



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 889 158 212
Organisasjonsform: Aksjeselskap
Foretaksnavn: SECTOR ALARM HOLDING AS
Forretningsadresse: Vitaminveien 1A
0485 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 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: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Bjørnar Heiaas Bukholm
Dato for fastsettelse av årsregnskapet: 26.04.2023

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, 11.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenues	1,2	124 630 000	111 074 000
Sum inntekter		124 630 000	111 074 000
Kostnader			
Personell costs	3	61 323 000	55 937 000
Depreciations and write-downs	4,5	13 414 000	14 634 000
Other costs	6,7	79 356 000	59 636 000
Sum kostnader		154 093 000	130 207 000
Driftsresultat		-29 463 000	-19 133 000
Finansinntekter og finanskostnader			
Income from investment in subsidiaries	8,9	793 976 000	388 405 000
Renteinntekt fra foretak i samme konsern	1,9	114 290 000	60 425 000
Financial revenues	9	27 572 000	328 783 000
Sum finansinntekter		935 838 000	777 613 000
Rentekostnad til foretak i samme konsern	1,9	7 046 000	9 085 000
Finance costs		633 582 000	211 467 000
Sum finanskostnader		640 628 000	220 552 000
Netto finans		295 210 000	557 061 000
Ordinært resultat før skattekostnad		265 747 000	537 928 000
Tax expense	11	-39 591 000	114 107 000
Ordinært resultat etter skattekostnad		305 338 000	423 821 000
Årsresultat		305 338 000	423 821 000
Minoritetsinteresser		0	0
Årsresultat etter minoritetsinteresser		305 338 000	423 821 000
Andre resultatkomponenter for IFRS-foretak		0	0
Totalresultat		305 338 000	423 821 000



Resultatregnskap

Beløp i: NOK	Note	2022	2021
Overføringer og disponeringer			
Allocated to other equity	12	305 338 000	423 821 000
Sum overføringer og disponeringer		305 338 000	423 821 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Brand and software	5	9 944 000	15 301 000
Utsatt skattefordel	11	79 372 000	49 926 000
Sum immaterielle eiendeler		89 316 000	65 227 000
Varige driftsmidler			
Equipment, movables and inventory	4,13	7 260 000	10 488 000
Sum varige driftsmidler		7 260 000	10 488 000
Finansielle anleggsmidler			
Investering i datterselskap	8	8 538 812 000	7 761 178 000
Lån til foretak i samme konsern	14	2 331 237 000	2 284 930 000
Sum finansielle anleggsmidler		10 870 049 000	10 046 108 000
Sum anleggsmidler		10 966 625 000	10 121 823 000
Omløpsmidler			
Varer			
Stock			1 065 000
Sum varer			1 065 000
Fordringer			
Accounts receivable, group companies	14	100 963 000	53 311 000
Prepayments		2 666 000	1 573 000
Other current receivables		132 000	132 000
Current tax receivable	11	10 160 000	
Konsernfordringer	14	913 414 000	805 339 000
Sum fordringer		1 027 335 000	860 355 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	15	102 915 000	72 937 000
Sum bankinnskudd, kontanter og lignende		102 915 000	72 937 000
Sum omløpsmidler		1 130 250 000	934 357 000



Balanse

Beløp i: NOK	Note	2022	2021
SUM EIENDELER		12 096 875 000	11 056 180 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	12,16	1 605 000	1 605 000
Overkurs	12	589 839 000	589 839 000
Sum innskutt egenkapital		591 444 000	591 444 000
Opptjent egenkapital			
Other equity	12	3 781 811 000	3 476 473 000
Sum opptjent egenkapital		3 781 811 000	3 476 473 000
Sum egenkapital		4 373 255 000	4 067 917 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10,13	6 572 643 000	5 827 442 000
Langsiktig konserngjeld	1,14	71 198 000	
Other non current liabilities	10	7 221 000	7 997 000
Sum annen langsiktig gjeld		6 651 062 000	5 835 439 000
Sum langsiktig gjeld		6 651 062 000	5 835 439 000
Kortsiktig gjeld			
Leverandørgjeld		1 330 000	12 485 000
Current tax liabilities	11		56 878 000
Kortsiktig konserngjeld	14	1 000 128 000	1 028 615 000
Accounts payable, group companies	14	18 882 000	16 182 000
Accrued costs	17	52 217 000	38 664 000
Sum kortsiktig gjeld		1 072 557 000	1 152 824 000
Sum gjeld		7 723 619 000	6 988 263 000



Balanse

Beløp i: NOK	Note	2022	2021
SUM EGENKAPITAL OG GJELD		12 096 874 000	11 056 180 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue from contracts with customers	5	3 046 779 000	2 849 618 000
Other revenues	5	2 472 000	1 161 000
Sum inntekter		3 049 251 000	2 850 779 000
Kostnader			
Personell costs	6,7	1 482 651 000	1 214 478 000
Depreciations and amortization	10,11, 12	525 593 000	767 075 000
Other operating costs	8,9	822 577 000	572 411 000
Sum kostnader		2 830 821 000	2 553 964 000
Driftsresultat		218 430 000	296 815 000
Finansinntekter og finanskostnader			
Finance incom	13,14	119 470 000	107 560 000
Sum finansinntekter		119 470 000	107 560 000
Finance cost	13,14	761 743 000	13 064 000
Sum finanskostnader		761 743 000	13 064 000
Netto finans		-642 273 000	94 496 000
Ordinært resultat før skattekostnad		-423 843 000	391 311 000
Income tax expense	15	-46 720 000	126 430 000
Ordinært resultat etter skattekostnad		-377 123 000	264 881 000
Årsresultat		-377 123 000	264 881 000
Minoritetsinteresser		0	0
Årsresultat etter minoritetsinteresser		-377 123 000	264 881 000
Remeasurement gain (loss) from net defined benefit liability		55 530 000	22 593 000
Currency translation difference		166 779 000	-213 031 000
Sum resultatkomponenter for IFRS-foretak		222 309 000	-190 438 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
Totalresultat		-154 814 000	74 443 000
Overføringer og disponeringer			
Allocated to other equity		-154 814 000	74 443 000
Sum overføringer og disponeringer		-154 814 000	74 443 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	11	2 992 387 000	2 799 439 000
Utsatt skattefordel	15	223 502 000	117 866 000
Goodwill	11	1 249 053 000	1 177 508 000
Sum immaterielle eiendeler		4 464 942 000	4 094 813 000
Varige driftsmidler			
Property, plant and equipment	10,12	1 393 829 000	898 690 000
Sum varige driftsmidler		1 393 829 000	898 690 000
Derivative financial instruments			
Sum anleggsmidler		5 858 771 000	4 993 503 000
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables	16,17	239 439 000	206 585 000
Prepayments	16,17	123 703 000	106 083 000
Current tax receivables	15	17 865 000	
Sum fordringer		381 007 000	312 668 000
Investeringer			
Derivative financial instruments	16	59 000	59 000
Sum investeringer		59 000	59 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16,18	125 378 000	307 686 000
Sum bankinnskudd, kontanter og lignende		125 378 000	307 686 000
Sum omløpsmidler		506 444 000	620 413 000
SUM EIENDELER		6 365 215 000	5 613 916 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	19,29	1 605 000	1 605 000
Overkurs	19,20	589 872 000	589 872 000
Sum innskutt egenkapital		591 477 000	591 477 000
Opptjent egenkapital			
Other equity		-2 457 615 000	-2 302 919 000
Sum opptjent egenkapital		-2 457 615 000	-2 302 919 000
Sum egenkapital		-1 866 138 000	-1 711 442 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	15	314 820 000	300 899 000
Employee benefits	6,16	12 578 000	70 271 000
Sum avsetninger for forpliktelser		327 398 000	371 170 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	16,21	6 572 643 000	5 827 442 000
Leasing liabilities	12,16, 21	410 031 000	298 313 000
Other non current liabilities	9,16	86 802 000	10 482 000
Sum annen langsiktig gjeld		7 069 476 000	6 136 237 000
Sum langsiktig gjeld		7 396 874 000	6 507 407 000
Kortsiktig gjeld			
Trade and other payables			
Leverandørgjeld	16,22	472 904 000	434 233 000
Current tax liabilities	15		60 702 000
Leasing liabilities	12,16, 21	98 729 000	69 392 000
Contract liabilities	5,16,2 1	262 845 000	253 621 000
Sum kortsiktig gjeld		834 478 000	817 948 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Sum gjeld		8 231 352 000	7 325 355 000
SUM EGENKAPITAL OG GJELD		6 365 214 000	5 613 913 000



Annual Accounts / 2022

Sector Alarm Holding AS Consolidated (IFRS)



Directors Report 2022

Sector Alarm Holding AS, headquartered in Oslo, provide professionally monitored alarm services for more than 635,000 residential households and small businesses through its subsidiaries in Norway, Sweden, Finland, Ireland, Spain, France, Italy and Portugal.

2022 was another extraordinary year for everyone, including us at Sector Alarm. Covid-19 was in February 2022 followed by the War in Ukraine and shortly thereafter also the cost-of-living crisis with high inflation and raising interest cost. Despite these challenging marketing conditions, we were able to navigate the year satisfactory and the business continued to perform well. Customer acquisition activi-

ties were at record high levels in 2022 despite Sector Alarm clearly facing several challenges during the year with the tight labor market and the cost living crisis negatively impacting sales volumes. The performance for Northern Europe was below the targets we set at the beginning of the year, while the activity level in Southern Europe continued to increase throughout the year with especially France and Italy doing well. In total, Sector Alarm

added close to 80,000 new customers organically during 2022, an increase of more than 15% compared to 2021.

Sector Alarm continued to provide an excellent service to our customer portfolio throughout the year, as demonstrated by our customer satisfaction ratings which is at industry leading levels. At the same time, the attrition rate increased from 61% to 69% during the year due to in-

created number of terminations in the second of half of the year, largely explained by the cost cost-of-living crisis in Europe. Overall, Sector Alarm achieved a net customer growth of about 30,000 with our year-end customer base counting more than 635,000 customers. Most of the growth was driven by Southern Europe, but organic customer growth for Northern Europe was also material in 2022. Furthermore, Sector Alarm entered the Portuguese market through the acquisition of Segurancia 24 in early 2022.

For the Group, revenues for 2022 were NOK 3,049 million. The earnings before tax were NOK -424 million. The annual profit was NOK -377 million. The Equity was NOK -1866 million for 2022, but the value adjusted equity would be positive and considered sound. The consolidated interest-bearing debt was NOK 7,203 million at the end of 2022 and consisted mainly of the EUR 590 million Term Loan B, a loan

from Sector Alarm TopCo and finance leases. The liquidity position is good, but the cash flow was negative NOK 174 million in 2022, which is an improvement of MNOK 114 from 2021. The negative cashflow is mainly driven by investment in organic growth and interest payments.

For Sector Alarm Holding AS (the parent), revenues were NOK 125 million in 2022. The earnings before tax were NOK 266 million and the annual profit was NOK 305 million. The Equity was NOK 4,373 million. The parent company's profits of NOK 305 million will be allocated to other equity.

The main financial risk for Sector Alarm is currency exposure and relate to a mismatch between currencies for positive cash flows and outstanding debt. Currently the main sources for positive cash flows are NOK and SEK while outstanding debt is largely in EUR following the refinancing in the Term Loan

B market in June 2019, Sector Alarm is therefore exposed to EUR appreciation that would imply higher NOK and/or SEK payments in the future to manage the debt. In addition, changes in the interest rate of the Term Loan B will have effect both on the financial income and the cashflow. Reference is also made to the discussion of financial risk management in note 3.

In Sector Alarm Holding AS there was 37 employees at year end 2022, of which 30% were women. The Group had 2,886 employees of which 30% women. In Sector Alarm Holding AS all employees have full-time positions. The average parental leave for women were 20 weeks and 15 weeks for men. In Norway, women represented 21% of the workforce, in Sweden 25%, in Ireland 30%, in Finland 24%, in Spain 46%, France 25%, Italy 23% and in Portugal 27%. In the Group there were 1% of the workforce that had chosen not to declare gender. Sector Alarm endeavor equal

