



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 925 696 226
Organisasjonsform: Aksjeselskap
Foretaksnavn: HOUSE OF CONTROL MIDCO AS
Forretningsadresse: O.H. Bangs vei 70
1363 HØVIK

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Lasse Sten
Dato for fastsettelse av årsregnskapet: 19.05.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 28.05.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Employee benefits expense	2		
Other expenses	2, 5	2 909 853	61 625
Sum kostnader		2 909 853	61 625
Driftsresultat		-2 909 853	-61 625
Finansinntekter og finanskostnader			
Income from subsidiaries	3		
Renteinntekt fra foretak i samme konsern	5	4 316 687	
Other financial income		276 688	
Sum finansinntekter		4 593 375	
Write-down of long-term investments	4, 9	66 400 000	
Rentekostnad til foretak i samme konsern	5	9 806 404	
Other financial expenses		782 792	73 778
Sum finanskostnader		76 989 196	73 778
Netto finans		-72 395 821	-73 778
Ordinært resultat før skattekostnad		-75 305 674	-135 403
Income tax expense	3	-1 835 729	-29 789
Ordinært resultat etter skattekostnad		-73 469 945	-105 615
Årsresultat		-73 469 945	-105 615
Årsresultat etter minoritetsinteresser		-73 469 945	-105 615
Totalresultat		-73 469 945	-105 615
Overføringer og disponeringer			
Ordinært utbytte	6		
Udekket tap	6	-73 469 945	-105 615
Other equity	6		
Sum overføringer og disponeringer		-73 469 945	-105 615



Resultatregnskap

Beløp i: NOK	Note	2021	2020
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Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	3	1 866 743	31 014
Sum immaterielle eiendeler		1 866 743	31 014
Finansielle anleggsmidler			
Investering i datterselskap	4, 9	279 804 263	142 781 335
Investering i annet foretak i samme konsern	4		
Lån til foretak i samme konsern	5	106 450 484	
Sum finansielle anleggsmidler		386 254 747	142 781 335
Sum anleggsmidler		388 121 490	142 812 349
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	5		
Other short-term receivables		71 456	1 125
Konsernfordringer	5		32 865 758
Sum fordringer		71 456	32 866 883
Investeringer			
Aksjer og andeler i foretak i samme konsern	4		
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	8	4 461 977	1 281 122
Sum bankinnskudd, kontanter og lignende		4 461 977	1 281 122
Sum omløpsmidler		4 533 433	34 148 005
SUM EIENDELER	8	392 654 924	176 960 354

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Share capital	6, 7	2 000 000	2 000 000
Overkurs	6	67 230 943	140 806 503
Annen innskutt egenkapital	6	-4 345	-4 345
Sum innskutt egenkapital		69 226 599	142 802 158
Opptjent egenkapital			
Other equity	6		-105 615
Sum opptjent egenkapital			-105 615
Sum egenkapital		69 226 599	142 696 544
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	5	239 222 558	
Other non-current liabilities	4	19 988 229	3 635 002
Sum annen langsiktig gjeld		259 210 787	3 635 002
Sum langsiktig gjeld		259 210 787	3 635 002
Kortsiktig gjeld			
Leverandørgjeld	5	1 708 986	189 291
Kortsiktig konserngjeld	5	53 000 000	30 439 517
Other current liabilities	4	9 508 553	
Sum kortsiktig gjeld		64 217 539	30 628 808
Sum gjeld		323 428 326	34 263 810
SUM EGENKAPITAL OG GJELD		392 654 924	176 960 354



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer: 2022 328095

Enheten

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Organisasjonsform: Aksjeselskap
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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Lasse Sten
Dato for fastsettelse av årsregnskapet: 19.05.2022

Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

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År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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, 04.06.2022



Organisasjonsnr: 925 696 226
HOUSE OF CONTROL MIDCO AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Employee benefits expense	2		
Other expenses	2, 5	2 909 853	61 625
Sum kostnader		2 909 853	61 625
Driftsresultat		-2 909 853	-61 625
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Write-down of long-term investments	4, 9	66 400 000	
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Overføringer og disponeringer			
Ordinært utbytte	6		
Udekket tap	6	-73 469 945	-105 615
Other equity	6		
Sum overføringer og disponeringer		-73 469 945	-105 615



Organisasjonsnr: 925 696 226
HOUSE OF CONTROL MIDCO AS

BALANSE

Beløp i: NOK Note 2021 2020

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Utsatt skattefordel 3 1 866 743 31 014
Sum immaterielle eiendeler 1 866 743 31 014

Finansielle anleggsmidler

Investering i datterselskap 4, 9 279 804 263 142 781 335
Investering i annet foretak i samme konsern 4
Lån til foretak i samme konsern 5 106 450 484
Sum finansielle anleggsmidler 386 254 747 142 781 335

Sum anleggsmidler 388 121 490 142 812 349

Omløpsmidler

Varer

Fordringer

Accounts receivables 5
Other short-term receivables 71 456 1 125
Konsernfordringer 5 32 865 758
Sum fordringer 71 456 32 866 883

Investeringer

Aksjer og andeler i foretak i samme konsern 4

Bankinnskudd, kontanter og lignende

Cash and cash equivalents 8 4 461 977 1 281 122
Sum bankinnskudd, kontanter og lignende 4 461 977 1 281 122

Sum omløpsmidler 4 533 433 34 148 005

SUM EIENDELER 8 392 654 924 176 960 354

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital 6, 7 2 000 000 2 000 000
Overkurs 6 67 230 943 140 806 503



