the software to enable the customer to access the software from its IT platform. These services do not provide any incremental benefit to the customer beyond permitting customer to access and use the application and, therefore, are generally not considered to be distinct performance obligations. Implementation services that is used to significantly modify and customize the software for the customer's own use, would also comprise one combined performance obligation together with the SaaS license. These set-up and implementation services are recognized over time together with the SaaS license.

In addition, the Group provides implementation services related to SaaS solutions that are considered as distinct performance obligations (i.e., accounted for separately) as these implementation services add value to the customer independently of the SaaS arrangements. These implementation services do not involve changing the software code and are, typically, "non-complex" services such as training of customer personnel, data conversion or migration, and similar, provided on-premise.

Other services:

Other services mainly consist of consulting services, workshop/training, integrations/development and other support services provided by the Group. These services could both be delivered to SaaS-customers and non SaaS-customers (pure consulting engagements). These services delivered to SaaS-customers are in general considered as separate performance obligations (as they create added value independent of the related SaaS-service) and are recognized as the services are provided (on an hourly basis).

Significant financing components:

As most of the customers only pays in advance 12 months or less, the Group does not have any significant financing components.



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2.1 Operating segments and profit and loss items (Continued)

Contract balances

Contract assets are recognized for revenue earned from delivery of services where the receipt of consideration is not yet invoiced and the receipt of consideration is conditional of successful completion of the services, and these are presented as other receivables in the balance sheet. Accounting policies for trade receivables and other receivables are presented in note 3.2.

Contract liabilities relate to remuneration received in advance for SaaS license. The SaaS license is normally pre-paid by the customer for 12 months or less. As such, the balance of account at the end of the year represents the Group's deferred revenue related to performance obligations that will be satisfied within 12 months. The Group contract liabilities are disclosed in note 3.3.

The Group has not recognized any contract assets during the periods.

Contract costs

Under IFRS 15, contract costs are recognized as an asset if EcoOnline expects to recover them either directly through the reimbursement or indirectly through the margin inherent in the contract. Contract costs recognized as an asset shall be amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortization period for capitalized sales commission in EcoOnline is determined based on the anticipated contract to which the costs relates to.

Cost to obtain a contract

The Group has incremental costs to obtain contracts such as sales commissions. Sales commissions is recognized as an asset and amortized on a straight-line basis over the anticipated contract period. The Group has determined that the anticipated contract period is normally 3 years.

In the statement of financial position the costs are presented under the line other current assets, refer to note 2.9. In the income statement, the costs are classified as personnel expenses.

| Costs to obtain a contract | 2022 |
|---|--------------|
| Balance as of 11 July | - |
| Additions through acquisition | 4 826 |
| Costs to obtain contracts during the year | 1 253 |
| Amortization for the period | -982 |
| Balance as of 31 December | 5 098 |

Costs to fulfil a contract

The Group incurs costs related to set-up and implementation activities, i.e. activities that do not transfer a promised good or service to the customer. Costs incurred in relation to performing such activities are generally capitalized and amortized over the delivery of the related SaaS solution if they meet the criteria in IFRS 15.95.

The Group has revenue from implementation fee that is recognized over time (36 month). The Group has estimated that these sales has a margin of 50 %. The cost associated to implementation Fee is recognized as an asset and amortized on a straight-line basis over the anticipated contract period (36 month).

In the statement of financial position the costs are presented under the line other current assets, note 2.9. In the income statement, the costs are classified as personnel expenses.

| Implementation costs | 2022 |
|---|--------------|
| Balance as of 11 July | - |
| Additions through acquisition | 2 394 |
| Costs to fulfil contracts during the year | 544 |
| Amortization for the period | -509 |
| Balance as of 31 December | 2 429 |



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2.2 Other operating income and government grants

ACCOUNTING POLICIES

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

Other income

Other operating income is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

| | |
|-------------------------------|-------------|
| Other operating income | 2022 |
| Government grants | 128 |
| Other operating income | 128 |

Government grants in the consolidated statement of comprehensive income

| Grants | Line item | 2022 |
|---|------------------------|------------|
| Grant from Innovation Norway | Other operating income | 28 |
| Grant from SkatteFUNN | Other operating income | 99 |
| Total government grants recognized | | 128 |

Grants from Innovation Norway

In 2020, the acquired Group received funds from Innovation Norway related to development of environmental technology and development of substitution tool - assessing alternatives for hazardous chemicals in the company. The Group recognized GBP 28 thousand as other operating income in 2022 (11.07.2022 - 31.12.2022).

Grants from SkatteFUNN

In 2020 to 2022, the acquired Group received funds from SkatteFUNN (a Norwegian government R&D tax incentive program designed to stimulate R&D in Norwegian trade and industry). The funds were related to New Product Platform - Create a modern and integration friendly product platform based on AI and machine learning. The Group recognized GBP 99 thousand as other operating income in 2022 (11.07.2022 - 31.12.2022).



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2.2 Other operating income and government grants (Continued)

Government grants in the consolidated statement of financial position:

| Government grants liabilities | 2022 |
|---|--------------|
| 11 July | |
| Received during the year | 431 |
| Released to the statement of profit or loss | -137 |
| Additions through acquisitions | 817 |
| 31 December | 1 110 |
| Government grants receivables | 2022 |
| 11 July | |
| Cash received during the year | -465 |
| Addition during the year | 449 |
| Additions through acquisitions | 739 |
| 31 December | 723 |

Government grant receivables are included in other receivables in the consolidated statement of financial position and included in the specification in note 3.2.



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2.3 Employee benefit expenses

ACCOUNTING POLICIES

Employee benefit expenses comprise all types of remuneration to personnel employed by the Group (i.e., not contracted manpower) and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages and is earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pensions contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, telephones and remuneration to the Board of Directors.

Pensions

The Group has a defined contribution pension plan for its employees which satisfies the statutory requirements in the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon").

The scheme is a defined contribution plan. Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Remuneration to the Board of Managers

Remuneration for the members of the Board is determined by the Annual General Meeting.

Remuneration to the management team

The Board determines the principles applicable to the Group's policy for compensation to the management team. The Board is directly responsible for determining the CEO's salary and other benefits. Remuneration to the management is determined by the CEO.

Bonus

A bonus scheme is developed for the General Management Team (GMT) and another scheme for the Extended Management Team (EMT). Both of the schemes have a performance based element (ARR) and a individual based element.

Pension

All members of the management team are part of the defined contribution pension scheme.

Severance Arrangements

The Group has no obligations to board member or the management team of termination or changes in employment/positions.

Loans and guarantees

The Group has no loans or guarantees to board member or the management team.

| Employee benefit expenses | 2022 |
|--|---------------|
| Salaries | 11 278 |
| Social security costs | 1 794 |
| Pension costs | 976 |
| Other employee expenses | 561 |
| Total employee benefit expenses | 14 610 |
| Number of full time employees (FTEs) | 789 |

Remuneration to the management team for the period ended 31 December 2022:**

| NOK thousands | Salary* | Bonus | Pension | remuneration |
|----------------------|----------------|--------------|----------------|---------------------|
| Göran Lindö (CEO) | 79 | 21 | 6 | 105 |
| Other key management | 313 | 195 | 42 | 550 |
| Total | 391 | 216 | 47 | 655 |

*Salary is only reflected for the period that the executive was a part of management team.

**Remuneration is only reflected for the period September to December 2022

Remuneration to the Board of Managers for the period ended 31 December:

In 2022, the group did not pay any compensation to the board of managers.



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2.4 Other operating expenses

ACCOUNTING POLICIES

Other operating expenses are recognized when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, employee benefit expenses, depreciation and amortization, impairment and income tax expense.

| Other operating expenses | 2022 |
|---------------------------------------|--------------|
| Sales and marketing costs | 810 |
| IT cost | 1 936 |
| Cost of office | 349 |
| Consultant fee | 3 338 |
| Other operating costs | 2 426 |
| Total other operating expenses | 8 858 |

The Group performs a range of research and development projects related to the EcoOnline's platform and various solutions. The main part of the expenses that were not capitalized relates to customized solutions for each individual customer and thus not capitalized.