<p>gender distribution and has female employees in management positions in all countries. Total sick leave in Sector Alarm was 3.8% in 2022, which is the same as in 2021. The Group had 123 reported incidents in 2022 compared to 80 incidents in 2021.</p> <p>Sector Alarm works on an ongoing basis to prevent discrimination that may be an obstacle to equality. Gender equality is part of the systematic HSE activities and takes place in collaboration with the employees, represented by the safety service and the working environment committee (AMU). Sector Alarm's Code of Conduct states that efforts shall be made to ensure that all employees have a working environment that is free from discrimination, harassment and bullying.</p> <p>Sector Alarm strives for equal employment opportunities and diversity in the workplace. This requirement applies in relation to all unequal treatment, exclusion, or preference of an</p>	<p>individual or group, for example based on gender, race, disability, age, religion, sexual orientation, political views, national, ethnic or social origin. Sector Alarm follows these principles in all areas of employment, including when we recruit, hire, train, promote and reward our employees. Please see the document "Ligestillingsredegjørelse for Sector Alarm 2022" for further information.</p> <p>The work environment in Sector Alarm is good and the most recent Employee Survey confirms that Sector Alarm is better than the industry benchmark when it comes to staff motivation, loyalty and satisfaction. The Employee Survey is also the basis for continuous improvements.</p> <p>The monitored alarm services that Sector Alarm provide pollute the external environment to a minimum degree. All countries participate in recycling schemes for the handling of old and broken alarm hardware and strive to have a new and modern environmentally friendly fleet of</p>	<p>vehicles. In 2022, Sector Alarm has not conducted any research activities, but is engaged in the continuous development of products and services for the home security space. Please see the Group's ESG report for further details.</p> <p>Sector Alarm has over the years implemented several measures to make sure the Group don't violate fundamental human rights and fair labor conditions through our own operations or through our partners. This work has been enforced with the Transparency Act that was implemented in Norway in 2022. The Group will be publishing a report that summarizes the steps taken, and the report will be published as part of Sector Alarm's ESG-report and included in the company's financial statements. In addition, it will be made available to the public in Norwegian at www.sectoralarm.no/apenhetsoven (for Sector Alarm Norway) and in English at www.sectoralarm.com/esg (for Sector Alarm Holding).</p> <p>All entities in the Group are cov-</p>	<p>ered by a Director and Officers liability insurance of NOK 100 mill annually.</p> <p>The Board of Directors makes continuous assessments of the market outlook in the countries that the Group operates in. The penetration for monitored alarms in Europe is about 5% and the Board of Directors sees significant growth potential across all European countries, also in the Nordics. Sector Alarm is the second largest provider of professionally monitored alarms for Small Systems in Europe and is well positioned to take advantage of the attractive market dynamics and growth opportunities in this space.</p>	<p>The Board of Directors considers the outlook for Sector Alarm to be positive.</p> <p>The Board of Directors are not aware of any matters after the end of the financial year that will have a material bearing on the company's position and earnings for 2022. The war on Ukraine is expected to have a limited impact Sector Alarm in 2023, while the cost-of-living crisis might have a slight effect on our growth ambition.</p> <p>The Board of Directors considers the presented Annual Accounts to give an accurate view of Sector Alarms financial position at year end and oper-</p>	<p>ations throughout the year. In accordance with section 3-3a of the Norwegian Accounting Act, the Board of Directors confirms that the prerequisites for the going concern assumption exist and that the financial statements have been prepared based on a going concern basis.</p>
			<p>Oslo, 26 April 2023</p>  <p>Jørgen Dahl Chairman of the Board</p>	 <p>Bjørnar Heiaas Bukholm Board member</p>	



Income statement

Amounts in TNOK	Note	2022	2021
Revenue from contracts with customers	5	3 046 779	2 849 618
Other revenue	5	2 472	1 161
Total revenue		3 049 251	2 850 779
Personnel costs	6, 7	-1 482 651	-1 214 478
Other operating costs	8, 9	-822 577	-572 411
Total operating costs		-2 305 227	-1 786 889
Operating profit before D&A (EBITDA)		744 024	1 063 889
Depreciation and amortization	10, 11, 12	-525 593	-767 075
Operating profit		218 431	296 814
Finance income	13, 14	119 470	107 560
Finance cost	13, 14	-761 743	-13 064
Net finance cost		-642 273	94 496
Profit before tax		-423 842	397 310
Income tax expense	15	46 720	-126 430
PROFIT FOR THE PERIOD		-377 122	264 880
Profit is attributable to:			
Owners of Sector Alarm Holding AS		-377 122	264 880
Non-controlling interests		0	0

Statement of comprehensive income

Amounts in TNOK	Note	2022	2021
Profit for the period		-377 122	264 880
<i>Items that subsequently may be reclassified to profit or loss</i>			
Remeasurement gain (loss) from net defined benefit liability		55 530	22 593
Currency translation differences		166 779	-213 031
Other comprehensive income		222 309	-190 437
Total comprehensive income for the year attributable to parent company shareholders		-154 813	74 442
Total comprehensive income for the period		-154 813	74 442

Balance sheet

Amounts in TNOK	Note	31.12.2022	31.12.2021
ASSETS			
NON CURRENT ASSETS			
Deferred tax asset	15	223 502	117 866
Intangible assets and goodwill	11	4 241 440	3 976 947
Property, plant and equipment	10, 12	1 393 829	898 690
TOTAL NON CURRENT ASSETS		5 858 771	4 993 504
CURRENT ASSETS			
Derivative financial instruments	16	59	56
Trade and other receivables	16, 17	239 439	206 585
Prepayments	16, 17	123 703	106 083
Current tax receivables	15	17 865	
Cash and cash equivalents	16, 18	125 378	307 686
TOTAL CURRENT ASSETS		506 444	620 410
TOTAL ASSETS		6 365 215	5 613 914
EQUITY			
Share capital	19, 20	1 605	1 605
Share premium	19, 20	589 872	589 872
Other equity		-2 457 615	-2 302 919
TOTAL EQUITY		-1 866 138	-1 711 442
NON CURRENT LIABILITIES			
Deferred tax	15	314 820	300 899
Loans and borrowings	16, 21	6 572 643	5 827 442
Leasing liabilities	12, 16, 21	410 031	298 313
Employee benefits	6, 16	12 578	70 271
Other non current liabilities	9, 16	86 802	10 482
SUM NON CURRENT LIABILITIES		7 596 874	6 507 408
CURRENT LIABILITIES			
Leasing liabilities	12, 16, 21	98 729	69 392
Current tax liabilities	15	0	60 702
Trade and other payables	16, 22	472 904	436 233
Contract liabilities	5, 16, 21	2 62 845	253 621
SUM CURRENT LIABILITIES		834 479	817 948
SUM EQUITY & LIABILITIES		6 365 215	5 613 914

Oslo, 26 April 2023

Jørgen Dahl
Chairman of the board

Bjørnar Heiaas Bukholm
Member of the board

Cash flow statement

Amounts in TNOK	2022	2021
Earnings before tax	-423 842	391 310
Adjustments for net finance cost	642 129	94 496
Adjustments for depreciation and amortization	525 593	767 075
Change in accounts receivable	-25 592	-8 438
Change in accounts payable	7 369	7 111
Change in other operating receivables/payables	-17 565	-21 313
Change in net pension assets/liabilities	7 398	-28 477
Income taxes (refund) paid	-132 943	-164 161
CASH FLOW OPERATING ACTIVITIES	582 547	848 611
Payment for acquisition of subsidiary	-87 175	-259 927
Proceeds from sales of property, plant and equipment	2 975	402
Acquisition of property, plant and equipment	-870 360	-578 036
Interests received	35 740	11 887
Other adjustments to investing activities	0	-604
CASH FLOW INVESTING ACTIVITIES	-918 820	-826 279
Change in other long term receivables and payables	6 320	-20 166
Change in long term loans from related parties	70 000	0
Proceeds from loans and borrowings	411 352	0
Repayment of loans and borrowings	0	-13 753
Payment of lease liabilities	-82 172	-70 476
Interests paid	-229 524	-195 667
Other adjustments to financing activities	-13 436	-10 033
CASH FLOW FINANCING ACTIVITIES	162 541	-390 095
Cash flows of discontinued operation	0	0
CASH FLOW TOTAL	-173 732	-287 763
Cash and cash equivalents at the beginning of the financial year	307 686	610 256
Effects of exchange rate changes on cash and cash equivalents	-8 576	-14 807
CASH AND CASH EQUIVALENTS AT END OF YEAR	125 378	307 686

Statement of changes in equity

Amounts in TNOK	Share capital	Other equity	Translation reserve	TOTAL	Non controlling interests	TOTAL EQUITY
Balance at 1 January 2021	1 605	-2 163 763	376 496	-1784 662	0	-1 784 662
Profit for the period	0	264 880	0	264 880	0	264 880
Other comprehensive income	0	22 563	-213 031	-190 437	0	-190 437
Other changes	0	-1 223	0	-1 223	0	-1 223
Balance at 31 December 2021	1 605	-1 876 533	163 466	-1771 442	0	-1771 442
Balance at 1 January 2022	1 605	-1 876 533	163 466	-1771 442	0	-1771 442
Profit for the period	0	-377 122	0	-377 122	0	-377 122
Other comprehensive income	0	55 530	166 779	222 309	0	222 309
Other changes	0	117	0	117	0	117
Balance at 31 December 2022	1 605	-2 197 988	330 244	-1 866 138	0	-1 866 138



Notes

Amounts in TNOK

Note 1 / General information

Sector Alarm Holding AS (the Company) and its subsidiaries (the Group) provide professionally monitored alarms for residential households and small businesses in Europe. The Group operates in Norway, Sweden, Ireland, Finland, Spain, France, Italy and Portugal. Sector Alarm Holding AS is the parent company of the Group and provides centralized services and corporate governance on behalf of the Group. The principal activities of the Company and its subsidiaries are described in note 5 Revenue.

The registered headquarter of Sector Alarm Holding AS is located at Vifannivåen 1A, Oslo in Norway.

These consolidated financial statements were approved by the Board of Directors on 26 April 2023 for adoption by the Annual General Meeting on 26 April 2023.

Note 2 / Significant accounting principles

The following section describes the significant accounting principles applied when preparing these consolidated financial statements. These principles are consistently applied for all periods presented unless otherwise stated.

2.1 Framework for presentation of the financial statement

The consolidated financial statements for 2022 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by The European Union (EU).

The consolidated financial statements are based on a historical cost principle, except for derivatives measured at fair value through profit or loss.

Preparation of financial statements in accordance with IFRS requires use of estimates. Furthermore, the application of the company's accounting principles requires management to exercise judgements. Significant estimates and judgements are described in note 4.

2.2 Consolidation principles

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred is measured at fair value, as are the identifiable net assets acquired. Included in the consideration is also the fair value of all assets or liabilities arising from an agreement of contingent consideration. Expenses related to the business combination are expensed as incurred. Any non-controlling interests are measured at their proportionate share of the acquired entity's net identifiable assets at the date of acquisition.

If the sum of the consideration, the carrying amount of non-controlling interests and the fair value at the acquisition date of previous ownership interests exceeds the fair value of net identifiable assets in the acquired company, the difference is recognized in the balance sheet as goodwill. Cf. note 2.5. If the sum is lower than the company's net assets, the difference is recognized immediately in the consolidated income statement.

Intra-group transactions, balances and unrealized profits and losses between group companies are eliminated. The financial statements of the subsidiaries are restated when necessary to achieve compliance with the Group's accounting principles.

2.3 Foreign currency translation

Functional currency and presentation currency

Transactions in foreign currencies are translated into the respective functional currencies of the respective Group companies. The consolidated financial statements are presented in NOK, which is both the functional currency and the presentation currency of the parent company.

Transactions and balance sheet items

Transactions in foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Currency gains and losses from translating monetary items (assets and liabilities) in foreign currency, are recognized in the consolidated income statement using the exchange rates at the reporting date.

Translation differences related to working capital are presented as other gains and losses. Translation differences related to loans are presented as a financial item.

Group companies

Income statements and balance sheets for Group entities (none with hyperinflation) with operational currencies that differ from the presentation currency are translated as follows:

- The balance sheet is translated at the final exchange rate on the balance sheet date
- The income statement is translated at the average exchange rate (if the average does not provide a reasonable estimate of the accumulated effects of using the transaction exchange rate, the transaction exchange rate is used)
- translation differences are recognized in other comprehensive income and appear in the item currency translation differences.

On consolidation, the difference between translation of net investment in foreign companies is recognized in other comprehensive income and as a separate item in equity, when selling parts of foreign companies, the translation difference is recognized in other comprehensive income or recognized in the profit and loss as a part of the gain or loss on the sale.

Assets and liabilities arising from business combinations are regarded as assets and liabilities in the acquired unit and are translated at the exchange rate on the balance sheet date.

2.4 Property, plant and equipment

Property, plant and equipment are recognised at cost, less any accumulated depreciation or impairment losses. The costs include costs that are directly associated with the acquisition of the asset. Subsequent expenditures are added to the asset's carrying amount or are recognised separately in the balance sheet when it is probable that future financial benefits from the expense will flow to the Group and the expense cost can be measured reliably. The carrying amount of replaced parts are recognised on the income statement. Other repair and maintenance costs are recognized in the income statement during the period in which the expenses are incurred.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The useful lifetime of the assets, and their residual value, is assessed on each balance sheet date and are amended if necessary. When the carrying amount of an asset is higher than the estimated recoverable amount, the value is written down to the recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

2.5 Intangible assets

Goodwill

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Licenses

Licenses that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.



Customer contracts

Customer contracts that arise from business combinations or acquisition of alarm portfolios are recognized at fair value or cost at the time of acquisition. Acquired customer contracts are amortized and impairment tested using the same principles as for capitalised contract cost as presented in note 214. See also note 2.8 regarding impairment.

Customer contracts presented in the balance sheet and in note 11 consists of customer contracts arising from business combinations or acquisition of alarm portfolios, and customer contracts arising from organic sales. For the latter this consists of the capitalised cost to obtain and to fulfill contracts with customers. Principles for capitalising cost from organic sales are presented in note 214.

The amortisation period covers the expected useful life, which is based on churn per customer portfolio.

Brand

Brands that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

2.6 Assets held for sale

Non-current assets or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

2.7 Financial instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

On initial recognition, a financial asset is classified and measured at amortised cost, Fair Value Over Comprehensive Income (FVOCI) - debt investment, FVOCI - equity investment or Fair Value Through Profit or Loss (FVTPL). Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. The Group currently holds derivatives that are classified as FVTPL, all other financial liabilities are classified as a financial liabilities at FVTPL. The Group currently holds derivatives that are classified as including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Group derecognises a financial asset or financial liability when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Derivative financial instruments and hedge accounting

The Group has in certain periods designated certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a non-derivative financial liability is designated as the hedged instrument in a hedge of a net investment in a foreign operation, the effective portion of foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the change in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

2.8 Impairment

Non-derivative financial assets

The Group recognises loss allowances for Expected Credit Losses (ECL) on:

- financial assets measured at amortised cost
- debt investments measured at FVOCI
- contract assets

The Group measures loss allowances at an amount equal to Lifetime ECLs for all financial assets, which includes loss allowances for trade receivables (including lease receivables) and contract assets. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets.