Annen innskutt egenkapital	6	-4 345	-4 345
Sum innskutt egenkapital		69 226 599	142 802 158
Opptjent egenkapital			
Other equity	6		-105 615
Sum opptjent egenkapital			-105 615
Sum egenkapital		69 226 599	142 696 544
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	5	239 222 558	
Other non-current liabilities	4	19 988 229	3 635 002
Sum annen langsiktig gjeld		259 210 787	3 635 002
Sum langsiktig gjeld		259 210 787	3 635 002
Kortsiktig gjeld			
Leverandørgjeld	5	1 708 986	189 291
Kortsiktig konserngjeld	5	53 000 000	30 439 517
Other current liabilities	4	9 508 553	
Sum kortsiktig gjeld		64 217 539	30 628 808
Sum gjeld		323 428 326	34 263 810
SUM EGENKAPITAL OG GJELD		392 654 924	176 960 354



Organisasjonsnr: 925 696 226
HOUSE OF CONTROL MIDCO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall aksjer og aksjeeiere

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Omløpsmidler Startdato Sluttdato Endring

Skattemessig fremf.undersk. Startdato Sluttdato Endring

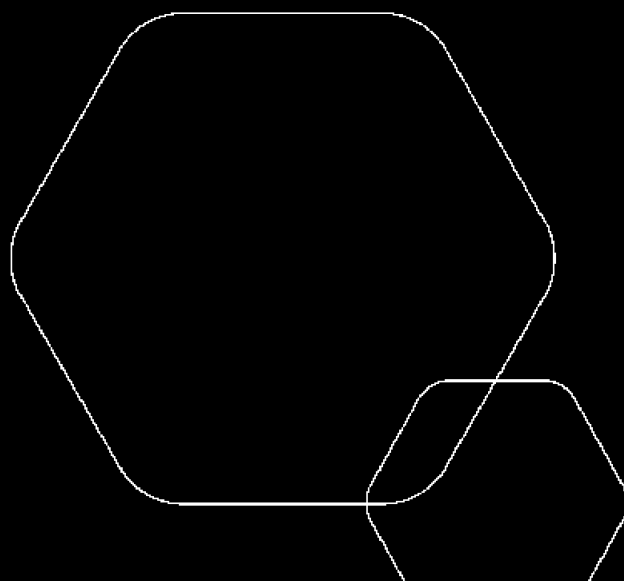
Kortsiktig gjeld Startdato Sluttdato Endring



Annual Report 2021

House of Control Midco AS

Income statement
Balance sheet
Cash flows
Notes to the Accounts



Org.no.: 925 696 226



INCOME STATEMENT

HOUSE OF CONTROL MIDCO AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2021	2020
Other expenses	2, 5	2 909 853	61 625
Total expenses		2 909 853	61 625
Operating profit		-2 909 853	-61 625
FINANCIAL INCOME AND EXPENSES			
Interest income from group companies	5	4 316 687	0
Other financial income		276 688	0
Write-down of long-term investments	4, 9	66 400 000	0
Interest expense to group companies	5	9 806 404	0
Other financial expenses		782 792	73 778
Net financial items		-72 395 821	-73 778
Net profit before tax		-75 305 674	-135 403
Income tax expense	3	-1 835 729	-29 789
Net profit after tax		-73 469 945	-105 615
Net profit or loss		-73 469 945	-105 615
ATTRIBUTABLE TO			
Loss brought forward	6	73 469 945	105 615
Total		-73 469 945	-105 615



BALANCE SHEET

HOUSE OF CONTROL MIDCO AS

ASSETS	Note	2021	2020
NON-CURRENT ASSETS			
INTANGIBLE ASSETS			
Deferred tax assets	3	1 866 743	31 014
Total intangible assets		1 866 743	31 014
PROPERTY, PLANT AND EQUIPMENT			
NON-CURRENT FINANCIAL ASSETS			
Investments in subsidiaries	4, 9	279 804 263	142 781 335
Loan to group companies	5	106 450 484	0
Total non-current financial assets		386 254 747	142 781 335
Total non-current assets		388 121 490	142 812 349
CURRENT ASSETS			
DEBTORS			
Other short-term receivables		71 456	1 125
Receivables from group companies	5	0	32 865 758
Total receivables		71 456	32 866 883
Cash and cash equivalents	8	4 461 977	1 281 122
Total current assets		4 533 433	34 148 005
Total assets	8	392 654 924	176 960 354



BALANCE SHEET

HOUSE OF CONTROL MIDCO AS

EQUITY AND LIABILITIES	Note	2021	2020
EQUITY			
PAID-IN CAPITAL			
Share capital	6, 7	2 000 000	2 000 000
Share premium reserve	6	67 230 943	140 806 503
Other paid-in equity	6	-4 345	-4 345
Total paid-in equity		69 226 599	142 802 158
RETAINED EARNINGS			
Other equity	6	0	-105 615
Total retained earnings		0	-105 615
Total equity		69 226 599	142 696 544
LIABILITIES			
OTHER NON-CURRENT LIABILITIES			
Non-current liabilities to group companies	5	239 222 558	0
Other non-current liabilities	4	19 988 229	3 635 002
Total non-current liabilities		259 210 787	3 635 002
CURRENT LIABILITIES			
Trade payables	5	1 708 986	189 291
Liabilities to group companies	5	53 000 000	30 439 517
Other current liabilities	4	9 508 553	0
Total current liabilities		64 217 539	30 628 808
Total liabilities		323 428 326	34 263 810
Total equity and liabilities		392 654 924	176 960 354