Research and development expenses that were not capitalized are included in the consolidated statement of comprehensive income as other operating expenses or employee benefits.

| Remuneration to the auditor | 2022 |
|--|-------------|
| Statutory audit fee | 44 |
| Tax advisory | 4 |
| Other services | 65 |
| Total remuneration to the auditor (excl. VAT) | 113 |

2.5 Depreciation and amortization

ACCOUNTING POLICIES

Depreciation and amortization expenses includes the monthly charge on property, plant and equipment, intangible assets and right-of-use assets over the assets estimated useful lives or lease term. The depreciation and amortization expenses are recognized on a straight-line basis.

| Depreciation and amortisation expenses | Note | 2022 |
|---|-------------|--------------|
| Depreciation of property, plant and equipment | 5.3 | 426 |
| Depreciation of right-of-use assets | 5.4 | 439 |
| Amortisation of intangible assets | 5.1 | 4 591 |
| Impairment losses/reversals | 5.3 | 17 |
| Total depreciation and amortisation expenses | | 5 473 |



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2.6 Finance income and costs

ACCOUNTING POLICIES

Interest income and interest expenses are calculated using the effective interest method.

Foreign currency gains or losses are reported as foreign exchange loss or foreign exchange gain in finance income or finance costs, except for currency translation effects from translation of foreign subsidiaries and the parent company which are presented within OCI. For other accounting policies related to the underlying financial instruments, reference is made to note 6.1

Interest costs on lease liabilities represents the interest rate used to measure the lease liabilities recognized in the consolidated statement of financial position (see note 5.4 for further information).

| Finance income | 2022 |
|-----------------------------|--------------|
| Interest income | 104 |
| Foreign exchange gains | 2 166 |
| Other financial income | 380 |
| Total finance income | 2 650 |

| Finance costs | 2022 |
|---------------------------------------|---------------|
| Interest expenses | 4 408 |
| Interest expense on lease liabilities | 109 |
| Foreign exchange losses | 5 594 |
| Other finance expenses | 73 |
| Total finance costs | 10 184 |

Interest income and expenses

Interest income represents mainly interest income on cash deposits, and interest expenses represents mainly interest expenses on external financing and lease liabilities, measured and classified at amortized cost in the consolidated statement of financial position.



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2.7 Income tax

ACCOUNTING POLICIES

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognized directly in equity is recognized in equity (OCI) and not in the statement of profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has GBP 37 203 thousand as at 31.12.2022 of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, and may not be used to offset taxable income elsewhere in the Group. The tax loss carried forward from Norwegian entities may be offset against future taxable income and will not expire. For the other tax loss carried forward the expire rules differs between the applicable tax regime.

Some subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognize deferred tax assets on the tax losses carried forward.



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2.7 Income tax (Continued)

| | |
|---|-------------|
| Current income tax expense: | 2022 |
| Tax payable | - |
| Change deferred tax/deferred tax assets | -225 |
| Total income tax expense | -225 |

| | |
|---|---------------|
| Deferred tax assets: | 2022 |
| Property, plant and equipment | 4 281 |
| Other current assets | 1 021 |
| Liabilities | 127 |
| Interest deduction carried forward | 11 823 |
| Losses carried forward (including tax credit) | 37 203 |
| Basis for deferred tax assets: | 54 456 |

| | |
|---|------------|
| Calculated deferred tax assets | 10 616 |
| - Deferred tax assets not recognized | 10 318 |
| Net deferred tax assets in the statement of financial position | 297 |

| | |
|---|---------------|
| Deferred tax liabilities | 2022 |
| Property, plant and equipment | 2 416 |
| Other current assets | 1 212 |
| Intangible assets | 76 353 |
| Right-of-use assets | 4 328 |
| Basis for deferred tax liabilities | 84 309 |

| | |
|-------------------------------------|--------|
| Calculated deferred tax liabilities | 16 686 |
|-------------------------------------|--------|

| | |
|---|---------------|
| Deferred tax liabilities recognized in the statement of financial position | 16 686 |
|---|---------------|

The Group's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 12,5 % to 22,0 %, which results in a difference between the statutory income tax rate in Luxembourg and the average tax rate applicable to the Group. The average tax rate for the group's deferred tax assets is 19,5% and 19,8% for deferred tax liabilities for 31.12.2022.

A reconciliation of the differences between the theoretical tax expense under the rate applicable in Luxembourg and the actual tax expense is as follows:

| | |
|--|----------------|
| Tax payable recognized in balance sheet | 11 |
| Reconciliation of income tax expense | 2022 |
| Profit or loss before tax | -28 052 |
| Tax expense | -5 863 |
| Permanent differences* | 2 506 |
| Effect of not recognizing deferred tax assets | 3 132 |
| Recognized income tax expense | -225 |
| Effective tax rate | 0,8 % |

* The permanent differences are related to SkatteFUNN and other non-deductible expenses among the Group's entities.



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2.8 Other current assets

| Other current assets | 31.12.2022 |
|-----------------------------------|-------------------|
| Sales commission (note 2.1) | 5 098 |
| Implementation costs (note 2.1) | 2 429 |
| Other prepaid expenses | 5 288 |
| Total other current assets | 12 815 |



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2.9 Other current and non-current liabilities

ACCOUNTING POLICIES

Other current and non-current liabilities arising from a result of past events where the settlement is expected to result in an outflow of resources.

Other current liabilities mainly consist of not registered capital increase, accrued interests and refund of transaction costs in connection with the Group establishment.

Other non-current liabilities consist of earn out in connection with acquisitions in 2022.

Other current and non-current liabilities are measured at fair value.

Other current liabilities are expected to be settled within the normal operating cycle within twelve months after the reporting period. Other non-current liabilities is expected to be settled after 12 months.

| | |
|--|-------------------|
| Other current liabilities | 31.12.2022 |
| Accrued interests, loan from Sixth Street (note 6.2) | 1 555 |
| Deferred payment shares in Safe Apps Ltd. | 4 442 |
| Other current liabilities | 3 483 |
| Total other current liabilities | 9 481 |
| Other non-current liabilities | 31.12.2022 |
| Earn out (note 4.2) | 3 607 |
| Total non-current liabilities | 3 607 |



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Section 3 - Other operating activities

3.1 Inventories

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis (FIFO)
- Finished goods and work in progress: cost of direct materials, direct wages, packaging and a proportion of manufacturing overheads based on the normal operating capacity

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

| Inventories | 31.12.2022 |
|--|------------|
| Finished goods (labels and watches) | 57 |
| Total inventories at the lower of cost and net realizable value | 57 |

There has been no write-down/reversal of write-downs of inventories in 2022



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3.2 Trade and other receivables

ACCOUNTING POLICIES

Trade and other receivables

The Group's trade receivables consist solely of amounts receivable from revenue contracts with customers. Trade receivables are generally on terms of 14 days. Other receivables consist mainly of prepaid expenses, government grants and other prepaid expenses which are expected to be realized or consumed in the normal operating cycle within twelve months after the reporting period.

Trade and other receivables are financial assets initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Trade and other receivables are subject to impairment by recognizing an allowance for expected credit losses.