For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



2.9 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 Share capital and share premium

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

2.11 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. If any, it is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.12 Pension obligations, bonus schemes and other compensation schemes for employees

Pension obligations

The employees of the companies in the Group have defined contribution pension schemes or pension insurance policies in accordance with current collective agreements that correspond to defined contribution pensions depending on where they are employed. Employees in Ireland have a closed benefit scheme and a defined contribution scheme for new employees.

For defined contribution plans, the Group pays deposits to public or privately managed insurance plans for pensions on a mandatory, contractual or voluntary basis. The Group has no further payment obligations after the deposits have been paid. Deposits are accounted for as labor costs when they fall due. Prepaid deposits are recognized as an asset to the extent that the deposit can be reimbursed or reduce future payments.

A defined benefit plan will typically define an amount that an employee will receive from the time of retirement, usually depending on age, number of years in work and salary. The obligation for the defined benefit plans is the present value of the liability at the balance sheet date, less the fair value of the pension assets. The gross liability is calculated by independent actuaries using the linear method by the calculation. Gross liability is discounted to present value by using the interest rate on high-quality corporate bonds issued in the currency to which the obligation is to be paid, and with approximately the same maturity as the payment horizon of the obligation. In countries that do not have a liquid market in their bonds, the market interest rate is applied to government bonds.

Gains and losses arising from the recalculation of the liability as a result of estimate deviations and changes in actuarial assumptions are recognized in the equity through other comprehensive income in the period in which they arise. Effect of changes in the scheme benefits are recognized in the income statement immediately.

Severance pay

Severance pay is paid when the employment contract is terminated by the Group before the normal retirement date or when an employee voluntarily accepts to terminate such remuneration. The Group recognizes severance pay when it is demonstrably obliged to either terminate the employment contract with current employees in accordance with a formal, detailed plan that the Group cannot withdraw, or to provide severance pay as a result of an offer made to encourage voluntary departure. Final payments due more than 12 months after the balance sheet date are discounted to present value. Final remuneration is recognized in the income statement over the notice period.

Profit sharing and bonus schemes

The Group recognizes a provision where there are contractual obligations or where there is a past practice that creates a self-imposed obligation.

2.13 Provisions

The Group recognizes provisions on legal requirements when there is a legal or self-imposed obligation as a result of past events and there is a probability that the obligation will be settled in the form of a transfer of financial resources and the amount of the obligation can be estimated with a sufficient degree of reliability.

In cases where there are several obligations of the same nature, the probability that the obligation will be settled is determined by assessing the group as a whole. Provisions for the group are recognized even though the likelihood of settlement related to the group's individual elements may be low.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

2.14 Revenue from contracts with customers

Revenues from contracts with customers primarily comprise sale of

- Revenue recognised over time: Subscription revenue
- Revenue recognised at a point in time: Upgrades, Services, Installation fees and other revenue

Recognition and measurement

When the Group enters into an agreement with a customer, the goods and services promised in the contract are identified as separate performance obligations to the extent that the customer can benefit from the goods or services either on their own or together with other resources that are readily available to the customer, and that the goods and services are separately identifiable from other promises in the contract. Goods and services that do not meet the criteria to be identified as separate performance obligations are aggregated with other goods and/or services in the agreement, until a separate performance obligation is identified.



Example of a service which is normally considered to be a distinct performance obligation within the Group is installation service of additional hardware to subscribers of alarm monitoring services.

The Group determines the transaction price to be the amount of consideration which it expects to be entitled in exchange for transferring the promised goods and services to the customer, net of discounts and sales related taxes. Sales related taxes are regarded as collected on behalf of the authorities. For corporate customers the Group adjusts the transaction price for a significant financing component if, at contract inception, the expected period between the transfer of a good or service to the customer and when the customer pays for that good or service is more than one year, unless the timing of the transfer of those goods or services is at the discretion of the customer (i.e. prepaid services).

For contracts with corporate customers the consideration promised in a contract can include a variable amount, if so the Group estimates the amount of consideration which it expects to be entitled. An amount of variable consideration is included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The transaction price is allocated to each performance obligation in the contract on a relative stand-alone selling price basis. The stand-alone selling price for each performance obligation is determined according to the prices that the Group would achieve by selling the same goods or services to a similar customer on a stand-alone basis. Except when the Group has observable evidence that the entire discount included in a contract relates to only one or more, but not all, performance obligations in a contract, the Group allocates the discount proportionately to all performance obligations in the contract.

Revenue is recognised when the respective performance obligations in the contract are satisfied and payment remains probable. Revenue from alarm monitoring services is generally recognised over time during the period to which the service relates.

The effects of significant financing components are recognised over the payment period. Revenue from installation service of additional hardware to subscribers of alarm monitoring, is normally recognised at the point in time when the installation service is completed.

Capitalised contract cost

Costs incurred that are incremental to obtaining a contract with a customer, and are expected to be recovered, are recognised as contract acquisition cost. Contract acquisition costs include, for example, certain commissions or bonuses to employees or dealers, directly related to the contracts obtained on behalf of the Group.

Costs directly related to fulfilling a specified contract with a customer, which generate or enhance resources that will be used in fulfilling the performance obligations in the contract, are recognised as contract fulfilment cost assets to the extent they are expected to be recovered. The costs are expensed in the period in which the related revenue is recognised. Contract fulfilment costs include equipment and costs incurred for connection and installation of equipment on customer premises, including direct labour and material costs.

Capitalised contract cost is presented as customer contracts in the consolidated balance sheet and in note 10 and 11. The transfer of goods and services is considered to be in accordance with the expected customer life, and amortisation is performed according to historical churn data consistent with the principle for customer contracts obtained through business combinations and portfolio acquisitions. In addition the capitalised contract cost is tested annually for impairment as part of the impairment testing of goodwill as presented in note 2.5.

Presentation and impairment

If recognised revenue exceeds amounts received or receivable from a customer, a contract asset is recognised. If amounts received or receivable from a customer exceed revenue recognised for a contract, for example if the Group receives an advance payment from a customer, a contract liability is recognised. Contract assets and contract liabilities are expected to be realised within the Group's normal operating cycle, and are classified as current within trade and other receivables and trade and other payables respectively. Contract assets are adjusted for provision for impairment in accordance with the expected credit loss model.

The Group applies the simplified approach for contract assets, measuring the loss allowance at an amount equal to lifetime expected credit losses. Impairment for expected credit losses is recognised in the income statement and updated at each reporting date. The impairment is calculated by taking into account the historic evidence of the level of bad debt experienced for customer types.

Contract assets are transferred to receivables when rights become unconditional. Receivables from contracts with customers are presented separately from contract assets. The effects of significant financing components are presented as interest income, separately from revenue from contracts with customers in the statement of comprehensive income.

The internal reporting of the Group does not differentiate customer contracts arising from business combinations or portfolio acquisitions and customer contracts arising from capitalised contract cost, and as a result, the two elements are presented aggregated in the consolidated balance sheet and note 7.

215 Interest and dividend income

Interest income is accrued on a time proportionate basis that reflects an effective yield on the asset, and is included in financial income in the income statement. Dividend income from investments is recognised when the Group's rights to receive payment have been established (declared by the General Meeting or otherwise) and classified as financial income.

216 Leases

The Group has applied IFRS 16 using the modified retrospective approach from 1 January 2018 without restating previous periods.

At inception of a contract, the Group assesses whether a 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 uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the lease of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle or remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- variable lease payments that depends on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the Group reasonably certain to exercise, lease payments in an option renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed asset lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.17 Governmental Grants

The Group has during the financial year received governmental grant (Skattefunn) of TNOK 4,750 (in 2021: 4,750) related to research and development project in Sector Alarm IT. The grant is accounted for in accordance with IAS 20 so that the grant is recognized in profit and loss over the period in which expenses that the grant is intended to compensate are recognized.

Note 3 / Financial risk management

3.1 Credit risk

The Group manages credit risk by assessing the creditworthiness of customers at the time of sale. There are local variations in the countries in which the Group operates. The individual subsidiaries have established procedures for following-up credit with the various customer groups. Pre-billing and increased use of direct debits contribute to increased security for timely payments. The Group has outsourced parts of billing management in Norway, Sweden and Finland, including issue of reminders and debt collection follow-up, which also contributes to minimizing the credit risk. Historically, the Group has had very limited losses on accounts receivable and this trend seems to be continuing. The Group also performs ongoing assessment of new payment systems, such as payment using debt/payment/credit cards, which will also result in further reduction of credit risk.

3.2 Liquidity risk

The Group's approach to managing liquidity risk is to secure access to sufficient liquidity to meet liabilities under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's relationships. The Group's liquidity risk is considered as a low due to the resilient business model with strong cash flow from the existing customer portfolio combined with flexible growth for new customer acquisition. See note 18 and note 21 for information regarding the Group's cash position and debt position at 31.12.2022.

3.3 Currency risk

The main currency exposure and risk relate to a mismatch between currencies for positive cash flows and outstanding debt. Currently the main sources for positive cash flows are NOK and SEK while outstanding debt is largely in EUR following the refinancing in the Term Loan B market in June 2019. Sector Alarm Holding AS is therefore exposed to EUR appreciation that would imply higher NOK and/or SEK payments in the future to manage the debt (interest cost and refinancing/payment). Over time it's expected that the currency exposure will be reduced as cash flows in EUR will increase over time due to continued growth and expansion outside Norway and Sweden. Sector Alarm has decided not to hedge the exposure for the time being, but to rather monitor the development. In addition, Sector Alarm Holding AS is exposed to a strengthening of the USD against EUR, NOK and SEK as the prices for hardware is in USD.

3.4 Financial risk

The primary source of interest rate risk is the EUR 590 million Term Loan B and EUR 100 million credit facility (TLB) with floating interest rate. As a general principle, Sector Alarm Holding AS should aim to reduce a portion of the floating rate exposure through interest rate swaps, but only if it's deemed as attractively priced. In addition, the hedging shall be based on the mean-reversion-principle, i.e. that interest rates tend to move towards their long-term historical average. This means that in periods with historically low interest rates, the hedging ratio should be high, whereas in periods with historically high interest rates, the hedge ratio should be low.

3.5 Risk related to capital management

The goal of the Group with regard to capital management is to protect continued operations to ensure return for owners and other stakeholders, and maintain an optimal capital structure to reduce capital costs. The capital in Sector Alarm consists mainly of the customer portfolio which is managed with the intention of long-term return for the company's shareholders.

3.6 Information on fair value

- Financial assets measured at fair value are divided into the following levels:
- Listed price in active market (level 1)
 - Valuation based on other observable factors (price) either directly or indirectly for the financial asset or liability (level 2)
 - Valuation based on factors not derived from observable markets (level 3).

The fair value of financial instruments that are not traded in an active market is determined using valuation methods. These methods use observable data where available. If all the essential data required to fix the fair value of an instrument is observable data, the instrument is included in level 2.

As of December 31, 2022, the Group has no financial assets or liabilities at level 1 or 3 that are measured at fair value in the balance sheet. The only instrument in level 2 is the interest derivative as specified in note 16. The same applies for 2021.

Note 4 / Important accounting estimates and judgmental items

Estimates and discretionary assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered likely under current circumstances. The Group prepares estimates and makes assumptions related to the future. The accounting estimates that result from this will per definition rarely be fully consistent with the final outcome. Estimates and assumptions that represent a significant risk of material changes in the carrying amount of assets and liabilities during the next financial year are discussed below.

Impairment of goodwill, other intangible assets and contract cost

The Group's recognised goodwill and other intangible assets are tested annually for impairment based on an estimation of value in use. See further details regarding impairment of goodwill and intangible assets in note 28 and note 11.

Note 5 / Revenue recognition

In the following tables revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition.

Amounts in TNOK	2022			2021		
	Revenue per product/service line	Point in time	Over time	Revenue per product/service line	Point in time	Over time
Revenue from contracts with customers comprise of						
Revenue from subscriptions	2 794 076	0	2 794 076	2 604 480	0	2 604 480
Revenue from Upgrades	9 946	9 946	0	17 059	17 059	0
Revenue from Services	83 303	83 303	0	84 864	84 864	0
Revenue from Installation service	161 181	161 181	0	142 232	142 232	0
Other revenues	746	746	0	2 144	2 144	0
Total Revenue from contracts with customers	3 049 251	255 375	2 794 076	2 850 779	246 298	2 604 480
Movement in contract liability						
Contract liability opening balance				253 621	253 621	249 996
Reduction due to revenue being recognized					-1 066 170	-909 741
Increase due to cash received and revenue deferred					1 075 395	904 365
Contract liability closing balance				262 845	262 845	253 621

Contract liabilities consists of prepayments from customers.



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Note 6 / Personell costs

Amounts in TNOK	2022	2021
Wages and salaries	1 149 755	946 727
Social security contributions	246 557	198 743
Pension costs - defined contribution pension plans	37 107	32 510
Pension costs - defined benefit plans	6 012	5 946
Other benefits	43 220	32 552
Total	1 482 651	1 214 478

Number of FTEs 2,662 2,354

Pension costs - defined benefit plans

Current value of the year's pension payments	5 103	5 255
Interest costs from pension commitment	909	691
Net pension costs including employers' contributions	6 012	5 946

Changes to the present value of the defined benefit obligation during the period under review

Opening defined benefit obligation	221 981	224 630
Current services cost	5 044	5 164
Interest cost	2 977	1 638
Employee contributions	489	489
Net benefit paid out	-2 467	-999
Actuarial gains/losses - experience	1 329	3 656
Other	7 729	-6 155
Actuarial gains/losses - assumptions	-82 298	-6 442
Closing defined benefit obligation	154 784	227 981

Changes to the fair value of assets during the period under review

Opening fair value of assets	151 710	125 882
Employee contributions	2 837	3 426
Employee contributions	489	489
Net benefits paid out	-2 467	-999
Interest Income on Plan Assets	2 078	959
Actuarial gains/(losses) on assets	-18 230	23 034
Other	5 789	-1 082
Closing fair value of assets	142 206	157 710

Note 6 / Personell costs

Amounts in TNOK	2022	2021
Financial assumptions:		
Discount rate	3,65 %	1,35 %
Expected wage regulation	2,75 %	2,25 %
Expected pension increase	2,59 %	2,00 %

The actuarial assumptions are based on the commonly used assumptions within insurance with regard to demographic factors.