Høvik, 19.05.2022

The board of House of Control Midco AS

Jostein Vik
chairman of the board

Radmila Nenad Stoltz
member of the board

Heidi Gjersø Thaulow
member of the board

Øyvind Skeie Bauer
member of the board

Erik Fjellvær Hagen
member of the board

Lasse Sten
general Manager



CASH FLOW STATEMENT

HOUSE OF CONTROL MIDCO AS

	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		-75 305 674	-135 403
Write-down of long-term investments	4, 9	66 400 000	0
Interest and other financial items		5 995 821	73 778
Change in accounts payable	5	1 519 695	189 291
Changes in intercompany balances	5	-77 379 041	0
Changes in other balance sheet items		569 698	410 176
Net cash flows from operating activities		-78 199 501	537 842
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Payments for acquisition of subsidiaries	4	-117 596 281	-3 347 184
Net cash flows from investment activities		-117 596 281	-3 347 184
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings from group companies	5	217 000 000	12 000 000
Repayment of borrowings to group companies	5	-18 023 363	-7 939 536
Proceeds from equity	6	0	30 000
Net cash flows from financing activities		198 976 637	4 090 464
Net change in cash and cash equivalents		3 180 855	1 281 122
Cash and cash equivalents at the start of the period		1 281 122	0
Cash and cash equivalents at the end of the period		4 461 977	1 281 122



Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

Foreign currency

Monetary foreign currency items are valued at the exchange rate on the balance sheet date.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Classification and valuation of balance sheet items

Fixed assets include assets included for long-term ownership and use. Fixed assets are valued at acquisition cost.

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

Shares in subsidiaries

Subsidiaries are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Provisions

Provisions are liabilities of uncertain timing or amount. The company recognizes provisions in the statement of financial position when there is a present obligation (legal or constructive) as a result of a past event that can be estimated in amount and it is probable that a payment will be required to settle the obligation. When the effect of the time value of money is material, the provision is recognized at the present value of the expected expenditure, using a pre-tax discount rate reflecting the risks specific to the liability. The company reviews all provisions at the end of each reporting period and updates the provision to reflect the current best estimate. Provisions are reversed when the obligating event is no longer valid.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents



include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Note 2 Salary costs and expenses audit fee

In 2021 the company employed 0 full-time equivalents.

The company has no employees and is therefore not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

The general manager is remunerated from the subsidiary House of Control AS.

No loans/sureties have been granted to the general manager, board chairman or other related parties.

Expensed Audit Fee:

	2021	2020
Statutory audit	27 204	0
Other services	15 000	45 000
Sum	42 204	45 000



Note 3 Tax

This year's tax expense	2021	2020	
Payable tax	0	0	
Changes in deferred tax assets	-1 835 729	-29 789	
Tax expense on ordinary profit/loss	-1 835 729	-29 789	
Taxable income	2021	2020	
Ordinary profit/loss before tax	-75 305 674	-135 403	
Permanent differences	66 961 450	-5 570	
Taxable income	-8 344 224	-140 973	
Payable tax in the balance	2021	2020	
Payable tax on this year's result	0	0	
Total payable tax in the balance sheet	0	0	
Specification of temporary differences	2021	2020	Difference
Accumulated loss to be brought forward	-8 485 197	-140 973	8 344 224
Not included in the deferred tax calculation	0	0	0
Basis for calculation of deferred tax	-8 485 197	-140 973	8 344 224
Deferred tax (+) / assets (-) in the balance sheet	-1 866 743	-31 014	1 835 729



Note 4 Subsidiaries

Company	Registered office	Owner share	Profit	Equity	Book value at 31.12.
House of Control AS	Norge	100%	-23 480 526	17 078 708	99 400 064
House of Control Denmark A/S	Danmark	100%	371 991	-666 473	15 360 598
DinERP AS	Norge	100%	-30 268 207	7 658 403	7 638 487
Effectplan International AB	Sverige	100%	-5 671 172	2 124 977	14 587 084
Business Analyze AS	Norge	100%	-3 961 730	3 316 291	34 834 033
Egreement AB	Sverige	100%	-1 333 953	8 770 655	55 411 657
Keyforce AS	Norge	100%	2 233 031	5 311 927	52 572 340
Total book value					279 804 263

Profit and equity in subsidiaries in foreign countries are given in local currency, in accordance with signed financial statements for 2021.

Acquisitions

During 2021 House of Control MidCo AS acquired 100% of the shares in Business Analyze AS, Egreement AB and Keyforce AS. All transactions were settled in cash. In addition, the agreements include earn-out elements to compensate the seller for future business achievements. The earn-outs are estimated by the net present value of expected future cash flows and are recognized as other non-current liabilities in the balance sheet. Earn-outs that are due within 12 months are classified as other current liabilities.

More information related to each acquisition is given below.

Business Analyze

Business Analyze AS is a Norwegian company that provides Business Intelligence (BI) solutions that extract, analyze and present data from various stand-alone systems. The transaction was settled by NOK 29 million, in addition to an earn-out element estimated to NOK 4.8 million. Transaction costs of NOK 1 million are included in the book value of the acquisition.

Egreement AB

Egreement AB is a Swedish digital signature and contract workflow company. The transaction was settled by NOK 36.8 million, in addition to a hold-back amount estimated to NOK 6.5 million and an earn-out element estimated to NOK 11.2 million. Transaction costs of NOK 1 million are included in the book value of the acquisition.

Keyforce AS

Keyforce AS develops software for standard integrations that tie accounting systems from Microsoft and Visma together with SuperOffice CRM. The acquisition of Keyforce AS included the wholly-owned subsidiaries Keyforce Norge AS, Keyforce Consulting AS, Keyforce Sverige AB and Keyforce Danmark ApS. The transaction was settled by NOK 42.5 million, in addition to an earn-out element estimated to NOK 9.2 million. Transaction costs of NOK 0.9 million are included in the book value of the acquisition.

Write-downs

Write-downs in the period are related to impairment of capitalized development costs and customer relationships in the subsidiary DinERP AS. The booked value of investment in DinERP are written down according to the decrease in equity of the subsidiary. Please refer to Note 9 for more information.