Expected credit losses

The Group recognizes an allowance for expected credit losses (ECLs) for its financial assets. ECLs are based on the cash flows that the Group expects to receive. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases the allowance of its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Conditions and policies for considering financial assets as in default and when they are written off are further described in note 6.1.

| | |
|---|-------------------|
| Trade and other receivables | 31.12.2022 |
| Trade receivables from customers at nominal value | 18 449 |
| Allowance for expected credit losses | -396 |
| Trade receivables | 18 053 |
| Receivables government grants | 723 |
| Accrued, uninvoiced operating income | 865 |
| Other receivable and prepaid expenses | 417 |
| Other receivables | 2 005 |
| Total trade and other receivables | 20 058 |
| Allowance for expected credit losses | 31.12.2022 |
| July 11 | - |
| Additions through acquisition | -174 |
| Provision for expected credit losses | -222 |
| December 31 | -396 |

The credit risk of financial assets has not increased significantly from initial recognition. The increase in loss allowance is mainly related to increased revenue.

As at 31 December the ageing analysis of trade receivables is, as follows:

| Ageing analysis of trade receivables | Trade receivables | | | | Total |
|--------------------------------------|-------------------|---------------------------|-----------|-------|---------------|
| | Not due | Past due but not impaired | | | |
| < 30 days | | 31-60 days | > 60 days | | |
| Trade receivables 31.12.2022 | 12 620 | 3 762 | 866 | 1 201 | 18 448 |

For details regarding the Group's procedures on managing credit risk, see note 6.4.



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3.3 Contract assets and liabilities

ACCOUNTING POLICIES

Contract assets

A contract asset is initially recognized for revenue earned from rendering of services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customer, the amount recognized as contract assets is reclassified to trade receivables.

All of the Group's contracts with customers are generally prepaid 12 months or less in advance. Hence, the Group has not significant contract assets for the period presented and the amount is presented in trade and other receivables, note 3.2.

Contract liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract liabilities relate to remuneration received in advance for revenue from contracts with customers as well as the allocated transaction price for the remaining performance obligation. Revenue is recognized when the Group fulfils the performance obligation in the contract. Contract liabilities are shown in the table below:

| Contract liabilities | 2022 |
|---|---------------|
| Balance as of 11 July | - |
| Additions through acquisition (see note 4.2) | 35 245 |
| New contract liabilities | 25 977 |
| Performance obligations satisfied in the period | -19 703 |
| Balance as of 31 December | 41 519 |

| | |
|-------------------------------------|---------------|
| Current contract liabilities | 41 519 |
|-------------------------------------|---------------|

Non-current contract liabilities

The Group's contract liabilities are mainly related to revenue from SaaS subscription which are generally prepaid 12 months or less in advance. The Group's contract liabilities are classified as current as the related performance obligations will be satisfied generally within 12 months.

3.4 Trade and other payables

ACCOUNTING POLICIES

Trade and other payables are liabilities, i.e. present contractual obligations arising from a result of past events where settlement is expected to result in an outflow of resources (payment). Trade payables consist of invoices for goods and services where the Group has received the significant risks and rewards of ownership as at the end of the reporting period.

Trade and other payables are measured at fair value upon initial recognition and subsequently at amortized cost. Trade and other payables are expected to be settled within the normal operating cycle within twelve months after the reporting period.

| Trade and other payables | 31.12.2022 |
|---|-------------------|
| Trade payables | 4 436 |
| VAT | 2 998 |
| Withholding payroll taxes and social security | 2 037 |
| Other accrued expenses* | 9 011 |
| Total trade and other payables | 18 482 |

* Include earn out of GBP 3.881 million (note 4.2).



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3.5 Provisions

ACCOUNTING POLICIES

Provisions are liabilities with uncertain timing or amount and are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, that is, the amount that an entity would rationally pay to settle the obligation at the end of the financial year or to transfer it to a third party.

Provisions of salary related costs contains a provision for accrued holiday pay, accrued bonuses, restructuring (when the Group has approved a formal and detailed restructuring plan, and the restructuring either has commenced or been announced publicly) and other salary related accruals.

A provision is made and calculated based on management assumptions at the time the provision is made and is updated as and when new information becomes available. All provisions are reviewed at the end of the financial year.

Reconciliation of provisions:

| | Salary related costs | Total |
|--------------------------------|----------------------|--------------|
| 11 July | - | - |
| Additional provisions made | 1 859 | 1 859 |
| Additions through acquisitions | 2 973 | 2 973 |
| Amounts used | -1 455 | -1 455 |
| 31 December 2022 | 3 377 | 3 377 |
| Current provisions | 3 377 | 3 377 |
| Non-current liabilities | - | - |

The increase in provisions in the reporting period is mainly related to increased accrual of holiday pay.



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Section 4 - Group structure

4.1 Group companies

ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of Erling Lux HoldCo SARL and its subsidiaries 31 December 2022. The subsidiaries are consolidated when control is achieved as defined by IFRS 10. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. However, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group does not have ownership in joint arrangements as defined by IFRS 11, other associates, interests in unconsolidated structured entities or interests in unconsolidated subsidiaries that require disclosure under IFRS 12.

The subsidiaries of Erling Lux HoldCo SARL are presented below:

| Consolidated entities 31.12.2022 | Office | CUR | Group's voting ownership | |
|--------------------------------------|-------------|-----|--------------------------|-------|
| | | | Shareholding | share |
| Erling Lux HoldCo SARL | Luxembourg | GBP | 100 % | 100 % |
| Erling Lux Bidco SARL | Luxembourg | GBP | 100 % | 100 % |
| Erling Holdco AS | Norway | NOK | 100 % | 100 % |
| Erling Bidco AS | Norway | NOK | 100 % | 100 % |
| EcoOnline Holding AS | Norway | NOK | 100 % | 100 % |
| EcoOnline AS | Norway | NOK | 100 % | 100 % |
| EcoOnline AB | Sweden | SEK | 100 % | 100 % |
| EcoOnline OY | Finland | EUR | 100 % | 100 % |
| EcoOnline ApS | Denmark | DKK | 100 % | 100 % |
| EcoOnline AS Ltd | Ireland | EUR | 100 % | 100 % |
| Nordic Port AB | Sweden | SEK | 100 % | 100 % |
| Munio AS | Norway | NOK | 100 % | 100 % |
| Biome Environmental Ltd | Ireland | EUR | 100 % | 100 % |
| Safe Apps Ltd | UK | GBP | 100 % | 100 % |
| EcoOnline GmbH | Germany | EUR | 100 % | 100 % |
| Chymeia ApS | Denmark | DKK | 100 % | 100 % |
| EcoOnline Inc | US | USD | 100 % | 100 % |
| Airsweb Ltd | UK | GBP | 100 % | 100 % |
| EcoOnline UK Ltd | UK | GBP | 100 % | 100 % |
| eCompliance Management Solutions Inc | Canada | CAD | 100 % | 100 % |
| Alcumus America LLC | US | USD | 100 % | 100 % |
| EcoOnline Simple Compliance Ltd | UK | GBP | 100 % | 100 % |
| EcoOnline Info Exchange Ltd | UK | GBP | 100 % | 100 % |
| EcoOnline Sypol Ltd | UK | GBP | 100 % | 100 % |
| Mango Software Ltd | New Zealand | NZD | 100 % | 100 % |
| Mango Ltd | New Zealand | NZD | 100 % | 100 % |
| EcoOnline ePermits Holdings Ltd | UK | GBP | 100 % | 100 % |
| EcoOnline ePermits Ltd | UK | GBP | 100 % | 100 % |

All subsidiaries are included in the consolidated statement of financial position.



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4.2 Business combinations

ACCOUNTING POLICIES

A business combination is as a transaction or other event in which an acquirer obtains control of one or more businesses. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Determining whether a particular set of assets and activities is a business should be based on whether the integrated set is capable of being conducted and managed as a business by a market participant.

Business combinations are accounted for according to IFRS 3 using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value at acquisition date according to IFRS 13, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss.

Goodwill arises in a business combination when the fair value of consideration transferred exceeds the fair value of identifiable assets acquired less the fair value of identifiable liabilities assumed. Goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination irrespective of whether other assets or liabilities of the acquiree are assigned to those units, and tested subsequently for impairment.