Amounts in TNOK	2022	2021		
Employee benefit expenses	CEO	Board	CEO	Board
Wages and salaries	3 075	1 100	2 643	1 100
Bonuses	724	0	358	0
Pension benefits	23	0	23	0
Other benefits	0	0	0	0

No loans or securities have been provided to the CEO, Chairman of the Board or other related parties. There are not any agreements on severance salaries to the Board or senior executives.

Note 7 / Governmental grants

The Group has during the financial year received governmental grant (SkatteFunn) of TNOK 4 750 (in 2021 4 750) related to research and development project in Sector Alarm IT. The Grant is accounted for in accordance with IAS 20 so that the grant is recognized in profit and loss over the period in which expenses that the grant is intended to compensate are recognized. Share of the grant related to capitalized external consultancy fees on the project of TNOK 3 934 (in 2021 TNOK 3 482) are recognized in profit and loss over the lifetime of the project while the share of the grant related to internal hours incurred (TNOK 816 for 2022 and TNOK 1 268 for 2021) are recognized in profit and loss as credit to payroll costs.

The Grant is contingent by final approval by The Norwegian Directorate of Tax.

Note 8 / Other operating costs

Amounts in TNOK	2022	2021
Other operating costs		
Other operating costs	818 818	568 099
Auditors' fees	3 759	4 312
Total	822 577	572 411
Auditor's fees		
Statutory audit	3 355	3 304
Other attestation services	240	838
Technical assistance and tax advice	123	128
Remuneration for other services	40	42
Total	3 759	4 312

Note 9 / Related parties

Sector Alarm Holding AS is controlled by Isanor AS (registered in Norway) which owns 62,90% of the Company's shares directly or indirectly. The shares in Isanor AS are owned by Jørgen Dahl.

The Group has been involved in transactions with the following associated parties:

a) Sales of products and services

There have been no sales of products or services to associated parties in 2021 or 2022. Employees are offered alarm subscriptions at discounted rates.

b) Loans to associated parties

Amounts in TNOK	2022	2021
Sector Alarm Manco AS	439	164
Sector Alarm Midco AS	925	1.177
Sector SPV AS	872	819
Sector Alarm Topco AS	1.255	1.255
Interests on loans from associated parties	69	24
No other loans were provided to shareholders or their companies in 2021 or 2022.		

c) Loans from associated parties

Amounts in TNOK	2022	2021
Sector Alarm Topco AS	71.198	0
Interests on loans from associated parties	1.198	0
No other loans were provided from shareholders or their companies in 2021 or 2022.		

d) Loans to senior employees

No loans have been given to senior employees or Board members.

Note 10 / Property, plant and equipment

Amounts in TNOK	Buildings	Computer equipment	Furnishing and fittings	Vehicles	Alarm systems not in use	Customer contracts	Total
Balance at 31 December 2020	113 881	35 141	93 260	1123	133 357	0	376 762
Transition differences	-5 133	-894	-3 023	-76	-5 304	-9 027	-23 457
Acquisitions	-279	23 289	15 718	930	25 968	225 807	291 433
Acquisitions through business combinations	494	0	0	0	5 029	0	5 523
Disposals	-212	0	-190	0	0	0	-402
Depreciation for the year	-5 517	-23 940	-22 609	-868	0	-21 594	-74 528
Balance at 31 December 2021	103 235	33 596	83 156	1.109	159 050	195 186	575 331
Acquisition cost	123 171	205 156	254 884	6 949	164 139	225 807	980 106
Accumulated depreciation and impairment	-19 937	-171 560	-171 728	-5 640	-5 090	-30 621	-404 775
Carrying amounts at 31 December 2021	103 235	33 596	83 156	1.109	159 050	195 186	575 331
Depreciation and impairment for the year	-5 517	-23 940	-22 609	-868	0	-21 594	-74 528
Useful life	30 years	3-5 years	3-5 years	3-5 years	8 years	8 years	

Amounts in TNOK

Buildings	Computer equipment	Furnishing and fittings	Vehicles	Alarm systems not in use	Customer contracts	Total
Balance at 31 December 2021	103 235	33 596	83 156	1.109	159 050	575 331
Transition differences	5 527	976	2 900	-5	7 355	41 704
Acquisitions	876	19 835	48 298	1 604	111 895	309 250
Acquisitions through business combinations	5 441	408	436	737	1 644	8 668
Disposals	0	-54	-2 777	0	0	-2 831
Depreciation for the year	-5 422	-18 982	-27 829	-1 005	0	-129 004
Balance at 31 December 2022	109 657	35 778	104.183	2.439	279 947	600 383
Acquisition cost	135 962	228 117	305 339	9 175	285 087	569 431
Accumulated depreciation and impairment	-26 305	-192 338	-201 155	-6 736	-5 141	-169 048
Carrying amounts at 31 December 2022	109 657	35 778	104.183	2.439	279 947	600 383
Depreciation and impairment for the year	-5 422	-18 982	-27 829	-1 005	0	-129 004
Useful life	30 years	3-5 years	3-5 years	3-5 years	8 years	8 years

Alarm systems not in use applies to alarm systems purchased for installation. These are not depreciated until they are installed and then classified as capitalised customer contracts.

Note 11 / Intangible assets and goodwill

Amounts in TNOK	Goodwill	Licenses, software, etc.	Brand	Customer contracts	Total
Balance at 31 December 2020	1 216 153	4 157 510	94 233	2 185 046	4 137 007
Translation differences	-57 682	-510	-4 375	-102 305	-164 872
Acquisitions	0	59 859	0	232 456	292 315
Acquisitions through business combinations	19 037	0	62 132	258 264	339 433
Disposals	0	0	0	0	0
Amortization for the year	0	-20 177	0	-606 758	-626 935
Balance at 31 December 2021	1 177 508	80 746	151 990	2 566 703	3 976 948
Acquisition cost	1 177 508	191 098	151 990	4 496 146	6 016 742
Accumulated amortization	0	-110 352	0	-1 929 443	-2 039 795
Carrying amounts at 31 December 2021	1 177 508	80 746	151 990	2 566 703	3 976 947
Amortization and impairment for the year	0	-20 177	0	-606 758	-626 935
Useful life	Indefinite	3-5 years	Indefinite	17 years	

Amounts in TNOK	Goodwill	Licenses, software, etc.	Brand	Customer contracts	Total
Balance at 31 December 2021	1 177 508	80 746	151 990	2 566 703	3 976 948
Translation differences	27 060	496	7 998	25 963	61 507
Acquisitions	0	85 995	0	292 662	378 657
Acquisitions through business combinations	44 485	200	0	38 790	83 475
Disposals	0	0	0	0	0
Amortization for the year	0	-49 116	0	-210 031	-259 146
Balance at 31 December 2022	1 249 053	118 322	159 978	2 714 087	4 241 440
Acquisition cost	1 249 053	277 975	159 978	5 450 492	7 137 499
Accumulated amortization	0	-159 654	0	-2 736 405	-2 896 059
Carrying amounts at 31 December 2022	1 249 053	118 322	159 978	2 714 087	4 241 440
Amortization and impairment for the year	0	-49 116	0	-210 031	-259 146
Useful life	Indefinite	3-5 years	Indefinite	15 years	

Customer contracts is amortised according churn data per customer portfolio. The customer portfolios varies in historical churn and between countries, but the average useful life for the Group was 15 years in 2022. Customer contracts as presented in the table above comprise of both customer contracts arising from business combinations or portfolio acquisitions and contracts arising from organic sales, where the latter comprise of the capitalised contract cost in accordance with cost to obtain and cost to fulfil contracts with customers. For further details see note 2.5 regarding business combinations and 2.14 regarding revenue from contracts with customers.

Impairment test goodwill and intangible assets

All goodwill is acquired through purchases and has been of strategic importance in retaining and strengthening the market positions of the Group. The goodwill is linked to cost savings and economies of scale as a result of coordination with the Group's operations in the relevant markets and utilization of the Group's experience and industry knowledge. The goodwill is allocated to the portfolios in Norway, Sweden, Finland, Ireland, Spain, France and Portugal.

Goodwill is not amortised. However, goodwill is tested for impairment at least annually, or when there are identified impairment indicators. An impairment assessment was performed at 31 December 2022. The group use the estimated recoverable value of the customer portfolio as an indicator for the total value of the customer portfolio and goodwill combined. The recoverable value were calculated using a value in use approach were using recurring annual revenue and a multiple based on comparable market transactions adjusted for key assumptions on size and quality of the portfolio. The impairment tests results in a headroom of minimum 115% on all material portfolios. As such the impairment test did not reveal an indication of impairment.

Amounts in TNOK	Opening balance	Acquisition	Disposals	Translation differences	Closing balance
2022					
Norwegian portfolio	133 420	0	0	0	133 420
Swedish portfolio	365 319	0	0	-10 946	354 373
Irish portfolio	538 880	10 070	0	28 323	577 272
Finland portfolio	116 472	0	0	6 122	122 593
Spanish portfolio	4 145	0	0	218	4 363
French portfolio	19 270	0	0	1 013	20 283
Portuguese portfolio	0	34 916	0	1 831	36 747
Total	1 177 506	44 986	0	26 559	1 249 051
Amounts in TNOK	Opening balance	Acquisition	Disposals	Translation differences	Closing balance
2021					
Norwegian portfolio	133 420	0	0	0	133 420
Swedish portfolio	391 186	0	0	-25 867	365 319
Irish portfolio	544 914	19 025	0	-25 059	538 880
Finland portfolio	122 866	0	0	-5 614	116 472
Spanish portfolio	4 345	0	0	-200	4 145
French portfolio	20 199	0	0	-929	19 270
Total	1 216 350	19 025	0	-57 669	1 177 506



Note 12 / Leasing

Amounts in TNOK	2022	2021
Amounts recognized in profit and loss		
Expenses related to contracts with exception for short term leases	2 067	883
Expenses related to contracts with exception for low value assets	746	654
Total	2 813	1 536
Short term lease liabilities	98 729	69 392
Long term lease liabilities	410 031	298 313
Total lease liabilities	508 760	367 705
Potential lease payments not included in lease liabilities:		
Ext. and term options reasonably certain to be exercised	0	0
Variable lease payments based on index or a rate	88 256	37 676
Interest cost	6 711	10 406
Total cash outflow	82 172	70 476
Incremental borrowing rate	3,50%	3,00%
The maturities for the long-term leasing liabilities are as follows:		
Between 1 and 2 years	69 500	45 047
Between 2 and 5 years	160 762	119 644
More than 5 years	179 769	133 621
Total	410 031	298 313

Right of use assets	Cars	Office machines	Buildings	Total
Balance at 01 January 2021	27 267	1 502	275 709	304 478
Translation differences	-1 443	-35	-7 934	-9 413
Acquisitions	32 933	515	62 187	95 635
Disposals	-87	0	-1 642	-1 729
Depreciation and impairment for the year	-22 245	-823	-42 544	-65 612
Reclassification	2 639	-7	-2 632	0
Balance at 31 December 2021	36 424	1 159	285 777	323 360

Right of use assets	Cars	Office machines	Buildings	Total
Balance at 01 January 2022	36 424	1 159	285 777	323 360
Translation differences	2 237	15	9 508	11 760
Acquisitions	66 373	85	156 178	222 636
Disposals	-2 928	253	-9 434	-12 109
Depreciation and impairment for the year	-31 921	-1 597	-50 687	-84 205
Reclassification	0	0	0	0
Balance at 31 December 2022	70 186	-86	392 342	461 442

Note 13 / Other gains and losses

Amounts in TNOK	2022	2021
Realised currency derivatives in the year	0	0
Net currency gains and losses	-396 800	315 654
Other gains and losses	-396 800	315 654

Note 14 / Financial income and costs

Amounts in TNOK	2022	2021
Interest income	38 197	11 878
Other finance revenues	2 961	365
Interest costs	-245 491	-195 065
Other finance costs	-41 140	-38 336
Net currency gains/losses	396 800	315 654
Net financial costs	-642 273	94 496
Currency gains	33 902	332 760
Currency losses	-430 702	-17 106
Sum net currency gains/losses	-396 800	315 654
Net currency gain/loss due to operations	-948	213
Net currency gain/loss due to finance items (i.e. loans)	-395 852	315 441
Sum net currency finance/operations split	-396 800	315 654
Net currency gain/loss on external balances	-321 218	307 024
Net currency gain/loss on intercompany balances	-75 581	8 630
Sum net currency ext/i/c split	-396 800	315 654

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Note 15 / Income tax

Amounts in TNOK	2022	2021
Tax expense		
Current tax expense	-141 792	42 663
Change in deferred tax - origination and reversal of temporary differences	85 967	-33 583
Change in deferred tax - reduction in tax rate	0	0
Change in deferred tax - other	8 251	112 499
Changes in estimates related to prior years	853	1 077
Other	0	3 774
Tax expense continuing operations	-46 720	126 430

In other comprehensive income, the remeasurement gain (loss) from the net defined benefit liability has a tax effect included in tax expenses

	2022	2021
Reconciliation of effective tax rate		
Profit before tax from continuing operations	-423 842	391 370
Income tax using Norwegian tax rate (22%)	-93 245	86 088
Effect of tax rates in foreign jurisdictions	-32 194	-23 354
Tax effect non deductible expenses	11 549	7 628
Tax effect current-year losses for which no deferred tax asset is recognised	68 270	9 708
Utilized loss carried forward	-1 954	0
Effect of changes in tax rate on deferred tax items	0	0
Changes in estimates related to prior years	853	1 077
Other effects	0	45 282
Income tax	-46 720	126 430
Effective tax rate	11 %	32 %

The Group's reconciliation of the effective tax rate is based on its domestic tax rate, with a reconciling item in respect of tax rates applied by Group companies in other jurisdictions.