Note 5 Inter-company balances and related party transactions

Receivables

	Other short-term receivables		Loan to group companies	
	2021	2020	2021	2020
Group companies	0	32 865 758	106 450 484	0
Total	0	32 865 758	106 450 484	0

Liabilities

	Trade payables		Other current liabilities	
	2021	2020	2021	2020
Group companies	1 556 000	0	53 000 000	30 439 517
Total	1 556 000	0	53 000 000	30 439 517

	Non-current liabilities	
	2021	2020
Group Companies	239 222 558	0
Total	239 222 558	0

Related party transactions during the financial year

Transaction type	Relevant P&L line	Counterparty	Amount
Management fee	<i>Other expenses</i>	House of Control AS	1 556 000
Interest income	<i>Interest income from group companies</i>	Varies subsidiaries *)	4 316 687
Interest expense	<i>Interest expense to group companies</i>	House of Control Group AS	9 806 404

*) Interest income is related to non-current loan that the company has issued to several subsidiaries.

Note 6 Equity

	Share capital	Share premium	Other paid-in equity capital	Other equity	Total equity
Pr. 31.12.2020	2 000 000	140 806 503	-4 345	-105 615	142 696 544
Result of the year	0	0	0	-73 469 945	-73 469 945
Allocation of uncovered losses to share premium	0	-73 575 560	0	73 575 560	0
Pr 31.12.2021	2 000 000	67 230 943	-4 345	0	69 226 599



Note 7 Total shares, shareholders etc

The share capital of NOK 2 000 000 consists of 2 000 000 shares with nominal value of NOK 1.

All shares are held by the parent company House Of Control Group AS which is the ultimate parent of the group. House Of Control Group AS' registered offices is at O.H. Bangs vei 70, 1363 Høvik. The group's consolidated financial statement is available on: www.houseofcontrol.com/investor-relations.

Note 8 Liabilities and securities

The company has no long term liabilities which fall due later than 5 years.

The Company's assets are pledged as security for the Facility loan in House of Control Group AS, which is the parent company of the group. The group has pledged all material assets including, but not limited to, shares in subsidiaries, bank accounts and intercompany receivables as security for the facility loan.

The company has no restricted cash or bank deposits at 31.12.2021

Note 9 Events after the balance sheet date

Divestment of 'on premise' customer contracts

On 27 January 2022, House of Control Group announced the closing of an agreement with Cillco Technology AS for transfer of assets owned by the subsidiary DinERP AS. Cillco Technology AS is a newly incorporated company founded by DinERP employees who will take over on-premises customer contracts outside of the House of Control Group's core business as well as 26 employees from the subsidiary DinERP AS. Annual recurring revenue (ARR) from the contracts is approximately NOK 14 million, and the Group expects annual cost savings of approximately NOK 30 million. The agreement with Cillco Technology will take effect from 1 March 2022.

Cillco Technology will retain the responsibility to service and further develop the above-mentioned SaaS solutions developed by DinERP that will continue to be marketed and sold by House of Control Group.

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The transaction has implied write-downs of NOK 66.4 million in House of Control Midco AS in 2021 related to the book value of shares in DinERP AS for the Group in 2021, reflecting the decrease in equity of the subsidiary in relation to impairment of intangible assets.

Merger of subsidiaries

In February 2022, the recently acquired company Keyforce AS has merged with its two Norwegian wholly owned subsidiaries Keyforce Norge AS and Keyforce Consulting AS. Pursuant to the merger, all employees and customer contracts in the former subsidiaries are transferred to the merged company, Keyforce AS.

There have been no other material events subsequent to the reporting period that might have a significant effect on the financial statements for 2021.



Til generalforsamlingen i House of Control Midco AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert House of Control Midco AS' årsregnskap som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømpoppstilling 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 årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2021, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene 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 slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av the 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.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerelskap



Uavhengig revisors beretning - House of Control Midco AS



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 internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

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 så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

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 utilsiktede 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 som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
<https://revisorforeningen.no/revisjonsberetninger>

Oslo, 19. mai 2022
PricewaterhouseCoopers AS

Eivind Nilsen
Statsautorisert revisor
(elektronisk signert)

(2)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Nilsen, Eivind	BANKID_MOBILE	2022-05-19 11:53

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HOUSE OF
CONTROL

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Stoltz, Radmila Nenad	BANKID_MOBILE	2022-05-19 09:54
Bauer, Øyvind Skeie	BANKID_MOBILE	2022-05-18 15:10
Thaulow, Heidi Gjersø	BANKID_MOBILE	2022-05-18 15:05
Hagen, Erik Fjellvær	BANKID	2022-05-18 14:19
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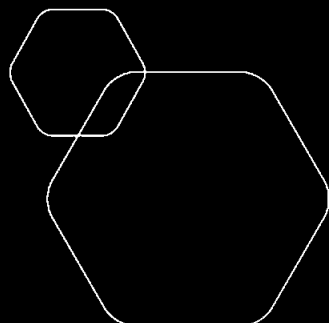
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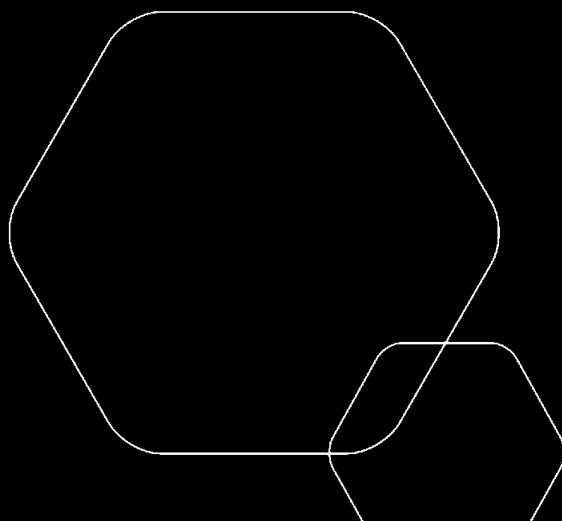
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Annual Report 2021