Significant accounting estimates, assumptions and judgements

In a business combination, the assets acquired and liabilities assumed are valued at fair value at the time of acquisition. The various assets and liabilities are valued on the basis of different models, requiring estimates and assumptions to be made. Goodwill is the residual value in this allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets and liabilities incl. goodwill, but the sum of the total excess values will always be consistent with the purchase price paid.

The economic useful life of intangible assets acquired in a business combination are assessed as either finite or indefinite. Intangible assets with indefinite useful lives are subsequently tested for impairment by assessing the recoverable amount of the CGU to which the intangible assets relates, further described in note 5.2. Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment or changes to the amortization period as described in note 5.1. The assumptions applied to determining the economic useful lives in a business combination may involve considerable estimates such as future innovations and developments to software and technology.

Determination of fair values

Fair values have been determined for initial recognition based on the following methods:

Property, plant and equipment acquired in a business combination

The fair value of items of equipment, fixtures and fittings is based on a market or cost approach using quoted market prices for similar items when available and replacement cost when appropriate.

Intangible assets acquired in a business combination (Technology, Customer Relationships)

The fair value of Technology and Customer Relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued as a residual after deducting a fair return on all other assets that are part of creating the related cash flows.

Right-of-use assets and lease liabilities

The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favorable terms of the lease relative to market terms. The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition.



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4.2 Business combinations (Continued)

Other current assets and liabilities acquired in a business combination

The fair value of other current assets and liabilities acquired in a business combination is determined based on the estimated selling price in the ordinary source of business less the estimated costs of completion and sale.

The accounting for the acquisition will be revised to the extent new information is obtained within one year of the date of acquisition relating to facts or circumstances that existed at the date of acquisition and that require adjustments to the above amounts, or relating to additional provisions that existed at the date of acquisition

Acquisitions during 2022

| Company/Group | Date of business combination | Proportion of voting equity acquired | Acquiring entity |
|-----------------------|-------------------------------------|---|-------------------------|
| EcoOnline Holding AS | 01.09.2022 | 100 % | Erling Holdco AS |
| Alcumus Holdings Ltd. | 01.11.2022 | 100 % | EcoOnline UK Ltd |

EcoOnline Holding AS

On 1 September 2022, the Group acquired 100% of the voting shares of EcoOnline Holding AS, a Norwegian-based company. EcoOnline is an IT firm dedicated to developing software to make workplace environment, health and safety, management, as user-friendly and cost-efficient as possible. The Company's products seek to help clients around Europe reach compliance with EU and national safety regulations, and their own ambitions for occupational and environmental safety. The Group acquired this business to expand its market reach and product portfolio.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Erling Lux Holdco SARL obtained control of the legal entities, 1 September 2022. For tax and economic purposes, the effective date was 1 September 2022.

The acquisition-date fair value of the total consideration transferred was GBP 326.2 million in cash. Transaction costs of GBP 7.5 million were expensed and are included in M&A costs. From the date of acquisition, EcoOnline Holding AS has contributed GBP 17.3 million of revenue and GBP -29.6 million to the net profit before tax. For the period from 01.01.2022 - 31.12.2022 EcoOnline Holding AS had revenue of GBP 73.8 million and GBP -50.7 million of net profit before tax.

Alcumus Holdings Ltd.

On 1 November 2022, The Group acquired 100% of the voting shares of Alcumus Holdings Ltd., a UK-based company. Alcumus provides software-led risk management solutions for small and large businesses world-wide. Alcumus helps organisations of all sizes anticipate, manage and avoid risks that endanger their people, their operations and our planet. We provide an integrated approach to managing Health, Safety and ESG across industries, locations, contractor and supplier networks. The Group acquired this business to expand its market reach and product portfolio.

The transaction is recorded as a business combination in accordance with IFRS 3. The acquisition date for accounting purposes corresponds to the date when Erling Lux Holdco SARL obtained control of the legal entities, 1 November 2022. For tax and economic purposes, the effective date was 1 November 2022.

The acquisition-date fair value of the total consideration transferred was GBP 175.4 million in cash. Transaction costs of GBP 5 million were expensed and are included in M&A costs. From the date of acquisition, Alcumus Holdings Ltd has contributed GBP 5.7 million of revenue and NOK 0.7 million to the net profit before tax. For the period from 01.01.2022 - 31.12.2022 Alcumus Holdings Ltd. had revenue of GBP 27.4 million and GBP -1.7 million of net profit before tax.



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4.2 Business combinations (Continued)

The table below illustrates the provisional fair values of the identifiable assets in EcoOnline Holding AS and Alcumus Holdings Ltd. at acquisition date:

| | 01.09.2022 | 01.11.2022 |
|--|----------------|---------------|
| | EcoOnline | Alcumus |
| Amounts in GBP thousands | Holding AS | Holdings Ltd. |
| ASSETS | | |
| Non-current assets | | |
| Technology | 32 065 | 13 024 |
| Customer Relationships | 32 688 | 17 929 |
| Property, plant and equipment | 1 268 | 2 080 |
| Development | 69 | - |
| Right-of-use assets | 3 242 | 1 691 |
| Deferred tax assets | 610 | - |
| Non-current financial assets | 177 | - |
| Other non-current assets | - | - |
| Total non-current assets | 70 118 | 34 723 |
| Current assets | | |
| Inventories | 55 | - |
| Trade and other receivables | 7 741 | 10 980 |
| Other current assets | 6 112 | 2 617 |
| Cash and cash equivalents | 17 683 | 7 251 |
| Total current assets | 31 591 | 20 848 |
| Total assets | 101 709 | 55 571 |
| Non-current liabilities | | |
| Non-current interest bearing liabilities | 46 136 | - |
| Non-current lease liabilities | 2 270 | 1 254 |
| Deferred tax liabilities | 10 649 | 6 625 |
| Non-current provisions | 4 641 | - |
| Total non-current liabilities | 63 695 | 7 879 |
| Current liabilities | | |
| Interest bearing liabilities | 970 | - |
| Lease liabilities | 973 | 537 |
| Trade and other payables | 13 754 | 20 578 |
| Government grants | 838 | - |
| Contract liabilities | 23 131 | 12 173 |
| Income tax payable | - | 95 |
| Provisions | 2 697 | 276 |
| Other current liabilities | 12 139 | 13 |
| Total current liabilities | 54 406 | 33 579 |
| Total liabilities | 118 102 | 41 458 |



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4.2 Business combinations (Continued)

| | 01.09.2022 | 01.11.2022 | |
|--|------------|----------------|----------------|
| | EcoOnline | Alcumus | |
| Amounts in GBP thousands | Holding AS | Holdings Ltd. | |
| Total identifiable net assets at fair value | - | 16 393 | 14 113 |
| Purchase consideration transferred | | 329 657 | 175 144 |
| Goodwill arising on acquisition | | 346 049 | 161 031 |

| | 01.09.2022 | 01.11.2022 |
|---|----------------|----------------|
| | EcoOnline | Alcumus |
| Purchase consideration transferred | Holding AS | Holdings Ltd. |
| Cash | 329 657 | 175 144 |
| External loan | - | - |
| Total purchase consideration transferred | 329 657 | 175 144 |

Provision for deferred tax is made for the difference between acquisition cost and acquired tax base in accordance with IAS 12. Offsetting entry of this non-cash deferred tax is technical goodwill. The remaining goodwill includes the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized.

None of the goodwill recognized is expected to be deductible for income tax purposes. For impairment considerations of goodwill, reference is made to note 5.2.

| | 01.09.2022 | 01.11.2022 | |
|---------------------------------------|-----------------|-----------------|-----------------|
| Analysis of cash flows | EcoOnline | Alcumus | |
| on acquisition | Holding AS | Holdings Ltd. | Total |
| Net cash acquired with the subsidiary | 17 683 | 7 251 | 24 934 |
| Cash paid | 329 657 | 175 144 | 504 801 |
| Net cash flow from acquisition | -311 974 | -167 893 | -479 867 |



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Section 5 - Fixed assets

5.1 Intangible assets

Nature of the Group's intangible assets

The Group's intangible assets mainly comprise of internal development projects and technology and customer relationships acquired through the acquisition of subsidiaries.