	2022	2021
Tax payable		
Current tax of tax base before contribution	53 552	127 294
Prepaid taxes	-78 790	-118 724
Other including previous years tax payable	7 373	52 131
Total tax payable	-17 865	60 702

Deferred tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the Group's current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022	2021
Deferred tax asset	223 502	117 866
Deferred tax liabilities	314 820	302 899
Net deferred benefit/liability (€) in the balance sheet	-91 318	-185 033

The following information presents how deferred tax liability and deferred tax asset are before netting in the balance sheet.

Changes in deferred tax/deferred tax asset in the balance sheet:	2022	2021
Balance at 1 January	-183 033	-161 909
Currency translation	5 748	12 466
Recognised in the profit	85 967	-33 583
Changes in tax rate	0	0
Other	0	-7
Balance at 31 December	-91 318	-185 033

Specification of the tax effect of temporary differences and losses carried forward:

	2022	2021
Property, plant and equipment	5 350	3 202
Accounts receivables	886	0
Other provisions and accruals	1 317	1 196
Losses carried forward	379 198	0
Limitations of tax deductibility of interest expense	37 767	0
Other	22 519	108 345
Total recognised deferred tax assets	447 037	210 898
Unrecognised deferred tax assets	-195 262	0
Net deferred benefit/liability	251 775	210 898
Net deferred benefit/liability(€) in the balance sheet	-91 318	-185 033

The deferred tax benefit is included in the balance sheet on the basis of future income.

The Group has losses carried forward of NOK 195 million in France, Spain, Ireland, Finland, Portugal and Italy was not recognized at 31 December 2022.

A deferred tax asset is recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

At the reporting date, the Group has unused tax losses of NOK 1700.4 million (2021: NOK 782.8 million) available for offset against future profits. A deferred tax asset has been recognised in respect of NOK 164.7 million (2021: NOK 66.2 million) of such losses. No deferred tax asset has been recognised in respect of the remaining NOK 194.4 million (2021: NOK 108.9 million) as it is not considered probable that there will be future taxable profits available. Included in unrecognised tax losses are losses of NOK 7 million that will expire in 2023, NOK 20 million in 2024, NOK 1.3 million in 2025, NOK 36 million in 2026, NOK 60 million in 2027 and NOK 339 million above 5 years. Other losses may be carried forward indefinitely.

Note 16 / Financial instruments

The Group has the following financial instruments:

Financial assets/liabilities at amortised cost:

Financial assets: Accounts receivables, other current receivables and cash and cash equivalents.

Financial liabilities: Includes most of the Group's financial liabilities including debt to credit institutions, trade payables and other current and non-current financial liabilities.

Financial assets/liabilities at fair value through profit and loss (FVTPL):

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in fair value

Level 1: Quoted prices (unadjusted) in active markets for identical financial instruments

Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly or indirectly

Level 3: Inputs for assets or liabilities that are not based on observable inputs.

Equity Securities are valued based on level 1 inputs at year-end

Derivative instruments – Interest swap

The table below shows the various financial assets and liabilities, grouped in the different categories of financial instruments according to IFRS 9.

Amounts in TNOK 31.12.2022	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Total
Financial assets				
Accounts receivable	213 285	0	0	213 285
Other receivables	149 857	0	0	149 857
Cash and cash equivalents	125 378	0	0	125 378
Derivative financial instruments	0	59	0	59
Total financial assets	488 520	59	0	488 579
Financial liabilities (short and long term)				
Loans external	6 572 643	0	0	6 572 643
Leasing liability	508 760	0	0	508 760
Account's payable	134 045	0	0	134 045
Other liabilities	701 085	0	0	701 085
Total financial liabilities	7 916 533	0	0	7 916 533
31.12.2021				
	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Total
Financial assets				
Account's receivable	187 059	0	0	187 059
Other receivables	125 609	0	0	125 609
Cash and cash equivalents	307 686	0	0	307 686
Derivative financial instruments	0	56	0	56
Total financial assets	620 354	56	0	620 410
Financial liabilities (current and non current)				
Loans external	5 827 442	0	0	5 827 442
Leasing liability	367 795	0	0	367 795
Account's payable	126 044	0	0	126 044
Other liabilities	642 564	0	0	642 564
Total financial liabilities	6 963 755	0	0	6 963 755

Note 17 / Trade receivables and other receivables

	2022	2021
Amounts in TNOK		
Trade receivables	230 708	202 268
Allowance for impairment of trade receivables	-17 423	-15 208
Trade receivables net	213 285	187 059
Advance payments	123 793	106 083
Other receivables	26 154	19 526
Total accounts receivable and other receivables	363 142	312 668

For short-term receivables, the carrying amount is considered to be a reasonable approximation of fair value.

Total overdue accounts receivable in the Group are associated with a large number of independent customers. The age distribution of these receivables is:

	2022	2021
Amounts in TNOK		
Up to 60 days	24 431	23 853
More than 60 days	23 219	19 567
Total overdue trade receivables	47 650	43 420
Carrying amount of overdue trade receivables	30 228	28 212
Movement in bad debt allowance:		
Balance at 1 January	-15 208	-19 139
Net remeasurement of loss allowance	-5 768	-3 827
Amounts written off	3 554	7 758
Balance at 31 December	-17 423	-15 208

Write down and reversal of write down on trade receivable are included in other operating costs.

The maximum exposure to credit risk at time of reporting is the fair value of each class of trade receivable stated above. Receivables consist of a large number of receivables from individual customers with no credit rating. The company uses external partners to recover the receivables and there are, historically, low levels of losses on receivables. All new customers undergo a credit check before installation.



Note 18 / Cash and cash equivalents

Amounts in TNOK	2022	2021
In the cash flow statement, cash and cash equivalents encompasses the following:		
Cash and cash equivalents	125 378	307 686
Of which restricted funds (tax withholding account):	449	22 946

Note 19 / Share capital and share premium

Amounts in TNOK	Number of shares (000)	Share capital	Treasury shares	Share premium	Total
Balance at 1 January 2022	4 863	1 605	0	589 872	591 477
Capital increase	0	0	0	0	0
Treasury shares acquired	0	0	0	0	0
Treasury shares cancelled	0	0	0	0	0
Balance at 31 December 2022	4 863	1 605	0	589 872	591 477

See note 20 for list of the Company's shareholders.

Note 20 / Shareholders and shareholder information

The Company's share capital at 31.12.2022 consists of 4,863,354 shares at NOK 0.33 per share. Each share has one vote. There was one shareholder as at 31 December 2022.

Amounts in TNOK	Shareholders	Number	Share
Sector Alarm Midco AS		4,863,354	1.00%
Dividends recognised as distributions to owners during the period		0	
Dividends per share		0	

Note 21 / Loans and borrowings

The external financing in the group is mainly obtained by Sector Alarm Holding AS, which provides funding to the companies throughout the Group. Until the refinancing of the Group in the TLB market in June 2019 the external financing was accordingly arranged by Sector Alarm Group AS.

Amounts in TNOK	2022	2021
Non current liabilities		
Loans and borrowings	6 572 643	5 827 442
Leasing liabilities	410 031	298 313
Total non current liabilities	6 982 674	6 125 756
Current liabilities		
Loans and borrowings	0	0
Leasing liabilities	98 729	69 392
Total current liabilities	98 729	69 392
Bank overdraft facility	0	0
Total current loans including overdraft	98 729	69 392

In June 2019, Sector Alarm refinanced existing debt by successfully issuing a EUR 590 million 7-year senior secured Term Loan B and a EUR 100 million 6-year senior secured credit facility. The Term Loan B was issued at EURIBOR +350 bps with a 0% floor at par. In February 2020, Sector Alarm successfully concluded a repricing of the EUR 590 million Term Loan B with the margin being reduced from 350 bps to 300 bps and was issued at par with a 0% floor.

The new loan agreement has a dividend limitation of 22.5 MEUR per year. The 100 EUR million revolving credit facility has a gearing covenant of 92x Enterprise Value/EBITDA if the facility is drawn 40% or more.

There are no fixed annual instalments for the EUR 590 million Term Loan B. However, Sector Alarm is required to prepay 50% of Excess Cash Flow (as defined in the Term Loan B Facility Agreement) if Net Debt Cover (as defined in the Term Loan B Facility Agreement) greater than 5.001 and 25% of Excess cash flow if Net Debt Cover is greater than 4.501 but less than or equal to 5.001 within 20 Business Days of delivery of Annual Financial Statements. The conditions regarding Excess Cash Flow and Net Debt Cover is applicable from the Annual Financial Statements for the financial year 2022.

In 2022 Sector Alarm utilized EUR 40 million of the 6-year senior secured credit facility.

No breaches of covenants have occurred in 2022 or 2021.



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Note 21 / Loans and borrowings

Amounts in TNOK	2022	2021
Term loan B	6 203 142	5 893 392
Senior secured credit facility	420 552	0
Other loans	0	0
Amendment fee	-51 051	-65 950
Total	6 572 643	5 827 442

The maturities for the long-term bank loans and interests are as follows:

	2022	2021
Between 1 and 2 years	325 846	176 802
Between 2 and 5 years	7 365 241	6 446 249
More than 5 years	0	0
Total	7 691 087	6 623 050

	2022	2021
Security	6 572 643	5 827 442
Carrying amount of assets pledged as security		
Fixed assets	0	0
Customer contracts	0	0
Alarm systems not in use	0	0
Accounts receivable	0	0
Total	0	0

Shares in companies mentioned below, including intercompany loans and bank accounts in the companies have been pledged to secure borrowings of the Group at 31/12/2022:

Sector Alarm Holding AS	
Sector Alarm Ireland AS	
PhoneWatch Ltd	
Sector Alarm AB	
Sector Alarm AS	

Sector Alarm Holding AS has in 2022 provided a guarantee on the group's tax withholdings of NOK 25 million and office rent of NOK 11 million. In addition Sector Alarm Holding has issued a parent company guarantee as security for payment of car lease and office rent in some subsidiaries.

Note 22 / Other short-term liabilities

Amounts in TNOK	2022	2021
Trade Payables	134 045	126 044
Payable to authorities	134 262	138 289
Other short-term liabilities	204 597	169 900
Prepaid from customers / deferred revenue	262 845	253 621
Total	735 750	687 854

Other short-term liabilities consists largely of accrued vacation pay in line with governmental requirements and accruals for vendor invoices not yet processed and little or no risk is associated.

No liabilities above mature past 12 months. The carrying amount is considered to be a reasonable approximation of fair value.

Note 23 / Subsidiaries

The Group comprises the parent company, Sector Alarm Holding AS and the following directly and indirectly owned subsidiaries:

Company	Country	Area of business	Ownership share	Share votes	Annual profit (000)	Equity (000)
Sector Alarm AS	Norway	Monitored alarm services	100 %	100 %	NOK 284 273	NOK 53 397
Sector Alarm Dftr AS	Norway	Monitored alarm services	100 %	100 %	NOK 3 648	NOK 144
Sector Alarm ALS AS	Norway	Monitored alarm services	100 %	100 %	NOK 946	NOK 229
SA Salg AS	Norway	Monitored alarm services	100 %	100 %	NOK 3 369	NOK 21 742
Sector Alarm IT AS	Norway	Group services	100 %	100 %	NOK 5 228	NOK 53 888
Sector Alarm AB	Sweden	Monitored alarm services	100 %	100 %	SEK 28 922	SEK 1 066 863
SA Bevakning AB	Sweden	Monitored alarm services	100 %	100 %	-SEK 44	SEK 1 284
SA Försijling AB	Sweden	Monitored alarm services	100 %	100 %	-SEK 267	SEK 2 380
Sector Alarm Service AB	Sweden	Monitored alarm services	100 %	100 %	-SEK 68	SEK 42 655
Sector Alarm Ireland AS	Norway	Monitored alarm services	100 %	100 %	NOK 455 079	NOK 998 144
PhoneWatch Ltd	Ireland	Monitored alarm services	100 %	100 %	EUR 14 637	EUR 70 964
HomeSecure Ltd	Ireland	Monitored alarm services	100 %	100 %	-EUR 599	EUR 2 228
Sector Alarm Europe AB	Sweden	Monitored alarm services	100 %	100 %	SEK 166 889	SEK 3 476 922
Sector Alarm Spain S.A.U	Spain	Monitored alarm services	100 %	100 %	-EUR 22 330	EUR 18 735
Sector Alarm SAS	France	Monitored alarm services	100 %	100 %	-EUR 20 914	EUR 34 822
Sector Alarm Oy	Finland	Monitored alarm services	100 %	100 %	-EUR 589	EUR 13 980
Sector Alarm Spain AS	Norway	Monitored alarm services	100 %	100 %	-NOK 16	NOK 13 313
General Services Sector Alarm SLU	Spain	Group services	100 %	100 %	EUR 711	EUR 5 763
Sector Alarm Real Estate SLU	Spain	Property	100 %	100 %	EUR 78	EUR 4 299
Sector Alarm Holland BV	Netherlands	Group services	100 %	100 %	EUR 37	EUR 2 146
Sector Alarm Irish SRL	Italy	Monitored alarm services	100 %	100 %	-EUR 5 321	EUR 1 211
Sector Alarm Portugal Lda	Portugal	Monitored alarm services	100 %	100 %	-EUR 286	EUR 3 623

See also note 24, regarding acquisition of subsidiary

Note 24 / Acquisition of subsidiary

Segurança 24

On January 1, 2022, the Group purchased 100% of the shares in Segurança 24 Lda, an alarm company incorporated in Portugal. The acquired business' result has been consolidated into the Group's profit from 1 January, and the balance sheet has been consolidated into the Group's balance sheet as of 1 January 2021. Segurança 24 Lda has in 2022 contributed to the Group's revenues of NOK 17 million and NOK 4.5 million to the Group's result before tax.