House of Control Midco AS

Income statement
Balance sheet
Cash flows
Notes to the Accounts



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INCOME STATEMENT

HOUSE OF CONTROL MIDCO AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2021	2020
Other expenses	2, 5	2 909 853	61 625
Total expenses		2 909 853	61 625
Operating profit		-2 909 853	-61 625
FINANCIAL INCOME AND EXPENSES			
Interest income from group companies	5	4 316 687	0
Other financial income		276 688	0
Write-down of long-term investments	4, 9	66 400 000	0
Interest expense to group companies	5	9 806 404	0
Other financial expenses		782 792	73 778
Net financial items		-72 395 821	-73 778
Net profit before tax		-75 305 674	-135 403
Income tax expense	3	-1 835 729	-29 789
Net profit after tax		-73 469 945	-105 615
Net profit or loss		-73 469 945	-105 615
ATTRIBUTABLE TO			
Loss brought forward	6	73 469 945	105 615
Total		-73 469 945	-105 615

HOUSE OF CONTROL MIDCO AS

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BALANCE SHEET

HOUSE OF CONTROL MIDCO AS

ASSETS	Note	2021	2020
NON-CURRENT ASSETS			
INTANGIBLE ASSETS			
Deferred tax assets	3	1 866 743	31 014
Total intangible assets		1 866 743	31 014
PROPERTY, PLANT AND EQUIPMENT			
NON-CURRENT FINANCIAL ASSETS			
Investments in subsidiaries	4, 9	279 804 263	142 781 335
Loan to group companies	5	106 450 484	0
Total non-current financial assets		386 254 747	142 781 335
Total non-current assets		388 121 490	142 812 349
CURRENT ASSETS			
DEBTORS			
Other short-term receivables		71 456	1 125
Receivables from group companies	5	0	32 865 758
Total receivables		71 456	32 866 883
Cash and cash equivalents	8	4 461 977	1 281 122
Total current assets		4 533 433	34 148 005
Total assets	8	392 654 924	176 960 354



BALANCE SHEET

HOUSE OF CONTROL MIDCO AS

EQUITY AND LIABILITIES	Note	2021	2020
EQUITY			
PAID-IN CAPITAL			
Share capital	6, 7	2 000 000	2 000 000
Share premium reserve	6	67 230 943	140 806 503
Other paid-in equity	6	-4 345	-4 345
Total paid-in equity		69 226 599	142 802 158
RETAINED EARNINGS			
Other equity	6	0	-105 615
Total retained earnings		0	-105 615
Total equity		69 226 599	142 696 544
LIABILITIES			
OTHER NON-CURRENT LIABILITIES			
Non-current liabilities to group companies	5	239 222 558	0
Other non-current liabilities	4	19 988 229	3 635 002
Total non-current liabilities		259 210 787	3 635 002
CURRENT LIABILITIES			
Trade payables	5	1 708 986	189 291
Liabilities to group companies	5	53 000 000	30 439 517
Other current liabilities	4	9 508 553	0
Total current liabilities		64 217 539	30 628 808
Total liabilities		323 428 326	34 263 810
Total equity and liabilities		392 654 924	176 960 354

Høvik, 19.05.2022

The board of House of Control Midco AS

Jostein Vik
chairman of the board

Radmila Nenad Stoltz
member of the board

Heidi Gjersø Thaulow
member of the board

Øyvind Skeie Bauer
member of the board

Erik Fjellvær Hagen
member of the board

Lasse Sten
general Manager

HOUSE OF CONTROL MIDCO AS

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CASH FLOW STATEMENT

HOUSE OF CONTROL MIDCO AS

	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		-75 305 674	-135 403
Write-down of long-term investments	4, 9	66 400 000	0
Interest and other financial items		5 995 821	73 778
Change in accounts payable	5	1 519 695	189 291
Changes in intercompany balances	5	-77 379 041	0
Changes in other balance sheet items		569 698	410 176
Net cash flows from operating activities		-78 199 501	537 842
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Payments for acquisition of subsidiaries	4	-117 596 281	-3 347 184
Net cash flows from investment activities		-117 596 281	-3 347 184
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings from group companies	5	217 000 000	12 000 000
Repayment of borrowings to group companies	5	-18 023 363	-7 939 536
Proceeds from equity	6	0	30 000
Net cash flows from financing activities		198 976 637	4 090 464
Net change in cash and cash equivalents		3 180 855	1 281 122
Cash and cash equivalents at the start of the period		1 281 122	0
Cash and cash equivalents at the end of the period		4 461 977	1 281 122



Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

Foreign currency

Monetary foreign currency items are valued at the exchange rate on the balance sheet date.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Classification and valuation of balance sheet items

Fixed assets include assets included for long-term ownership and use. Fixed assets are valued at acquisition cost.

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

Shares in subsidiaries

Subsidiaries are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Provisions

Provisions are liabilities of uncertain timing or amount. The company recognizes provisions in the statement of financial position when there is a present obligation (legal or constructive) as a result of a past event that can be estimated in amount and it is probable that a payment will be required to settle the obligation. When the effect of the time value of money is material, the provision is recognized at the present value of the expected expenditure, using a pre-tax discount rate reflecting the risks specific to the liability. The company reviews all provisions at the end of each reporting period and updates the provision to reflect the current best estimate. Provisions are reversed when the obligating event is no longer valid.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents

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include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Note 2 Salary costs and expenses audit fee

In 2021 the company employed 0 full-time equivalents.

The company has no employees and is therefore not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

The general manager is remunerated from the subsidiary House of Control AS.

No loans/sureties have been granted to the general manager, board chairman or other related parties.