ACCOUNTING POLICIES

Intangible assets acquired

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Capitalization of internal development costs

Development expenditures on an individual project, which represents new applications, are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Other costs are classified as research and are expensed as incurred. These expenses are disclosed in Note 2.6.

Useful lives and subsequent measurement

The useful lives of intangible assets are assessed as either finite or indefinite and may in some cases involve considerable assessments. Intangible assets with indefinite useful lives are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The initial assessment and review of economic useful lives requires management to make estimates and assumptions on the Group's IP and competition in the future. Changes in the expected useful life are treated as changes in accounting estimates.

| | Customer relationships | Technology | Total |
|--|------------------------|---------------|----------------|
| Acquisition cost 11 July 2022 | - | - | - |
| Additions | | 5 748 | 5 748 |
| Additions through acquisition | 50 617 | 45 088 | 95 705 |
| Currency translation effects | -34 | -654 | -688 |
| Acquisition cost 31 December 2022 | 50 583 | 50 182 | 100 765 |
| Accumulated amortization 11 July 2022 | - | - | - |
| Amortization charge for the period | 987 | 3 622 | 4 609 |
| Impairment | - | - | - |
| Currency translation effects | 6 | 63 | 69 |
| Accumulated amortization 31 December 2022 | 993 | 3 685 | 4 678 |
| Net Book Value | | | |
| 31 December 2022 | 49 590 | 46 497 | 96 087 |
| Economic life (years) | 14 | 5 | |
| Depreciation plan | Straight-line | | |

Additions in 2022 (11.07.2022 - 31.12.2022) related to development expenditures of an improved Platform concept, new features, EcoOnline EHS product and a new ERP system.



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5.2 Goodwill and impairment considerations

ACCOUNTING POLICIES

Recognized goodwill in the Group is derived from the acquisitions of EcoOnline Holding AS and Alcumus Holdings Ltd. in 2022, see note 4.2 for more information.

Goodwill is an intangible asset which may not individually be recognized as an intangible asset due to the requirements in IA S 38. The value of goodwill is primarily related to synergies, assembled workforce and their competency to generate and commercialize new technology as well as high growth expectations. Goodwill also arises due to the requirement to recognize deferred tax liabilities for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests, and any previous interest held over the net identifiable assets acquired and liabilities assumed).

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

According to IFRS 3, goodwill is to be allocated at the acquisition date, to each of the acquirer's CGUs, or groups of CGUs, which are expected to benefit from the business combination. This can include existing CGUs of the acquirer irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The Goodwill from the acquisitions was allocated to the business segment CGU.

Impairment considerations

The Group has goodwill which is subject to annual impairment testing. The testing is performed annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which goodwill or intangible assets with indefinite useful lives relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The Group uses a value in use model for its impairment testing.

| | |
|--|----------------|
| Gross amount 11 July 2022 | - |
| Additions through acquisition (see note 4.2) | 507 080 |
| Currency translation effects | 6 016 |
| Gross amount 31 December 2022 | 513 096 |
| <hr/> | |
| Accumulated impairment 11 July 2022 | - |
| Impairment for the year | - |
| Accumulated impairment 31 December 2022 | - |
| <hr/> | |
| Carrying amount 31 December 2022 | 513 096 |



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5.2 Goodwill and impairment considerations (Continued)

The Group's goodwill is allocated to the EcoOnline Group CGU.

CGU

For impairment testing, goodwill acquired through the business combinations was allocated to the EcoOnline Group CGU which consist of EcoOnline as and Alcumus Holdings Ltd. Reference is made to note 4.2 for further information on the business combinations.

Basis for determining the recoverable amount

The CGU's recoverable amount has been determined based on its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The cash flows are derived from the detailed budget and forecast calculations for the coming years approved by the Board of Directors. Restructuring activities and significant future investments are excluded from the budgets. A long-term growth rate is calculated and applied to project future cash flows after the budget period. The recoverable amount is sensitive to revenue growth in the forecast period, the discount rate, expected future cash flows, EBITDA margin and the terminal growth rate.

Impairment testing of goodwill

The calculation of value in use for the CGU's are most sensitive to the following assumptions:

- Revenue growth
- Free cash flow margin (before tax)
- EBITDA margin
- Pre-tax discount rate
- Terminal growth rate

Revenue growth

The expected growth in revenues are based on the expected growth in the industry and the Group's market share. The growth forecast is based on management's expectations of future conditions in the markets incl. competition.

Free cash flow margin (before tax)

The free cash flow margin is determined from an analysis of historical levels before tax, adjusted for expected changes to employee benefit expenses, other expenses, capital expenditures and changes to working capital.

EBITDA margin

The expected growth in EBITDA margin is based on the expected growth in the industry and the Group's market share. The growth forecast is based on management's expectations of future conditions in the markets incl. competition.

Pre-tax discount rate

The discount rate reflects the current market assessment of the risks specific to the CGU. The pre-tax discount rate is estimated based on the weighted average cost of capital (WACC).

Terminal growth rate

The terminal growth rate is the estimated long-term rate of growth in the economy where the business operates, aligned with long term global inflation targets.

The key assumptions used to determine the recoverable amount for each CGU is presented below:

| CGU | Revenue growth in the forecast period | Free cash flow margin (before tax) | EBITDA margin | Terminal growth rate | Pre-tax discount rate |
|--|---------------------------------------|------------------------------------|---------------|----------------------|-----------------------|
| EcoOnline Group CGU - 31 December 2022 | 3,5% to 32,1% | 10% to 25% | 6,7% to 29,1% | 3,3 % | 9,9 % |

The recoverable amount of the cash generating units are higher than their carrying amount and no impairment loss has been recognized in the current period.



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5.2 Goodwill and impairment considerations (Continued)

Sensitivity analysis

Future events could cause the key assumptions to deviate from the amounts used in the forecast period. The Group has performed a sensitivity analysis for each key assumption; revenue growth in the forecast period, free cash flow margin (before tax), EBITDA margin, terminal growth rate and the pre-tax discount rate. The table below shows how much the recoverable amount of the CGU changes if each key assumption was increased or decreased in an unfavorable direction by one percentage point:

| Sensitivity of assumptions (presented as change in recoverable amount for each CGU) | Effect of -1% change in revenue growth | Effect of - 1% change in free cash flow margin | Effect of -1% change in the EBITDA margin | Effect of +1% change in the pre-tax discount rate | 1% change in the terminal growth rate |
|---|---|---|---|--|--|
| EcoOnline CGU 31 December 2022 | -57 000 | -31 000 | -24 000 | -105 000 | -63 000 |

Amount by which each key assumption must change for the headroom to be reduced to 0:

| Percentage point change | Revenue growth | Free cash flow margin | EBITDA margin | Pre-tax discount rate | Terminal growth rate |
|--------------------------------|-------------------|--------------------------|---------------|--------------------------|-------------------------|
| EcoOnline CGU 31 December 2022 | -3% | -5% | -6,5 % | +1,6% | -3,2 % |



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5.3 Property, plant and equipment

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group assesses, at each reporting date, whether there is an indication that property, plant and equipment may be impaired. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

No indicators for impairment of property, plant and equipment were identified in the current or prior period.

| | Fixtures and IT equipment | Total |
|---|------------------------------|--------------|
| Acquisition cost 11 July 2022 | | - |
| Additions | 394 | 394 |
| Additions through acquisition (see note 4.2) | 1 116 | 1 116 |
| Currency translation effects | -23 | -23 |
| Acquisition cost 31 December 2022 | 1 488 | 1 488 |
| Accumulated depreciation and impairment 11 July 2022 | - | - |
| Depreciation for the year | 426 | 426 |
| Accumulated depreciation and impairment 31 December 2022 | 426 | 426 |
| Net book value: | | |
| 16 August 2022 | - | - |
| 31 December 2022 | 1 062 | 1 062 |
| Economic life (years) | 3-10 | |
| Depreciation plan | Straight-line method | |

Booked value consists of GBP 0,688 million of IT equipment and GBP 0,388 million of fixtures.