Goodwill originating from the business combination is primarily related to anticipated synergies from ongoing operations and the benefit of integrating the entire business into the Group. Goodwill that has arisen as part of the business acquisition is not tax deductible.

The fair value of Trade receivables in Segurança 24 Lda at the acquisition date is NOK 634 thousand.

The table below shows the fair value of acquired assets and liabilities on the acquisition of Segurança 24 Lda (figures in NOK thousand at acquisition exchange rate)

	Amounts in TNOK	Segurança 24 Lda
Intangible assets		200
Tangible fixed assets	7 022	
Customer contracts	38 790	
Goodwill	34 912	
Stock	1 646	
Sum non current assets	82 570	
Account's receivable	634	
Other receivables	3 527	
Bank and cash	26 883	
Sum current assets	31 044	
Sum assets	113 614	
Other equity	104 484	
Sum equity	104 484	
Deferred tax	8 113	
Other long-term liabilities	0	
Sum non current liabilities	8 113	
Account's payable	632	
Account's payable - IC	0	
Short-term, inter-company	0	
Authorities etc	-302	
Pre-paid from customers	0	
Other short-term liabilities	686	
Sum current liabilities	1 016	
Sum liabilities	9 130	
Sum equity & liabilities	113 614	
Consideration transferred	104 484	
Fair value of net identifiable assets	69 572	
Goodwill	34 912	

Note 25 / Contingent assets and liabilities

Sector Alarm Spain S.A.U. is involved in a dispute regarding the settlement for purchase of customers from two Spanish companies. The parties do agree on the amount to be settled, but the dispute is for when the settlement is to take place. Sector Alarm Spain S.A.U. has filed a law suit to get a settlement for the total receivable of MEUR 5,6 (incl.VAT). The probability of winning our case is considered by our advisors to be good.

Note 26 / Events after the reporting date

There are no known events after the balance sheet date that would have significant effect of the financial statement for 2022.



Income statement

Amounts in THOK	Note	2022	2021
Revenues	1,2	124 630	111 074
Personnel costs	3	61 323	55 937
Depreciations and write-downs	4,5	13 414	14 634
Other costs	6,7	79 356	59 636
EBIT		-29 464	-19 134
Income from investments in subsidiaries	8,9	793 976	388 405
Finance revenues	9	27 572	328 783
Finance revenues from group companies	1,9	114 290	60 425
Finance costs	9,10	-633 582	-211 467
Finance costs from group companies	1,9	-7 046	-9 085
Net finance costs		295 211	557 061
Profit before tax		265 748	537 927
Tax expense	11	39 591	-114 107
Profit for the period		305 338	423 820
Allocations			
Allocated to other equity	12	305 338	423 820
Total allocated		305 338	423 820

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Sector Alarm Holding AS (NGAAP)



Balance sheet

Amounts in TNOK	Note	2022	2021
ASSETS			
Non current assets			
Equipment, movables and inventory	4, 13	7 260	10 488
Brand and software	5	9 944	15 301
Deferred tax asset	11	79 372	49 926
Investments in group companies	8	8 538 812	7 761 178
Non current receivables from group companies	14	2 331 237	2 284 930
Total non current assets		10 966 625	10 121 824
Current assets			
Stock		0	1 065
Accounts receivable, group companies	14	100 963	53 311
Other current receivables		132	132
Other current receivables from group companies	14	913 414	805 339
Prepayments		2 666	1 573
Current tax receivable	11	10 160	
Cash and cash equivalents	15	102 915	72 937
Total current assets		1 130 250	954 557
TOTAL ASSETS		12 096 875	11 056 181

Amounts in TNOK	Note	2022	2021
EQUITY			
Contributed equity			
Share capital	12, 16	1 605	1 605
Share premium	12	589 839	589 839
Total contributed equity		591 444	591 444
Earned equity			
Other equity	12	3 781 811	3 476 473
Total earned equity		3 781 811	3 476 473
TOTAL EQUITY		4 373 255	4 067 917
LIABILITIES			
Non current liabilities			
Other non current liabilities	10	7 221	7 997
Liabilities to financial institutions	10, 13	6 572 643	5 827 442
Other non current liabilities to group companies	1, 14	71 198	0
Total non current liabilities		6 651 062	5 835 440
Current liabilities			
Accounts payable		1 330	12 485
Accounts payable, group companies	14	18 882	16 182
Current tax liabilities	11	0	56 878
Accrued costs	17	52 217	38 664
Other current liabilities to group companies	14	1 000 128	1 028 615
Total current liabilities		1 072 558	1 182 925
TOTAL LIABILITIES		7 723 620	6 988 364
TOTAL EQUITY AND LIABILITIES		12 096 875	11 056 181

Oslo, 26.04.2023

The board of Sector Alarm Holding AS

Jørgen Dahl
Chairman of the board

Bjørnar Heias Bukholm
Member of the board

Cash Flow Statement

Amounts in TNOK	Note	2022	2021
Earnings before tax		265 748	537 927
Income taxes (refund) paid		-56 893	-55 076
Adjustment for finance costs		43 281	-168 953
Depreciations		13 414	14 634
Change in receivables on Group companies		299 376	-247 649
Change in accounts payables		-11 155	10 663
Change in liabilities to Group companies		-320 364	-260 536
Change in other accrual items		14 002	37 379
Cash flows from operating activities		247 440	0
Acquisition of equipment and stock		-4 829	-10 512
Dividends received		455 103	0
Payment of capital increase in subsidiaries		-777 633	-212 200
Cash flow from investing activities		-327 359	-222 712
Proceeds from loans and borrowings		411 352	0
Proceeds from increase in other liabilities		70 000	0
Interest paid		-206 259	-85 583
Interest received		103 639	11 939
Currency effect on cash in foreign currency		8 029	26 796
Change group cash pool		-276 833	571 403
Cash flow from financing activities		109 927	424 575
Cash flow total		29 078	70 253
Cash and cash equivalents at the beginning of the year		72 937	2 684
Cash and cash equivalents at end of year		102 015	71 937
Cash and cash equivalents		102 015	72 937
Overdraft facility		0	0

Notes

Amounts in TNOK

Accounting principles

The financial statement is prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway.

Revenue recognition

Revenues from sale of services is recognised when delivered. All revenues are related to sale of services to subsidiaries.

Balance sheet items

Current assets and current liabilities comprise items related to purchase and sale of goods. For items other than accounts receivable items that fall due within one year of the transaction date are included. Fixed assets are assets intended for permanent ownership and use. Long-term debt is debt that matures later than one year after the transaction date. Current assets are valued at the lower of cost and fair value. Short-term debt is capitalized at the nominal amount at the time of establishment. Fixed assets are valued at cost. Fixed assets are depreciated according to a reasonable depreciation plan. Fixed assets are written down to fair value in the event of impairment that is not expected to be temporary. Long-term debt with the exception of other provisions is capitalized at nominal amount at the time of establishment.

Receivable

Account's receivables and other receivables are recognised at denominated value. Intangible assets (brand names and licenses / software) are capitalized at cost and amortized on a straight-line basis over their expected useful lives.

Fixed assets

Tangible fixed assets are capitalized and depreciated over the useful life of the fixed assets if they have assumed a useful life of more than 3 years and have a cost price exceeding NOK 15000. Maintenance of fixed assets is expensed as operating costs on an ongoing basis, while costs of improvements are added to the acquisition cost of the fixed asset and depreciated in line with the fixed asset.

Pension

The employees of the company have a defined contribution pension schemes that meet the requirements for compulsory occupational pension (OP) according to Norwegian law.

Currency items

Foreign currency items are valued at the exchange rate at the end of the financial year.

Financial market risk

The company has only intra-group customers and has historically not had any losses on claims. Investments in subsidiaries are monitored on an ongoing basis, and corrective measures are implemented if operations deviate from the plan. As of 31.12.2022, the company has cash and unused credit facilities that are sufficient in relation to expected payments and expected organic growth.

Cash flow

The cash flow statement has been prepared using the indirect method. Bank accounts that is part of the Groups cash pool scheme are classified as receivables and liabilities to Group companies.

Income tax

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as tax loss carryforwards at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or can reverse in the same period are offset and the tax effect is calculated on the net basis.

Subsidiaries

Subsidiaries are assessed according to the cost method in the financial statement. The investment is valued at the acquisition cost of the shares unless an impairment has occurred. Group contributions to subsidiaries, less tax deductions, are recognized as an increased cost price for the shares. Dividends / group contributions are recognized in the same year as they are allocated in the subsidiary. When dividends / group contributions significantly exceed the share of retained earnings after the acquisition, the excess part is considered repayment of invested capital, and the value of the investment is deducted from the balance sheet.



Note 1 / Related party transactions

Amounts in TNOK

a) The company has had the following transactions with Group companies:

	2022	2021
Sale of HR-services	25 472	19 521
Sale of management services	99 158	91 553
Interest income	114 290	60 425
Interest costs	-7 046	-9 085

b) Remuneration to senior executives. See note 3.

	2022	2021
Loans to related parties		
Sector Alarm Manco AS	439	164
Sector Alarm Midco AS	925	1 177
Sector SPV AS	822	891
Sector Alarm Topco AS	1 295	1 255

No loans have been granted to senior executives or board members. There have been no sales of products or services to associated parties in 2021 or 2022. Employees are offered alarm subscriptions at discounted rates.

	2022	2021
Loans from related parties		
Sector Alarm Topco AS	71 198	0

Note 2 / Revenues

Amounts in TNOK

Income specified by business area

	2022	2021
HR services	25 472	19 521
Management fee	99 158	91 553
Total	124 630	111 074

Geographical breakdown of income

	2022	2021
Norway	25 591	23 751
Sweden	33 030	39 510
Ireland	23 475	22 976
France	12 994	6 944
Spain	17 480	8 109
Finland	10 303	9 676
Italy	1 398	108
Portugal	359	0
Total	124 630	111 074

Note 3 / Personell costs

Amounts in TNOK

Salary costs

	2022	2021
Salaries	52 710	50 258
Employment tax	8 022	7 055
Pension costs	1 144	729
Other benefits	-553	-2 105
Total	61 323	55 937

Number of fulltime employees

	2022	2021
CEO	37	34
Board of directors		
Employee benefit expenses		
Salaries	3 075	2 643
Bonuses	724	358
Pension	23	0
Other benefits	0	0

No loans or securities have been provided to the CEO, Chairman of the Board or other related parties. There are no agreements on severance salaries to the Board or senior executives.



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Note 4 / Fixed assets

Amounts in TNOK	Computer equipment 3 years	Fixtures 5 years	Total
Expected lifetime			
Acquisition cost 01.01	40 527	15 098	25 625
Additions	316	1 509	1 824
Disposals	0	0	0
Acquisition cost 31.12	40 843	16 607	27 449
Accumulated depreciations 01.01	-5 607	-9 529	-15 136
Depreciation and impairment for the year	-2 629	-2 424	-5 053
Depreciations on disposals	0	0	0
Accumulated depreciations 31.12	-8 236	-11 953	-20 189
Net book value 01.01	4 919	5 569	10 488
Net book value 31.12	2 607	4 653	7 260
The year's depreciation	-2 629	-2 424	-5 053
Impairment for the year	0	0	0
Leasing			
The year's rental / leasing costs machines	30		30
The year's rental costs for premises	3 594		3 594

Note 5 / Intangible assets

Amounts in TNOK	Software 5 years	Total
Expected lifetime		
Acquisition cost 01.01	51 150	51 150
Additions	3 004	3 004
Disposals	0	0
Acquisition cost 31.12	54 154	54 154
Accumulated depreciations 01.01	-35 848	-35 848
Depreciation and impairment for the year	-8 361	-8 361
Depreciations on disposals	0	0
Accumulated depreciations 31.12	-44 209	-44 209
Net book value 01.01	15 301	15 301
Net book value 31.12	9 944	9 944
Depreciations for the year	-8 361	-8 361

Note 6 / Commitments

Amounts in TNOK	2022	2021
Operational lease	7 775	4 725
Maturity within 1 year	25 210	20 366
Maturity within 1 and 5 years	18 476	26 529
Maturity beyond 5 years	51 440	51 620
Total	51 440	51 620

Note 7 / Auditors fees

Amounts in TNOK	2022	2021
Expensed fees to auditors (excl VAT)	833	808
Statutory audit	240	838
Other attestation services	0	0
Technical assistance and tax advice	0	0
Remuneration for other services	0	0
Total	1 073	1 645

Note 8 / Subsidiaries

Subsidiary	Business office	Share	Percentage of votes	Profit after tax 2022	Equity 2022	Net book value NOK
Sector Alarm IT AS	Oslo, Norway	100%	100%	NOK -6 375	NOK 53 206	44 671
Sector Alarm AS	Oslo, Norway	100%	100%	NOK 199 435	NOK 32 323	3 168 218
Sector Alarm Spain AS	Oslo, Norway	100%	100%	NOK -16	NOK 13 313	43 517
Sector Alarm Holland B.V.	Rotterdam, Netherlands	100%	100%	EUR 37	EUR 2 146	40 660
Sector Alarm Ireland AS	Oslo, Norway	100%	100%	NOK 455 079	NOK 998 144	1 425 071
Sector Alarm Oy	Helsinki, Finland	100%	100%	EUR -5 389	EUR 13 980	487 298
Sector Alarm Europe AB	Oslo, Norway	100%	100%	SEK 166 689	SEK 3 476 922	3 329 377
Total						8 538 812

Investments in subsidiaries are recognised according to the cost method in the company's financial statements.