Expensed Audit Fee:

	2021	2020
Statutory audit	27 204	0
Other services	15 000	45 000
Sum	42 204	45 000



Note 3 Tax

This year's tax expense	2021	2020	
Payable tax	0	0	
Changes in deferred tax assets	-1 835 729	-29 789	
Tax expense on ordinary profit/loss	-1 835 729	-29 789	
Taxable income	2021	2020	
Ordinary profit/loss before tax	-75 305 674	-135 403	
Permanent differences	66 961 450	-5 570	
Taxable income	-8 344 224	-140 973	
Payable tax in the balance	2021	2020	
Payable tax on this year's result	0	0	
Total payable tax in the balance sheet	0	0	
Specification of temporary differences	2021	2020	Difference
Accumulated loss to be brought forward	-8 485 197	-140 973	8 344 224
Not included in the deferred tax calculation	0	0	0
Basis for calculation of deferred tax	-8 485 197	-140 973	8 344 224
Deferred tax (+) / assets (-) in the balance sheet	-1 866 743	-31 014	1 835 729

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Note 4 Subsidiaries

Company	Registered office	Owner share	Profit	Equity	Book value at 31.12.
House of Control AS	Norge	100%	-23 480 526	17 078 708	99 400 064
House of Control Denmark A/S	Danmark	100%	371 991	-666 473	15 360 598
DinERP AS	Norge	100%	-30 268 207	7 658 403	7 638 487
Effectplan International AB	Sverige	100%	-5 671 172	2 124 977	14 587 084
Business Analyze AS	Norge	100%	-3 961 730	3 316 291	34 834 033
Egreement AB	Sverige	100%	-1 333 953	8 770 655	55 411 657
Keyforce AS	Norge	100%	2 233 031	5 311 927	52 572 340
Total book value					279 804 263

Profit and equity in subsidiaries in foreign countries are given in local currency, in accordance with signed financial statements for 2021.

Acquisitions

During 2021 House of Control MidCo AS acquired 100% of the shares in Business Analyze AS, Egreement AB and Keyforce AS. All transactions were settled in cash. In addition, the agreements include earn-out elements to compensate the seller for future business achievements. The earn-outs are estimated by the net present value of expected future cash flows and are recognized as other non-current liabilities in the balance sheet. Earn-outs that are due within 12 months are classified as other current liabilities.

More information related to each acquisition is given below.

Business Analyze

Business Analyze AS is a Norwegian company that provides Business Intelligence (BI) solutions that extract, analyze and present data from various stand-alone systems. The transaction was settled by NOK 29 million, in addition to an earn-out element estimated to NOK 4.8 million. Transaction costs of NOK 1 million are included in the book value of the acquisition.

Egreement AB

Egreement AB is a Swedish digital signature and contract workflow company. The transaction was settled by NOK 36.8 million, in addition to a hold-back amount estimated to NOK 6.5 million and an earn-out element estimated to NOK 11.2 million. Transaction costs of NOK 1 million are included in the book value of the acquisition.

Keyforce AS

Keyforce AS develops software for standard integrations that tie accounting systems from Microsoft and Visma together with SuperOffice CRM. The acquisition of Keyforce AS included the wholly-owned subsidiaries Keyforce Norge AS, Keyforce Consulting AS, Keyforce Sverige AB and Keyforce Danmark ApS. The transaction was settled by NOK 42.5 million, in addition to an earn-out element estimated to NOK 9.2 million. Transaction costs of NOK 0.9 million are included in the book value of the acquisition.

Write-downs

Write-downs in the period are related to impairment of capitalized development costs and customer relationships in the subsidiary DinERP AS. The booked value of investment in DinERP are written down according to the decrease in equity of the subsidiary. Please refer to Note 9 for more information.



Note 5 Inter-company balances and related party transactions

Receivables

	Other short-term receivables		Loan to group companies	
	2021	2020	2021	2020
Group companies	0	32 865 758	106 450 484	0
Total	0	32 865 758	106 450 484	0

Liabilities

	Trade payables		Other current liabilities	
	2021	2020	2021	2020
Group companies	1 556 000	0	53 000 000	30 439 517
Total	1 556 000	0	53 000 000	30 439 517

Non-current liabilities

	2021	2020
	Group Companies	239 222 558
Total	239 222 558	0

Related party transactions during the financial year

Transaction type	Relevant P&L line	Counterparty	Amount
Management fee	<i>Other expenses</i>	House of Control AS	1 556 000
Interest income	<i>Interest income from group companies</i>	Varies subsidiaries *)	4 316 687
Interest expense	<i>Interest expense to group companies</i>	House of Control Group AS	9 806 404

*) Interest income is related to non-current loan that the company has issued to several subsidiaries.

Note 6 Equity

	Share capital	Share premium	Other paid-in equity capital	Other equity	Total equity
Pr. 31.12.2020	2 000 000	140 806 503	-4 345	-105 615	142 696 544
Result of the year	0	0	0	-73 469 945	-73 469 945
Allocation of uncovered losses to share premium	0	-73 575 560	0	73 575 560	0
Pr 31.12.2021	2 000 000	67 230 943	-4 345	0	69 226 599



Note 7 Total shares, shareholders etc

The share capital of NOK 2 000 000 consists of 2 000 000 shares with nominal value of NOK 1.

All shares are held by the parent company House Of Control Group AS which is the ultimate parent of the group. House Of Control Group AS' registered offices is at O.H. Bangs vei 70, 1363 Høvik. The group's consolidated financial statement is available on: www.houseofcontrol.com/investor-relations.

Note 8 Liabilities and securities

The company has no long term liabilities which fall due later than 5 years.

The Company's assets are pledged as security for the Facility loan in House of Control Group AS, which is the parent company of the group. The group has pledged all material assets including, but not limited to, shares in subsidiaries, bank accounts and intercompany receivables as security for the facility loan.