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5.4 Right-of-use assets and lease liabilities

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- The supplier does not have a substantive right to substitute the asset throughout the period of use
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the decision-making rights that are most relevant to changing how and for what purpose the asset is used throughout the contract period

Group as a lessee

At the commencement date, the Group recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets (with an underlying value of less than GBP 5 thousand)

For these leases, the Group recognizes the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group presents its lease liabilities as separate line items in the consolidated statement of financial position.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 5.3). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

The Group presents its right-of-use assets as separate line items in the consolidated statement of financial position.



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5.4 Right-of-use assets and lease liabilities (Continued)

The Group's leased assets

The Group leases several assets, mainly office space in Norway. Additionally, the Group leases office space in England, Denmark, Sweden, Finland and Ireland. Leases of office space generally have a lease term of 5 years. The Group also leases office equipment, however, these are expensed as incurred as they are either considered short term or of low value.

The Group's right-of-use assets recognized in the consolidated statement of financial position are presented in the table below:

| Right-of-use assets | Office space | Total |
|---|----------------------|--------------|
| Acquisition cost as 11 July 2022 | - | - |
| Additions of right-of-use assets | 203 | 203 |
| Additions through acquisition (see note 4.2) | 4 357 | 4 357 |
| Currency translation effects | 154 | 154 |
| Acquisition cost 31 December 2022 | 4 714 | 4 714 |
| Depreciation and impairment 11 July 2022 | - | - |
| Depreciation of right-of-use assets | 464 | 464 |
| Impairment | - | - |
| Currency translation effects | -32 | -32 |
| Depreciation and impairment 31 December 2022 | 432 | 432 |
| Net book value: | | |
| 11 July 2022 | - | - |
| 31 December 2022 | 4 281 | 4 281 |
| Remaining lease term or remaining useful life (years) | 1-10 | |
| Depreciation plan | Straight-line method | |
| Expenses in the period related to practical expedients and variable payments | | 2022 |
| Short-term lease expenses | | - |
| Variable lease expenses in the period (not included in the lease liabilities) | | - |
| Leases of low value assets | | 68 |
| Total lease expenses in the period | | 68 |

The lease expenses in the period related to short-term leases, low-value assets and variable lease payments are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.



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5.4 Right-of-use assets and lease liabilities (Continued)

The Group's lease liabilities

| Undiscounted lease liabilities and maturity of cash outflows | 31.12.2022 |
|--|--------------|
| Less than one year | 1 740 |
| One to two years | 1 025 |
| Two to three years | 724 |
| Three to four years | 624 |
| Four to five years | 618 |
| More than five years | 814 |
| Total undiscounted lease liabilities | 5 546 |

| Changes in the lease liabilities - 2022 | Office space | Total |
|--|--------------|--------------|
| At first time adoption 11 July 2022 | - | - |
| New leases recognized during the period | 5 242 | 5 242 |
| Cash payments for the principal portion of the lease liability | -914 | -914 |
| Cash payments for the interest portion of the lease liability | -109 | -109 |
| Interest expense on lease liabilities | 109 | 109 |
| Total lease liabilities 31 December 2022 | 4 328 | 4 328 |
| Current lease liabilities in the statement of financial position | 1 280 | 1 280 |
| Non-current lease liabilities in the statement of financial position | 3 048 | 3 048 |

Lease commitments not included in the lease liabilities

Inflation adjustments

In addition to the lease liabilities presented above, the Group is committed to pay variable lease payments for its office buildings, mainly related to future inflation adjustments which is not included in the initial calculation of lease liabilities. The lease liability and right-of-use asset will be adjusted to reflect the inflation adjustment when the uncertainty related to the adjustment has been resolved.

Extension and termination options

The Group has some lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the Group's business needs. The Group did not include the extension period for leases as part of the lease term when management were not reasonably certain to exercise the option to extend the leases. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

The effect of exercising the extension options that were not included in the lease liability because management were not reasonably certain to exercise the option is presented in the table below:

| Undiscounted potential future rental payments | 31.12.2022 |
|---|------------|
| Periods covered by extension options expected not to be exercised | - |
| Periods covered by termination options expected to be exercised | - |
| Total undiscounted potential future rental payments | - |

Other matters

The Group's leases does not contain provisions or restrictions that impacts that Group's dividend policies or financing possibilities.



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Section 6 - Financial instruments and equity

6.1 Overview of financial instruments

ACCOUNTING POLICIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial instruments

The Group's financial instruments are grouped in the following categories:

Financial Assets

Financial assets measured subsequently at amortized cost:

This includes mainly trade receivables and cash and cash equivalents.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. All of the Group's financial assets (i.e. trade receivables and cash and cash equivalents) are part of the Group's business model with the sole objective to collect contractual cash flows. Additionally, the contractual terms of the financial assets, primarily applicable to trade receivables, give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, thereby passing the SPPI test.

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Financial liabilities measured subsequently at amortized cost:

Represent the Group's interest-bearing liabilities as well as non-interest bearing liabilities such as trade payables.

The Group does not have derivative financial instruments. None of the Group's financial liabilities are designated as at fair value through profit or loss, i.e. they are all measured at amortized cost.

Initial recognition and subsequent measurement

The Group's financial assets and liabilities are initially recognized at fair value plus directly attributable transaction expenses.

Subsequently, these instruments are measured at amortized cost using the effective interest method (EIR). Gains and losses are recognized in profit or loss upon impairment, when the instruments are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Impairment of financial assets

Financial assets measured at amortized cost are considered for impairment by recognizing an allowance for expected credit losses (ECLs). The Group applies a simplified approach (as applicable for trade receivables) in calculating ECLs, where the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment (e.g. market trends, default rates in the retail market etc.).



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6.1 Overview of financial instruments (Continued)

ACCOUNTING POLICIES (continued)

Derecognition of financial instruments

A financial asset is derecognized when the rights to receive cash flows from the asset have expired, the Group has transferred its rights to receive cash flows from the asset or the Group has assumed an obligation to pay the received cash flows in full under a "pass-through" arrangement.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

The carrying amount of the Group's financial assets and liabilities are presented in the tables below:

| 31 December 2022 | Note | Financial instruments at Financial fair value instruments at through profit amortized cost and loss | | Total |
|---|------|--|--------------|----------------|
| Assets | | | | |
| <i>Loans and receivables</i> | | | | |
| Trade and other receivables | 3.2 | 20 058 | - | 20 058 |
| Cash and cash equivalents | 6.6 | 30 903 | - | 30 903 |
| Other non-current financial assets | | 172 | - | 172 |
| Total financial assets | | 51 133 | - | 51 133 |
| Liabilities | | | | |
| <i>Interest-bearing loans and borrowings including trade payables</i> | | | | |
| Non-current interest-bearing liabilities | 6.2 | 143 820 | - | 143 820 |
| Other non-current liabilities (earn out) | 4.2 | - | 3 607 | 3 607 |
| Trade payables | 3.4 | 4 436 | - | 4 436 |
| Total financial liabilities | | 148 256 | 3 607 | 151 863 |

Significant finance income and finance costs arising from the Group's financial instruments are disclosed separately in note 2.6.