Note 9 / Financial income and financial expenses

Amounts in TNOK	2022	2021
Interest income	27 520	11 959
Other financial income	0	0
Interest expense	-270 350	-182 903
Other financial costs	-28 616	-28 564
Foreign exchange gain	0	316 469
Foreign exchange loss	-384 616	0
Financial income from group companies	114 290	60 425
Financial expenses from group companies	-7 046	-9 085
Income from investment in subsidiaries	794 029	388 761
Net finance costs	295 211	557 061

Note 10 / Loan

Amounts in TNOK	2022	2021
Non current loan		
Term Loan B and utilized RCF	6 623 694	5 692 392
Amendment fee	-51 051	-65 950
Total non current loan	6 572 643	5 627 442
Current loan		
Term Loan B and RCF	0	0
Total current loan	0	0
Bank overdraft facility	0	0
Total loans including overdraft facility	6 572 643	5 627 442

In 2022 Sector Alarm Holding AS utilized EUR 4.0 million of the RCF.

The loan agreement has a dividend limitation of 22.5 MEUR pr year and also a gearing covenant of 9.2x Enterprise value/EBITDA if the Revolving Credit Facility is drawn 40% or more.

There are no fixed annual instalments for the EUR 590 million Term Loan B. However, Sector Alarm is required to prepay 50% of Excess Cash Flow (as defined in the Term Loan B Facility Agreement) if Net Debt Cover (as defined in the Term Loan B Facility Agreement) greater than 5.00:1 and 25% of Excess cash flow if Net Debt Cover is greater than 4.50:1 but less than or equal to 5.00:1 within 20 Business Days of delivery of Annual Financial Statements. The conditions regarding Excess Cash Flow and Net Debt Cover is applicable from the Annual Financial Statements for the financial year commencing on 1 January 2022.

The maturity of non current loans is as follows	2022	2021
Between 2 and 5 years	6 651 062	5 627 442
Total non current loan	6 651 062	5 627 442
Other non current debt	7 221	7 997
Other non current liabilities to group companies	71 198	0
Total other non current liabilities	78 419	7 997

Note 11 / Income tax expense and deferred tax

Amounts in TNOK	2022	2021	Change
Calculation of the tax base for the year	265 748	537 927	
Result before tax	-792 258	-604 366	
Permanent differences	1 593	-283 269	
Changes in temporary differences	318 873	388 405	
Group contribution received	0	-11 808	
Provided intra-group contribution	0	31 647	
Interest limitation on tax deduction	-186 045	258 537	
This year's tax base	-186 045	258 537	
Basis for tax payable	-186 045	258 537	
This year's tax expense divides into:			
Taxes payable on this year's tax base	-40 930	56 878	
Change in temporary differences	-350	62 319	
Too much/little allocated previous years	1 690	-726	
Taxes on group contribution not in PSL	0	2 598	
Deferred taxes on out interest deduction	0	-6 962	
Total tax charge	-39 591	114 107	
Payable tax in the balance:			
Payable tax on this year's result	0	-25 973	
Payable tax on received Group contribution	0	85 449	
Payable tax on provided Group contribution	0	-2 598	
Payable tax on previous years	-10 160	0	
Total payable tax in the balance	-10 160	56 878	
Temporary differences			
Tangible assets	-3 355	-1 835	-1 520
Gains and losses account	290	362	-72
Long term liabilities	0	-73 750	73 750
Net temporary differences	-3 065	-75 222	72 157
Accumulated loss to be carried forward	-186 045	0	-186 045
Out interest deduction	-171 670	-151 716	-19 954
Basis for net deferred benefit/liability	-360 760	-226 938	52 203
22% deferred tax	-79 372	-49 926	29 445
Net deferred benefit/liability in the balance sheet	-79 372	49 926	0
Explanation as to why the tax charge for the year does not amount to 22% of the result before tax:			
Result before tax	265 748	537 927	
Estimated income tax according to nominal tax rate (22%)	58 464	118 364	
Other non-deductible expenses	-174 297	-88 961	
Tax on received (recognized) group contribution	74 552	85 449	
Correction tax payable previous years	1 690	-726	
Calculated tax charge	-39 591	114 107	



Note 12 / Equity

Amounts in TNOK	Share capital	Own shares	Share premium	Retained earnings	Total
Pr. 01.01.2022	1 605	0	589 839	3 476 473	4 067 917
Result of the year				305 338	305 338
Pr. 31.12.2022	1 605	0	589 839	3 781 811	4 373 256

Note 13 / Pledges and guarantees

Amounts in TNOK	2022	2021
Bank overdraft facility	0	0
Term loan B	6 572 643	5 827 442

Shares in companies mentioned below, including intercompany loans and bank accounts in the companies have been pledged to secure borrowings of the Group at 31.12.2022:

Sector Alarm Ireland AS
PhoneWatch Ltd
Sector Alarm AB
Sector Alarm AS

Sector Alarm Holding AS has provided a guarantee on the groups tax withholdings of NOK 25 million and office rent of NOK 11 million. In addition Sector Alarm Holding has issued a parent company guarantee as security for payment of car lease and office rent in some subsidiaries.

Note 14 / Intercompany balances

Amounts in TNOK	Liabilities		Receivables	
	2022	2021	2022	2021
Short-term items				
Liabilities and receivables on group companies	1 019 010	950 197	675 504	469 660
Group Contribution made/received	0	94 600	338 873	389 990
Total	1 019 010	1 044 797	1 014 377	858 650
Long-term items				
Liabilities and receivables on group companies	71 198	0	2 331 237	2 284 930
Total	71 198	0	2 331 237	2 284 930

Liabilities and Receivables on group companies include draw of the group cashpool amounting to TNOK -501 138 for 31.12.2022.

Note 15 / Cash and cash equivalents

Amounts in TNOK	2022	2021
Cash and bank deposits	102 915	72 937
Of which restricted funds (Tax withholding account)	0	2 498

Sector Alarm Holding AS has a guarantee on tax withholdings of NOK 5.5 million.

Note 16 / Share capital and shareholder information

The company's share capital as of 31.12.2022 consists of 4 863 354 shares of NOK 0.33 each. Each share has one vote.

The company is controlled by Isamor AS (registered in Norway), which controls 62.90% of the company's shares. The shares in Isamor AS are owned by Jørgen Dahl.

Shareholder overview as at 31.12.2022:	Number	Share
Sector Alarm Midco AS	4 863 354	100.00%
Total	4 863 354	100.00%

Own shares

The sale and purchase of own shares in Sector Alarm Holding AS takes place at market prices. Sector Alarm Holding AS does not own any own shares per 31.12.2022.

Note 17 / Other current liabilities

Amounts in TNOK	2022	2021
Public taxes	3 775	3 341
Other provisions	48 442	35 323
Total	52 217	38 664



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- Audit Opinion



KPMG AS
Driftsforvaltning
N-3044 Drammen

Tilberedningsnr. 05 46 46 65
Informasjonskontroll
Elinor P. 98 935 174 627, MVA

To the General Meeting of Sector Alarm Holding AS

Independent Auditor's Report

Opinion

- We have audited the financial statements of Sector Alarm Holding AS, which comprise:
 - the financial statements of the parent company Sector Alarm Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
 - the consolidated financial statements of Sector Alarm Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

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

Other Information

Årsregnskapet er utarbeidet i henhold til regnskapsloven av 1998 og regnskapsforskriften av 2000. Regnskapet er kontrollert i henhold til regnskapsloven av 1998 og regnskapsforskriften av 2000. Regnskapet er kontrollert i henhold til regnskapsloven av 1998 og regnskapsforskriften av 2000. Regnskapet er kontrollert i henhold til regnskapsloven av 1998 og regnskapsforskriften av 2000.

Finansdokumentkontrollnummer: N21V-E510-6-DE52-S2NP-27XK1-WXZE



The Board of Directors (management) is responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of

Appendix Alternative performance measures

This section describes the non-GAAP financial alternative performance measures (APM) that are used in the annual report.

KPMG

accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Oslo, 28 April 2023
KPMG AS

Kjersti Kristoffersen
State Auditor, Public Accountant
(This document is signed electronically)

Formo DokumentId: N12V1E51D6DGE5Z53NP_27XK1WRKZE

Adjusted EBITDA and Adjusted Portfolio EBITDA EBITDA is defined as Total income (Operating revenue and gain/ (loss) on sale of assets) adjusted for Operating expenses excluding other gain/(loss). EBITDA Small system is used as an additional measure of the group's operational profitability, excluding the impact from financial items, taxes, depreciation and amortization related to the Small system business segment.	Average Revenue per user Average monthly revenue per user ("ARPU") is the portfolio services segment revenue, consisting of monthly average subscription fees, upselling and service visits divided by the monthly average number of subscribers during the relevant period.	installation fees charged to the customer.
Adjusted EBITDA Adjusted EBITDA is defined as EBITDA excluding items not regarded as part of the underlying operational performance for the period.	Monthly adjusted EBITDA per subscriber Monthly adjusted EBITDA per subscriber ("EPC") is calculated by dividing the total Portfolio EBITDA by the monthly average number of customers.	Monthly adjusted EBITDA per subscriber Monthly adjusted EBITDA per subscriber ("EPC") is calculated by dividing the total Portfolio EBITDA by the monthly average number of customers.
Attrition rate The attrition rate is the number of terminations (adjusted for moves when the customer signs a new contract) in the last 12 months, divided by the average number of customers for the last 12 months.	Terminations Terminations is the total number of terminated contracts during the period. Customers that terminate their contract within the second 6 months are not counted as a termination.	New customers added Total number of organic new customers adjusted for customers that have terminated their contract within the second 6 months after installation.
	Cash acquisition cost per new customers Cash acquisition cost per new customer ("CPA") is the net investment required to acquire a customer, including costs related to the sales and marketing process, installation of the alarm and hardware costs adjusted for	Net customer growth The net customer growth is the change in the customer base from one period to the next.



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Likestillingsredegjørelse 2022

Sector Alarm

Sector Alarm jobber for likestilling og mot diskriminering på grunn av kjønn, graviditet, permisjon ved fødsel eller adopsjon, omsorgsoppgaver, etnisitet, religion, livssyn, funksjonsnedsettelse, seksuell orientering, kjønnsidentitet og kjønnsuttrykk, og kombinasjoner av disse grunnlagene



Tilstand for kjønnslikestilling

KARTLEGGINGEN

- Likestillingsredegjørelsen for 2021 inkluderte blant annet en undersøkelse og kartlegging av ufrivillig deltid blant kvinner og menn, samt lønnsforskjeller og kjønnsfordeling på ulike nivå. Likestillingsredegjørelsen for 2022 vil derfor kun inkludere en undersøkelse og kartlegging av risiko for diskriminering og hindre for likestilling, samt kjønnsbalanse og kjønnsforskjeller i deltid, midlertidighet og uttak av foreldrepermisjon.
- Kjønnsbalanse: Prosentandelen kvinner i selskapet totalt var 24 % i 2021, og andelen har gått noe ned til 22 % i 2022. Andelen kvinner i 2022 er i likhet med 2021 lavest i Sector Alarm Drift AS (11 %), Sector Alarm IT AS (17 %) og SA Salg AS (20 %). Sector Alarm IT har hatt den største positive utviklingen, med en oppgang fra 13 % i 2021 til 17 % i 2022. Det er totalt 14 personer (3 %) som ikke har oppgitt sitt kjønn i selskapets HR-system, hvilket påvirker resultatene noe.
- Midlertidig ansatte: 2,1 % menn og 0,6 % kvinner var midlertidig ansatt i 2022. Dette er en liten oppgang for menn og en marginal nedgang for kvinner sammenlignet med 2021. Totalt var det 2,7 % midlertidig ansatte i selskapene.
- Foreldrepermisjon: Det er fortsatt kvinnene som i snitt har det høyeste antallet uker foreldrepermisjon, men differansen mellom kjønnene er mindre i 2022 sammenlignet med 2021.



- **Deltid:** Prosentandel deltidsansatte har økt fra 16 % i 2021 til 19 % i 2022. Det er kun SA Salg AS og Sector Alarm ALS AS som har hatt en økning, med henholdsvis økning i antall på 8 og 12 deltidsansettelser. I likhet med fjoråret så er det klart flest menn som jobber deltid.

VURDERINGER

- **Sammenligningsgrunnlag:** Dette er det andre året virksomheten gjennomfører likestillingskartleggingen etter endringene i arbeidsgivers aktivitets- og redegjøringsplikt som trådte i kraft 1. januar 2020. Sammenligningsgrunnlag og vurdering av trender vil derfor basere seg på tall fra 2021 og 2022.
- **Kjønnsbalanse:** Kjønnsbalansen er varierende innenfor virksomhets ulike områder. Sector Alarm Drift AS, SA Salg AS og Sector Alarm IT AS skiller seg ut spesielt med en lav andel kvinner. Virksomheten opplever dessverre i likhet med 2021 at det er vanskelig å rekruttere kvinner til disse områdene, trolig på grunn av arbeidets art (installasjon/service av alarmsystem ute hos kunder, salg av alarmsystem på dør, IT). Mangfold og kjønnsbalanse er viktig for virksomheten, og det bør også fremover vurderes ytterligere tiltak for å tiltrekke flere kvinnelige søkere til disse delene av virksomheten. Kjønnsbalansen i øvrige deler av virksomheten vurderes til å være på et godt nivå.
- **Midlertidig ansatte:** Virksomheten har få midlertidig ansatte og benytter kun denne ansettelsesformen ved vikariater eller arbeid som er av midlertidig karakter.
- **Foreldrepermisjon:** Virksomheten opplever at det er en god balanse når det gjelder foreldrepermisjon blant kvinner og menn.
- **Deltidsarbeid:** Deltidsarbeidet i virksomheten har økt med 3 % siden 2021. Årsaken til at det er klart flest menn som arbeider deltid skyldes sannsynligvis at det største antallet deltidsansettelser er på direkte salg (SA Salg AS). Gitt at alle deltidsansatte på direkte salg kan få en fulltidsstilling hvis det skulle være ønskelig, så vil ikke virksomheten se på videre tiltak rundt dette. Sector Alarm ALS har etter SA Salg AS det høyeste antallet deltidsansatte, hvor også flest menn er deltidsansatt. Denne kjønnsforskjellen anses som ikke betydelig.