The company has no restricted cash or bank deposits at 31.12.2021

Note 9 Events after the balance sheet date

Divestment of 'on premise' customer contracts

On 27 January 2022, House of Control Group announced the closing of an agreement with Cillco Technology AS for transfer of assets owned by the subsidiary DinERP AS. Cillco Technology AS is a newly incorporated company founded by DinERP employees who will take over on-premises customer contracts outside of the House of Control Group's core business as well as 26 employees from the subsidiary DinERP AS. Annual recurring revenue (ARR) from the contracts is approximately NOK 14 million, and the Group expects annual cost savings of approximately NOK 30 million. The agreement with Cillco Technology will take effect from 1 March 2022.

Cillco Technology will retain the responsibility to service and further develop the above-mentioned SaaS solutions developed by DinERP that will continue to be marketed and sold by House of Control Group.

The divestment was a strategic step to focus on the Group's core products, and improved utilization of the Group's sales organization to strengthen further growth. The divestment will have significant positive effects on the Group's operations and finances.

The transaction has implied write-downs of NOK 66.4 million in House of Control Midco AS in 2021 related to the book value of shares in DinERP AS for the Group in 2021, reflecting the decrease in equity of the subsidiary in relation to impairment of intangible assets.

Merger of subsidiaries

In February 2022, the recently acquired company Keyforce AS has merged with its two Norwegian wholly owned subsidiaries Keyforce Norge AS and Keyforce Consulting AS. Pursuant to the merger, all employees and customer contracts in the former subsidiaries are transferred to the merged company, Keyforce AS.

There have been no other material events subsequent to the reporting period that might have a significant effect on the financial statements for 2021.



HOUSE OF
CONTROL

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The board of directors' report 2021 for House of Control Midco AS

Operations and locations

House of Control Midco AS is a holding company of subsidiaries within the group House of Control Group AS that develops and sells software as a service ("SaaS") solutions. House of Control Group's vision is to be the CFO's best friend®, providing financial control and facilitating optimization of business processes. House of Control Midco AS is wholly owned by the ultimate parent of the group House of Control Group AS.

House of Control Midco AS conducts business from the group's headquarters at Høvik, Norway.

During 2021 House of Control Midco AS has made three acquisitions that have added further building blocks on top of the products developed by the former subsidiaries. The acquisition of Business Analyze AS in April 2021 added business intelligence systems and CFO dashboard technologies, offering CFOs actionable insights for strategic processes. The acquisition of Egreement AB in Sweden in September added contract management and workflow solutions, including digital signature and authorization. In November 2021, the Group acquired Keyforce AS, which will enable the subsidiaries within the group to integrate ERP, CRM, HRM and any other incumbent systems with House of Control Group's other solutions.

In early 2022, after the end of the reporting period, the Group divested the on-premises contracts acquired as part of the DinERP-acquisition in 2020, leaving the Group with only core cloud-based SaaS solutions in the portfolio.

At the end of the financial year 2021 House of Control Midco AS was the parent company of the following wholly owned subsidiaries in Norway, Sweden, and Denmark; House of Control AS, House of Control Denmark A/S, DinERP AS, Effectplan International AB, Business Analyze AS, Egreement AB and Keyforce AS.

In addition, the subsidiary House of Control AS has a branch in Sweden, House of Control Filial Sverige. Keyforce AS is a sub-group that consists of the parent company Keyforce AS and subsidiaries Keyforce Norge AS, Keyforce Consulting AS, Keyforce Sverige AB and Keyforce Danmark ApS.

Comments related to the financial statements

House of Control Midco AS operating loss in the financial year 2021 amounted to NOK 2.9 million, compared to NOK 0.1 million in 2020. Net loss after tax amounted to NOK 73.5 million, compared to NOK 0.1 million in 2020. The increased loss mainly relates to NOK 66.4 million in write-down of book value of the investment in DinERP AS in relation to divestment of 'on-premises' customer contracts. In addition, interest expense to group companies amounted to NOK 9.8 million, netted against interest income from group companies of NOK 4.3 million.

Total value of investments in subsidiaries amounted to NOK 279.8 million at the end of 2021, compared to NOK 142.8 million at the end of 2020. The increase is related to acquisitions of Business Analyze AS, Egreement AB and Keyforce AS, netted against write-down of the book value of shares in DinERP AS, as mentioned above. In addition, there is an increase in investment value of MNOK 53

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million related to group contribution given to DinERP AS and House of Control AS. Total assets at yearend amounted to NOK 392.7 million compared to NOK 177.0 million previous year.

Total liabilities increased to NOK 323.4 million at the end of 2021 from NOK 34.3 million at the end of 2020. The increase relates to long-term debt to the parent company House of Control Group AS and group contribution to DinERP AS and House of Control AS, in addition to provisions for estimated future payments related to earn-out clauses from acquisitions. The equity ratio was 18%, compared to 81% the year before.

Net cash flow from operations amounted to NOK -78.2 million compared to NOK 0.5 million last year. Net cash flow from investments of NOK -117.6 million is mainly related to payments for the acquisition of Business Analyze AS, Egreement AB and Keyforce AS. Net cash flow from financing activities of NOK 199 million are related to changes in non-current intercompany balances.

Taken into account the financial position of the ultimate parent company of the Group, House of Control Group AS, the company's financial position is sound and adequate to settle short-term debt at the end of the year.

Business outlook

The subsidiaries of House of Control Midco AS has established a leading position in the Nordic market, with a continuously broader offering of subscription-based Software-as-a-Service (SaaS) solutions.

House of Control Midco AS has made several acquisitions during the past years that have significantly broadened the scope of business for the group. The customer base increased from around 1,100 to almost 2,700 unique customers for subsidiaries within the group over the past two years. Integration with new subsidiaries has given great opportunities for the product Complete Control developed by the subsidiary House of Control AS.