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6.2 Interest-bearing liabilities

Specification of the Group's interest-bearing liabilities

| | |
|---|-------------------|
| Non-current interest-bearing liabilities | 31.12.2022 |
| Loan (Lender consortium) | 143 820 |
| Total non-current interest-bearing liabilities | 143 820 |
| Current interest-bearing liabilities | 31.12.2022 |
| Credit Draft Facility (DNB) | - |
| Total current interest-bearing liabilities | - |

The Group entered into a loan agreement with lender consortium on 6 September 2022. The loan is divided into 6 facilities with different interest rates and different currencies (GBP and EUR):

Facilities and interest:

B1 : Euribor + 6,75% (0% floor)

B2 : SONIA + 6,75% (0,5% floor)

B3 : Euribor + 6,75% (0% floor)

B4 : SONIA + 6,75% (0,5% floor)

DDTL : SONIA/EURIBOR/SOFR/NIBOR + 6,75% (0% floor for EURIBOR, 1% floor for NIBOR/SOFR and 0,5% floor for SONIA)

Revolving Facility : SONIA/EURIBOR/SOFR/NIBOR + 6,75% (0% floor for EURIBOR, 1% floor for NIBOR/SOFR and 0,5% floor for SONIA)

All the facilities mature on 6 September 2028.

The Group did not hedge its interest risk exposure in 2022, however the Group has entered into interest swaps in 2023 to fully hedge its interest risk exposure.

The Group has a bank overdraft credit facility of GBP 1.23 million. As of December 2022, there were no withdrawals from the credit facility.

The reconciliation of changes in liabilities incurred as a result of financing activities are presented in note 6.3.



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6.2 interest-bearing liabilities (Continued)

Assets pledged as security and guarantee liabilities

| | 31.12.2022 |
|---|-------------------|
| Secured balance sheet liabilities: | |
| Interest-bearing liabilities to financial institutions | 143 820 |
| Value of assets pledged as security for secured liabilities: | |
| Bank accounts * | 7 989 |
| Total assets pledged as security | 28 047 |

*The Group has pledged any bank account that is held in Luxemburg in the bank Société Générale Luxemburg.

The Group has pledged all its shares in Erling Holdco AS with subsidiaries.

The Group has pledged all intragroup loan to Erling Holdco AS.

The Group has not given any guarantees to or on behalf of third parties in the current and previous period.

Financial Covenants

ARR Leverage: ARR Leverage not in excess of 3.00:1 (31 December 2022 to 30 September 2023)

ARR Leverage not in excess of 2.75:1 (31 December 2023 to (and including) 30 September 2024)

ARR Leverage not in excess of 2.35:1 (31 December 2024 to (and including) 31 March 2025)

ARR Leverage not in excess of 2.15:1 (30 June 2025 to (and including) 30 September 2025)

ARR Leverage not in excess of 1.85:1 (31 December 2025 to (and including) 30 September 2026)

ARR Leverage not in excess of 1.65:1 (30 September 2026 onwards)

Minimum cash: On the last day of each Financial Quarter, liquidity shall not be less than GBP 2.0 million.

The financial covenant is tested quarterly on the last day of each Financial Quarter based on the Compliance Certificate to be delivered with each set of annual or monthly financial statements on a quarter date.

As of 31 December 2022 and as of today, the Group was in compliance with the financial covenants described above.



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6.3 Ageing of financial liabilities

Contractual undiscounted cash flows from financial liabilities is presented below:

| 31.12.2022 | Note | Remaining contractual maturity | | | | | Total |
|------------------------------------|------|--------------------------------|--------------|------------|--------------|----------------|----------------|
| | | Less than 1 year | 1-2 years | 2-3 years | 3-5 years | Over 5 years | |
| Financial liabilities | | | | | | | |
| Interest-bearing debt | 6.2 | - | - | - | - | 143 820 | 143 820 |
| Trade and other payables | 3.3 | 18 482 | - | - | - | - | 18 482 |
| Lease liabilities | 5.4 | 1 740 | 1 025 | 724 | 1 242 | 814 | 5 546 |
| Total financial liabilities | | 20 222 | 1 025 | 724 | 1 242 | 144 634 | 167 848 |

Reconciliation of changes in liabilities incurred as a result of financing activities:

| 2022 | 11.07.2022 | Acquisition | Cash flow effect | Non-cash changes | | | 31.12.2022 |
|--|------------|-------------|------------------|------------------|---------------------------|---------------|----------------|
| | | | | New leases | Foreign exchange movement | Other changes | |
| Non-current interest-bearing liabilities | - | - | 141 905 | - | 1 915 | - | 143 820 |
| Current interest-bearing liabilities | - | - | - | - | - | - | - |
| Lease liabilities | - | - | -914 | 5 242 | - | - | 4 328 |
| financing | - | - | 140 991 | 5 242 | 1 915 | - | 148 148 |



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6.4 Financial risk management

Overview

The Group's principal financial liabilities, comprise interest bearing liabilities, lease liabilities, and trade payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to a range of risks affecting its financial performance, including market risk, credit risk and liquidity risk. The Group seeks to minimize potential adverse effects of such risks through sound business practice, risk management and hedging.

Risk management is carried out by Group management under policies approved by the Board. The Board reviews and agrees policies for managing each of these risks, which are summarized below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Group comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include interest bearing debt, cash and cash equivalents, trade receivables, lease liabilities and trade and other payables.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing loans with floating interest rates, in total GBP 143.8 million as of 31 December 2022. The Group did not hedge its interest risk exposure in 2022, however, the Group has entered in to interest swaps in 2023 to fully hedge its interest risk exposure.

Interest rate sensitivity

The sensitivity to a possible change in interest rates, with all other variables held constant, on the Group's profit before tax, is illustrated below. In calculating the sensitivity analyses, the Group assumes that the sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective financial risks.

| Interest rate sensitivity | Increase / decrease in basis points | Effect on profit | |
|---------------------------|---|------------------|-------------------|
| | | before tax | Effect on equity* |
| 31 December 2022 | +/- 100 | 1 438 | - |

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's interest bearing liabilities which are denominated in EUR and GBP (before November 2022 the loan was in SEK and EUR), the Group's operating activities (revenue and expenses denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group has investment in foreign subsidiaries which has functional currency in SEK, DKK, EUR, CAD, NZD, USD and GBP.

The Group does not currently hedge currency exposure with the use of financial instruments, but monitors the net exposure over time.

Foreign currency sensitivity

The following table illustrates the sensitivity for a hypothetical increase or decrease in the foreign exchange rates in the period, holding all other variables constant:

| Foreign currency sensitivity | Date | Change in FX rate | Effect on profit | |
|--------------------------------|------------|----------------------|------------------|-------------------|
| | | | before tax | Effect on equity* |
| Increase / decrease in EUR/GBP | 31.12.2022 | +/- 10% | 6 221 | - |

* The effect on equity illustrates the OCI effect.



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6.4 Financial risk management (Continued)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is mainly exposed to credit risk from its operating activities.

In order to offset the risk on trade receivables the Group may receive advance payment. Additionally, the Group manage its credit risks by trading with creditworthy third parties. It is the Group's policy that all customers wishing to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. The Group obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaults. In addition, receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to losses has been low.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance. For an overview of the ageing of trade receivables and the expected credit losses recognized for trade receivables see note 3.2.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Group monitors its risk to a shortage of funds by monitoring its working capital, overdue trade receivables and establishing credit facilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of excess liquidity from operations and additional financing through establishment of credit facilities and interest bearing liabilities. The Group has a positive cash flow from operating activities, including a steady revenue stream and cash reserves which limits its liquidity risk.

An overview of the maturity profile of the Group's financial liabilities with corresponding cash flow effect is presented in note 6.3.

The group has a loss in the period of GBP 40.0 million. As of 31 December 2022, the group had a positive equity of GBP 436.4 million and a cash balance of GBP 30.9 million.