Tabell: Tilstand for kjønnsbalanse

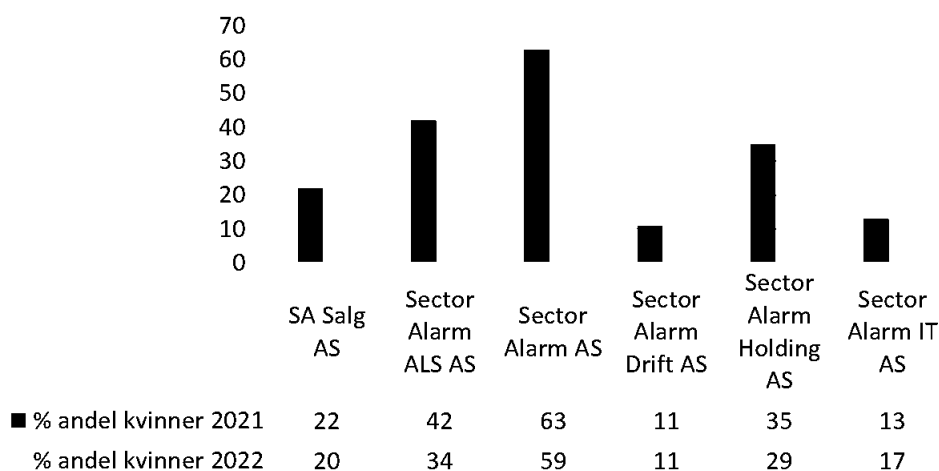
Selskap	Kjønnsbalanse		Midlertidig ansatte		Foreldrepermisjon		Faktisk deltid	
	Oppgitt i antall		Oppgitt i antall		Oppgitt i gjennomsnitt antall uker		Oppgitt i antall	
	Kvinner	Menn	Kvinner	Menn	Kvinner	Menn	Kvinner	Menn
SA Salg AS	34 (2021: 37)	133 (2021: 129)	1 (2021: 0)	1 (2021: 0)	0 (2021: 39)	10 (2021: 22)	12 (2021: 11)	51 (2021: 44)
Sector Alarm ALS AS	20 (2021: 23)	31 (2021: 32)	2 (2021: 1)	4 (2021: 4)	0 (2021: 24)	2 (2021: 15)	10 (2021: 4)	16 (2021: 10)
Sector Alarm AS	16 (2021: 17)	11 (2021: 10)	0 (2021: 0)	1 (2021: 0)	0 (2021: 23)	0 (2021: 0)	0 (2021: 0)	0 (2021: 0)
Sector Alarm Drift AS	14 (2021: 13)	113 (2021: 107)	0 (2021: 2)	4 (2021: 2)	40 (2021: 35)	11 (2021: 7)	0 (2021: 0)	1 (2021: 1)



Sector Alarm Holding AS	11 (2021: 11)	27 (2021: 22)	0 (2021: 0)	0 (2021: 0)	20 (2021: 32)	15 (2021: 12)	0 (2021: 0)	0 (2021: 1)
Sector Alarm IT AS	10 (2021: 7)	50 (2021: 45)	0 (2021: 0)	0 (2021: 1)	29 (2021: 0)	9 (2021: 15)	0 (2021: 0)	0 (2021: 0)

Antall ansatte som ikke er inkludert i tabellen ettersom kjønn ikke er oppgitt i HR-systemet: 5 SA Salg AS, 7 Sector Alarm ALS AS og 2 Sector Alarm Drift AS.

Diagram: Prosentandel kvinner per juridisk enhet i 2021 vs. 2022



Vårt arbeid for likestilling og mot diskriminering

PRINSIPPER, PROSEDYRER OG STANDARDER

- Vårt likestillingsarbeid er forankret i virksomhetens ulike strategier, verktøy og retningslinjer.
- Det fremkommer av Sector Alarms *Etiske retningslinjer* at det arbeides for at alle ansatte skal ha et arbeidsmiljø som er fritt for diskriminering, trakassering og mobbing.
- Virksomhetens *Human Resources Policy* viser at Sector Alarm har et tydelig standpunkt om at alle skal ha like muligheter. Våre mål i forbindelse med likestilling er å ha den beste kompetansen uavhengig av kjønn, etnisitet, alder og redusert funksjonsevne, å være et attraktivt arbeidssted for både kvinner og menn, og ha et godt arbeidsmiljø. Virksomheten mener at ved å utnytte verdien som mangfold gir, så vil virksomheten oppnå bedre resultater. Ved tilfeller hvor kandidater er like kvalifiserte for en stilling, skal det underrepresenterte kjønn velges. Et annet fundamentalt prinsipp i Sector Alarm, som beskrevet i *Human Resources Policy*, er at alle ansatte skal behandle hverandre med verdighet, respekt og vennlighet.



- Vårt mål med vår *Compensation Policy* er blant annet å hindre lønnsforskjeller blant kjønn, eller på bakgrunn av etnisitet, religion, seksuell orientering eller nedsatt funksjonsevne.
- Virksomheten har en *Recruitment & Selection Policy* som blant annet har som formål å sikre at våre rekrutteringsprosedyrer er rettferdige, objektive, upartiske, transparente og brukes konsekvent. Alle kandidater skal behandles rettferdig og med respekt, og vi skal ikke diskriminere kandidater basert på alder, kjønn, religion, seksuell orientering, familiesituasjon eller annet, som ikke måler deres objektive prestasjoner opp mot ferdighetene som kreves for stillingen.
- Virksomheten har et veletablert varslingsystem med en tilhørende *Retningslinjer for varslings*.
- Andre relevante retningslinjer og prosedyrer: *Arbeidsreglement, Personalthåndbok og HMS-håndbok*.
- Hensynet til likestilling og ikke-diskriminering er ellers inkludert i den øvrige personalpolitikken.

SLIK JOBBER VI FOR Å SIKRE LIKESTILLING OG IKKE-DISKRIMINERING

- Virksomheten arbeider løpende for å forhindre diskriminering og forskjellsbehandling som kan være til hinder for likestilling. Likestillingsarbeidet er en del av det systematiske HMS-arbeidet og skjer i samarbeid med de ansatte, representert ved vernetjenesten og arbeidsmiljøutvalget.
- Virksomheten har obligatoriske kurs for ledere innenfor blant annet arbeidsrett, HMS, rekruttering og seleksjon. Kursene omhandler tema slik som psykososialt arbeidsmiljø, diskriminering, likestilling, trakassering, personaloppfølging, intervjuteknikk og seleksjon i henhold til selskapets retningslinjer.
- Virksomheten gjennomfører medarbeiderundersøkelser hver 18. måned, og gjennomfører medarbeidersamtaler og medarbeider- og lederevaluering årlig. Virksomheten har også retningslinjer for at det skal gjennomføres jevnlig samtaler mellom leder og medarbeider.
- Virksomhetens prosedyrer, standarder og policyer oppbevares i dokumenthåndteringsystemet TQM, og det utføres årlige revisjoner av alle dokumenter av ledelsen, ledere og HR.
- Vernetjenesten og HR gjennomfører årlige vernerunder, sist utført fjerde kvartal 2022.
- Virksomheten gjennomfører årlige risikovurderinger i TQM, sist utført første kvartal 2023.
- Eventuelle personhendelser som oppdages av medarbeidere eller ledere skal rapporteres i virksomhetens Feedback-system for videre oppfølging av HR.

TILTAK GJENNOMFØRT I 2022

- I 2022 har virksomheten arbeidet med resultatene fra medarbeiderundersøkelsen som ble lansert i september 2021. Resultatene fra undersøkelsene har ikke gitt noen indikasjoner på at virksomheten har utfordringer når det gjelder diskriminering og likestilling. Virksomheten har i etterkant av undersøkelsen gjennomført workshops med medarbeiderne og fastsatt relevante tiltak for de enkelte avdelingene.
- Ettersom de overordnede resultatene fra medarbeiderundersøkelsen viste at engasjementet og motivasjonen blant de ansatte hadde blitt noe lavere, har virksomheten i 2022 hatt fokus på å opprettholde og styrke engasjementet i virksomheten. Virksomheten har blant annet etablert en aktivitetsgruppe som har ansvar for å arrangere jevnlig sosiale aktiviteter for

medarbeiderne. Aktivitetene har vært forskjellige fra gang til gang, med mål om at det skal være et tilbud som passer en bred målgruppe slik at alle føler seg inkludert.

- Det ble i 2022 lansert en digital versjon av virksomhetens arbeidsrettskurs for ledere. Kurset har blant annet fokus på hvilke spørsmål som ikke skal stilles under intervju av hensyn til risiko for diskriminering og hindring for likestilling, samt trakassering, varsling og god personaloppfølging.
- Resultatene fra likestillingsredegjørelsen for 2021 har blitt gjennomgått i arbeidsmiljøutvalget, og vernetjenesten har blitt bedt om å gi sine innspill til tiltak. Innspillene fra dreide seg i stor grad om utforming av stillingsannonser og bruk av bilder/videoer av kvinner i sosiale medier, for å tiltrekke kvinnelige søkere for å bedre kjønnsbalansen. Virksomheten har derfor hatt spesielt fokus på dette i 2022.
- Virksomheten har hatt et spesielt fokus på seksuell trakassering og god oppførsel på arbeidsplassen i 2022. Vernetjenesten har blitt bedt om å komme med innspill til hvordan virksomheten kan forebygge seksuell trakassering og hvilke leveregler virksomheten burde ha for oppførsel på arbeidsplassen. Som et resultat av dette, ble det i samarbeid med vernetjenesten utarbeidet 10 punkter for hvordan alle i virksomheten kan bidra til å opprettholde og videreutvikle et godt arbeidsmiljø. Dette har blitt delt med alle medarbeidere i virksomheten.

TILTAK I 2023

- Virksomheten opplever at eksisterende tiltak og løpende arbeid for likestilling og mot diskriminering fungerer godt, og at det i liten grad forekommer diskriminering som hemmer likestilling. Samtidig anerkjennes det at diskriminering kan fortone seg på ulike vis, og at det ikke alltid er synlig på organisasjonsnivå. Derfor er det viktig at virksomhetens prinsipper, prosedyrer og standarder er tydelig kommunisert i virksomheten, og at virksomheten fortsetter å styrke likestillingsarbeidet.
- Virksomheten vil fortsette å ha et bevisst forhold til utforming av stillingsannonser og bruk av bilde/video i sosiale medier for å tiltrekke kvinnelige søkere.
- Virksomheten vil i 2023 lansere en lederhåndbok for alle ledere. Dette verktøyet vil gi ledere et oppslagsverk slik at viktig informasjon blir lettere tilgjengelig, herunder selskapets retningslinjer og lovverk som er relevant i forbindelse med diskriminering og likestilling.
- Likestillingskartleggingen viser at virksomheten fortsatt bør ha fokus på å bedre kjønnsbalansen i deler av virksomheten. Resultatene fra årets undersøkelse vil gjennomgås i arbeidsmiljøutvalget og med vernetjenesten, med spesielt fokus på hvordan virksomheten kan øke andelen kvinner i Sector Alarm Drift AS, SA Salg AS og Sector Alarm IT AS.



Skatteetaten

Vår dato
20.02.2020

Din/Deres dato
15.01.2020

Saksbehandler
Joakim Engebretsen

800 80 000
Skatteetaten.no

Din/Deres referanse

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Org.nr
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Vår referanse
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SECTOR ALARM HOLDING AS
Postboks 113 Grefsen
0409 OSLO

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for Isanor Invest AS, org.nr. 989 153 269.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

Isanor Invest AS (org nr 989 153 269) er morselskap for blant annet det norske Sector Alarm konsernet. Sector Alarm Holding AS (org.nr 889 158 212, morselskap i Sector Alarm konsernet) vil som følge av ny ekstern finansiering via Wilmington Trust som er basert i London være pliktig å levere revidert årsregnskap til långiver og har derfor fått dispensasjon til å levere regnskap og årsregnskap på engelsk.

Siden Isanor Invest AS's konsernregnskap i stor grad består av konsernregnskapet til Sector Alarm Holding AS gjenbrukes det meste av regnskapsinformasjon og noter når man utarbeider konsernregnskap for Isanor Invest AS. Det vil derfor være praktisk både for selskapet og revisor at begge selskaper rapporterer på engelsk. Selskapet ønsker derfor å søke om å få levere årsregnskap og årsberetning på engelsk.

Isanor Invest AS har en aksjonær som har gitt sitt samtykke (Jørgen Dahl som også er CEO i Sector Alarm konsernet) og det er vurdert slik at det ikke finnes andre regnskapsbrukere som negativt vil påvirkes av at årsregnskap og årsberetning utarbeides på engelsk språk.



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, kunder 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at selskapet er morselskap til et selskap som har fått dispensasjon til å levere årsregnskap og årsberetning på engelsk. Det er vurdert slik at det ikke finnes andre regnskapsbrukere som vil påvirkes negativt av at årsberetning og årsregnskap utarbeides på engelsk språk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Roar Thorbjørnsen
underdirektør
Innsats, storbedrift
Skatteetaten

Joakim Engebretsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2