Financial risk

2021 was a stable year for the relevant markets in the Nordic region for the subsidiaries of House of Control Midco, and the company sees limited risk associated with market development, market saturation or competition. Although the subsidiaries of House of Control Midco have grown significantly over the past 5-6 years, the addressable market for the subsidiaries is still estimated to be more than 60 times larger than the current level of recurring revenue, and there are few or no direct competitors in the market.

The company's goal is to reduce the financial risk as much as possible. The current strategy does not include the use of financial instruments although this is continuously being assessed by the Board of Directors. House of Control Midco currently has a policy to refrain from fixing interest rates on long-term loans. The Company does currently not use any financial instruments to limit credit, interest rate or exchange rate risks.

Credit risk

The company has not experienced any significant losses on receivables. Receivables are mainly related to intercompany transactions with group companies.

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Interest rate risk

Long-term borrowings amounted to NOK 239.2 million per the end of 2021, reflecting liability to the parent company House of Control Group AS. The interest-bearing debt is denominated in NOK, and the company has not fixed the interest rate which is tied to NIBOR. The Company's cash holding is held in bank accounts, also denominated in NOK.

Exchange rate risk

Exchange rate risk is limited with the current geographic footprint. The company's interest-bearing debt is in NOK, as is most of its revenues and operational expenses. Intercompany loans to subsidiaries in other countries are given in foreign currency.

Liquidity risk

The liquidity is good, and the ultimate parent company in the group can provide liquidity at short notice if necessary. Liquidity risk is perceived to be low.

Sustainability and environmental impact

House of Control Midco is a holding company for subsidiaries that develops and sells software. The company's impact on the external environment is limited. Resource usage and emissions are primarily related to energy consumption in the subsidiary's software server operations, offices, and travel activity. Although the impact on the external environment is limited, the group has launched several initiatives. Please refer to the consolidated financial statement for House of Control Group for more information about the initiatives launched by the group available on the group's website: www.houseofcontrol.com/investor-relations.

The working environment and the employees

House of Control Midco is a holding company and has no employees.

Insurance for board members and general manager

The ultimate parent company House of Control Group AS maintains director and officer liability insurance and indemnifies directors and officers of the Group against liabilities which may arise out of the performance of normal duties as directors or officers, which includes the responsible of House of Control Midco AS as a fully owned subsidiary.

Events after the balance sheet date

Divestment of 'on premises' contracts

On 27 January 2022, House of Control Group announced the closing of an agreement with Cillco Technology AS for transfer of assets owned by the subsidiary DinERP AS. Cillco Technology AS is a newly incorporated company founded by DinERP employees who will take over on-premises customer contracts outside of the House of Control Group's core business as well as 26 employees from the subsidiary DinERP AS. Annual recurring revenue (ARR) from the contracts is approximately NOK 14 million, and the group expects annual cost savings of approximately NOK 30 million. The agreement with Cillco Technology was effective from 1 March 2022.

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Cillco Technology will retain the responsibility to service and further develop the above-mentioned SaaS solutions developed by DinERP that will continue to be marketed and sold by subsidiaries of House of Control Midco.

The divestment was a strategic step to focus on the group's core products, and improved utilization of the group's sales organization to strengthen further growth. The divestment will have significant positive effects on the group's operations and finances.

The transaction has implied write-downs of NOK 66.4 million in House of Control Midco AS in 2021 related to the book value of shares in DinERP AS for the Group in 2021, reflecting the decrease in equity of the subsidiary in relation to impairment of intangible assets.

Merger of subsidiaries

In February 2022, the recently acquired company Keyforce AS has merged with its two Norwegian wholly owned subsidiaries Keyforce Norge AS and Keyforce Consulting AS. Pursuant to the merger, all employees and customer contracts in the former subsidiaries are transferred to the merged company, Keyforce AS.

There have been no other material events subsequent to the reporting period that might have a significant effect on the financial statements for 2021.

Going concern

The Board of Directors and the General Manager confirm that the going concern assumption has been applied in preparing the annual accounts. The company has been characterized by favorable sales developments and adequate equity for several years and are well placed to continue such positive developments.

Allocation of net income

The Board of Directors has proposed the net losses of NOK 73.5 million to other equity. Since other equity is negative, the total value of other equity is covered by share premium.

Høvik, 19 May 2022

The board of House of Control MidCo AS

Jostein Vik
Chairman of the board

Radmila Nenad Stoltz
Member of the board

Heidi Gjersø Thaulow
Member of the board

Øyvind Skeie Bauer
Member of the board

Erik Fjellvær Hagen
Member of the board

Lasse Sten
General manager

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Skatteetaten

Vår dato
14.09.2021

Din/Deres dato
30.08.2021

Saksbehandler
Lars Waaltorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR443792808

Telefon
90833418

Org.nr
974761076

Vår referanse
2021/6287877

Postadresse
Postboks 9200 Grønland
0134 OSLO

HOUSE OF CONTROL GROUP AS
O.H. Bangs vei 70
1363 HØVIK

Att. Unni Johannessen, Mgi Regnskap AS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 30. august 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

House of Control Midco AS	org.nr. 925 696 226
DinERP AS	org.nr. 915 152 430
Business Analyze AS	org.nr. 984 589 379

Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

De ovennevnte selskapene er datter- og datterdatterselskap av et selskap som er registrert på Stock Oslo Euronext Growth. De største eiere er per i dag norske og utenlandske profesjonelle investorer. Konsernet utvikler og selger skybasert programvare. Konsernet er etablert med datterselskaper i Danmark og Sverige og har en strategi om videreutvikling og etablering i flere europeiske land.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:



"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapene er eid av et selskap som er registrert på Stock Oslo Euronext Growth. Videre er det vektlagt at selskapene driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.