In connection with the restructuring of the group in 2023, the losses continued in the first half of the year, but after the first half year the savings projects that have been started having a effect and it is seen that the group will have a positive cash flow at the end of the year. As of end of August 2023, the group had a cash balance of GBP 15.9 million. In addition, the group has an undrawn credit facility in Norway of GBP 0.5 million and available loan facilities of GBP 16.53 million with a maturity not before September 2028. The management thinks that the group has sufficient liquidity both in the short term and in a longer perspective. During the course of 2023, the group has implemented a number of actions to significantly improve its cash flow performance which will be the foundation of achieving an overall positive free cash flow level in 2023. Thus, the board means that the group has the ability to generate sufficient cash flow to cover operating expenses and debt service obligations.

Current liabilities total GBP 167.2 million and current assets total GBP 63.8 million. The underbalance in the group is persistent and is mainly explained by contract liabilities. Current liabilities consist of a large proportion of contract liabilities with GBP 41.5 million. The group mainly invoices its customers 12 months in advance for contracts with an average term of 3 years. There is very low churn in the group on customer agreements and the risk that the group cannot cover its short-term obligations is considered low.



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6.5 Fair value measurement

ACCOUNTING POLICIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value disclosures

Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the current risk free interest rates.

Interest-bearing liabilities

The fair values of the Group's interest-bearing liabilities are determined by using the Discounted Cash Flow (DCF) method using a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| | Date | Carrying amount | Fair value | Level 1 | Level 2 | Level 3 |
|--|------------------|-----------------|------------|---------|---------|---------|
| Liabilities measured at amortized cost (fair value disclosed) | | | | | | |
| Interest-bearing liabilities (note 6.2) | 31 December 2022 | 143 820 | 143 820 | | x | |
| Liabilities measured at fair value through profit and loss | | | | | | |
| Earn out (note 2.9) | 31 December 2022 | 3 607 | 3 607 | | | x |

The fair values of the Group's interest-bearing loans and borrowings are similar to carrying amount, as the interest rates are floating and as the own non-performance risk as at the end of the reporting period was assessed to be insignificant.

There was no transfer between the levels of the fair value hierarchy in the current or prior periods.

The contingent consideration related to the earn out for Chymeia Aps, Munio AS and Safe Apps Ltd of GBP 3.607 million is classified as fair value over profit and loss. The fair value is calculated using an expected cash flow model. The contingent consideration is due for final measurement and payment to the former shareholders.



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6.6 Cash and cash equivalents

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Restricted bank deposits comprise of cash for withholding taxes which may not be used for other purposes.

| | |
|--|-------------------|
| Cash and cash equivalents | 31.12.2022 |
| Bank deposits, unrestricted | 30 374 |
| Bank deposits, restricted | 529 |
| Total cash and cash equivalents | 30 903 |

Bank deposits earns a low interest at floating rates based on the bank deposit rates.



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6.7 Share capital and shareholders information

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a healthy working capital and financial stability in order to support its growing business operations and to maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or issue debt. The Group monitors capital using an equity ratio, which is 'Total equity' divided by 'Total assets'.

| | 31.12.2022 |
|---------------------|-------------|
| Total Equity | 436 408 |
| Total Assets | 678 829 |
| Equity ratio | 64 % |

ACCOUNTING POLICIES

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

Distribution to shareholders

The Group recognizes a liability to make distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws of Norway, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

No distributions were made to shareholders in the current period. Further, there are no purposed dividends.

The ultimate parent

The shares of Erling Lux HoldCo SARL are ultimately controlled by Funds advised by Apax Partners.

Issued capital and reserves:

| | Number of shares authorized and fully paid | Par value per share (GBP) | Financial Position (GBP Thousands) |
|---|---|------------------------------|--|
| Share capital in Erling Lux HoldCo SARL | | | |
| 11 July 2022 | 12 000 | 1,00 | 12 |
| 01.09.2022 Share capital increase* | 37 299 549 | 1,00 | 37 300 |
| 27.09.2022 Conversion of currency from EUR to GBP** | -3 649 019 | 1,00 | 3 649 |
| 18.10.2022 Share capital increase | 8 060 000 | 1,00 | 8 060 |
| 20.10.2022 Share capital increase | 423 789 | 1,00 | 424 |
| 21.10.2022 Share capital increase | 5 500 000 | 1,00 | 5 500 |
| 31 December 2022 | 47 646 319 | 1,00 | 47 646 |

* Share capital was issued in EUR

** Conversion of Sharecapital from EUR to GBP resulted in a reduction of 3 649 019 shares

All shares are ordinary and have the same voting rights and rights to dividends. Reconciliation of the Group's equity is presented in the statement of changes in equity.

Capital increases after the balance sheet date

On 14 August 2023, the share capital increased by GBP 2 855 072 by the issue of 2 855 072 ordinary shares of GBP 1 each and the share premium increased by GBP 25 695 652 in relation to the acquisition of EcoMetrica Ltd (note 4.2). The capital increase was registered on 14 August 2023.

The Group's direct shareholders:

| Shareholders in Erling Lux HoldCo SARL 31.12.2022 | Total shares | Voting rights |
|---|-------------------|---------------|
| Erling MidCo 2 SARL | 47 646 319 | 100 % |
| Total | 47 646 319 | 100 % |



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7.1 Related party transactions

Related parties are major shareholders, members of the Board and Management team in the parent company and the group subsidiaries. Note 4.1 and note 6.7 provides information about the Group structure, including details of the subsidiaries and shareholders. Significant agreements and remuneration paid to management and the Board for the current and prior period is presented in note 2.3.

All transactions within the Group or with other related parties are based on the principle of arm's length.

The Group had limited transactions with related parties. The acquired company Alcumus Holdings Ltd. had transactions during the period with Alcumus Remainco (owned by Funds advised by Apax Partners).

The following tables provide the total amount of transactions that have been entered into with related parties (outside the Group) for the relevant financial periods:

| | Payments made to related parties | Payables to related parties |
|--|--|--------------------------------|
| Related party transaction 2022 | | |
| Transitional services cost and payroll | 1 198 | - |
| Recharge people cost and IT licenses | - | 126 |
| Total | 1 198 | - |

On 1 November 2022, The Group acquired 100% of the voting shares of Alcumus Holdings Ltd. Before the acquisition Apax Funds (owner of The Group) owned 100% of the shares in Alcumus Holdings Ltd. For more information about the acquisition, see note 4.2.



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7.2 Commitments and contingencies

ACCOUNTING POLICIES

Other commitments and contingencies

Contingent liabilities are not recognized in the annual accounts. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in the annual accounts but are disclosed when an inflow of economic benefits is considered probable.

Other commitments

The Group does not have other significant commitments to be disclosed.

Assets pledged as security and guarantee liabilities

For assets pledged as security and guarantee liabilities, see note 6.2.

Legal claims

The Group does not have other significant legal claims to be disclosed.

7.3 Events after the reporting period

ACCOUNTING POLICIES

If the Group receives information after the reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognizes in the Group's consolidated financial statements. The Group will adjust the amounts recognized in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognized in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Adjusting events

There have been no significant adjusting events subsequent to the reporting date.

Non-adjusting events

Acquisitions

21 August 2023, the Group acquired 100 % of the shares in Ecometrica Ltd. through its subsidiary EcoOnline UK Ltd. Ecometrica Ltd. is located in UK and is a Software as a Service ("SaaS") company specializing in ESG reporting. Integrating EcoMetrica's environmental science, carbon accounting and sustainability reporting will be an essential strategic step in strengthening EcoOnline's expertise and ability to provide organizations with end-to-end management and reporting of environmental, social, and governance (ESG) data. The estimated acquisition-date fair value of the total consideration transferred is GBP 28.55 million in cash, GBP 0.72 million of transfer of financial claims and GBP 1.05 in shares in EcoOnline Holding AS.

The PPA for Ecometrica Ltd. acquisition has not been finalized as of the signing date of the financial statement for 2022, however the PPA will be finalized during second half of 2023.

Share capital increase

14 August 2023, share capital and the share premium was increased relating to the acquisition of in EcoMetrica Ltd, see note 6.7 for more information.